

KOREAN FOOD  
KOREAN WAR NORTH KOREA  
INFORMATION TECHNOLOGY  
MOVIE DRAMA TAEKWONDO BEAUTY ECONOMIC GROWTH KOREAN STAR  
K-POP  
ANIMATION KOREAN STAR HANGUL TAEKWONDO BEAUTY INFORMATION TECHNOLOGY DRAMA MOVIE SIGHTSEEING KOREAN FOOD



# International Business and Cultural Branding: The impact of Korean Wave on the ASEAN Economics

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TAEKWONDO HANGUL

K-POP  
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ANIMATION  
HANGUL  
MOVIE

## KOREA WITH ASEAN



Source: [www.korea.or.kr](http://www.korea.or.kr)  
Korean Foundation for International Cultural Exchange (2010)

# Outlines

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- Definition of cultural branding
- Cultural branding and its significance in international business
- Importance of cultural branding in ASEAN countries
- Cultural branding and consumer behavior in ASEAN countries
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- Cultural branding in the context of Korean wave in ASEAN
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- The role of government in promoting cultural branding
- Future prospects for Korean wave in ASEAN economies
- Conclusion

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- **2015-2018: Establishing the platform for Korean Studies at Sabah University of East Malaysia – 1 Master**

# Introduction to Cultural Branding

Cultural branding is a concept that combines elements of culture with brand strategy. It is the process of leveraging a cultural context to build a brand that resonates with consumers on a deeper level. It involves understanding the cultural nuances and values of a particular region and using that knowledge to form emotional connections with the audience.



# Definition of Cultural Branding

## Connection to Values

Cultural branding involves aligning a brand with the core values of a specific culture, **creating a sense of belonging** and **identity** among the target audience.

## Storytelling and Tradition

It's about using **narratives** and **traditions** to mold brand identity, creating a unique and authentic story that resonates with the culture it represents.







## Cultural Branding and Its Significance in International Business

### Consumer Engagement Engagement

Cultural branding in international business facilitates deep consumer engagement by tapping into the emotional and cultural connections between products/services and the target audience.

### Brand Differentiation

It plays a crucial role in distinguishing a brand from its competitors, creating a unique identity that resonates with diverse cultural backgrounds and preferences.

### Global Market Penetration Penetration

Effective cultural branding strategies enable businesses to penetrate global markets, overcoming cultural barriers and establishing a strong presence in diverse regions.

# Importance of Cultural Branding in ASEAN Countries

## Cultural Diversity

ASEAN countries boast diverse cultural landscapes, making cultural branding crucial for connecting with a broad range of audiences.

## Market Differentiation

Cultural branding is pivotal for businesses aiming to stand out in the competitive market by aligning with the distinct cultural identities in ASEAN countries.

## Localization of Marketing Strategies

Each ASEAN country has its unique cultural context, language, and consumer behaviors. Cultural branding enables business to tailor their marketing strategies to suit the local preferences, ensuring that the brand message is relevant and resonates with the target audience.



# Cultural Branding Strategies in ASEAN Countries

## Localization

Customizing branding efforts to cater to the specific preferences and cultures within each ASEAN country.



## Collaborations

Engaging with local influencers and entities to integrate regional authenticity into brand messaging and campaigns.



# Cultural Branding and Consumer Behavior in Behavior in ASEAN Countries

**78%**

## **Consumer Trust**

78% of consumers in ASEAN countries are more likely to trust brands that reflect their local cultures and traditions.

**65%**

## **Brand Loyalty**

65% of consumers in ASEAN countries are likely to exhibit greater brand loyalty when a brand resonates with their cultural identities.



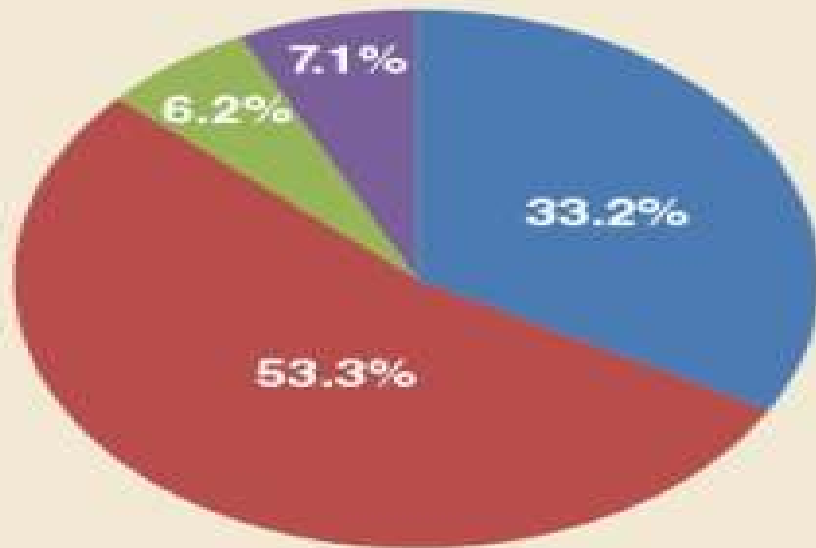
## Korean Wave

- ❑ The term Korean wave, also known as **Hallyu**, has become synonymous with anything Korean. It is not only limited to Korean pop cultural products as it also includes allied sectors like tourism, cosmetics, art, literature, cuisine, technology, and clothing (Kanozia & Ganghariya, 2021).
- ✓ **Mid 1990s**
- ✓ **90 million Hallyu fans worldwide as of 2018 (Kelly, 2019)**



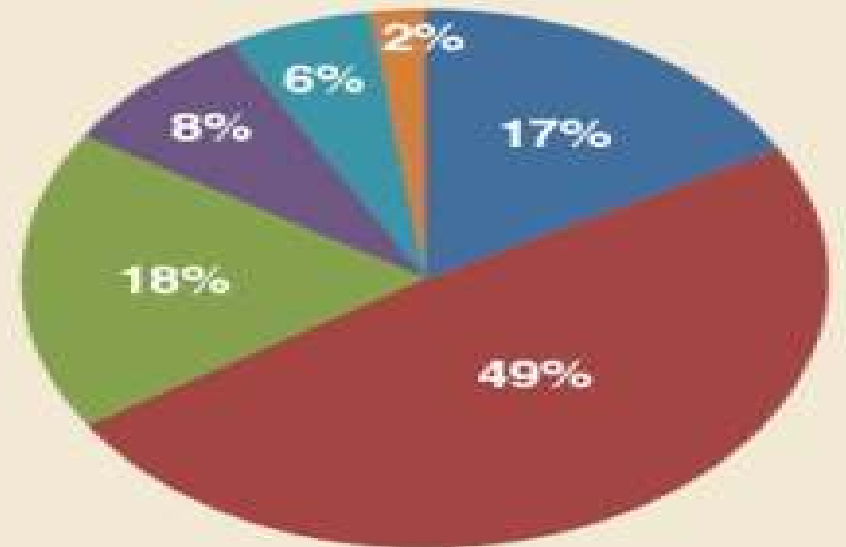
Image 1: Map Showing K-Pop's Popularity by Region (Source: Fandom Research Institute Blip of Space Oddity).

### Hallyu that interests foreigners overseas



- TV drama
- K-POP
- Film
- Others

### Survey respondents' age



- Teenagers
- 20s
- 30s
- 40s
- 50s
- Aged over 60

Source: Korea Tourism Organization

# Overview of ASEAN Economies

## Resilient Economic Growth

The Association of Southeast Asian Nations (ASEAN) economies have experienced remarkable and resilient economic growth over the past decades. The region collectively represents a significant market with diverse consumer preferences and spending patterns.

## Cultural Diversity

ASEAN countries are rich in cultural diversity, which leads to unique business opportunities and challenges. Each nation has its own distinct cultural identity, identity, traditions, and social norms, influencing consumer behavior and market dynamics.

## Trade Integration

ASEAN economies have been actively engaged in trade integration, fostering economic cooperation and partnerships within the region and globally. The establishment of ASEAN Economic Community (AEC) (AEC) promotes economic, economic, political, and sociocultural integration.



# The Impact of Korean Wave on ASEAN Economies

## 1 Inspired Consumer Trends

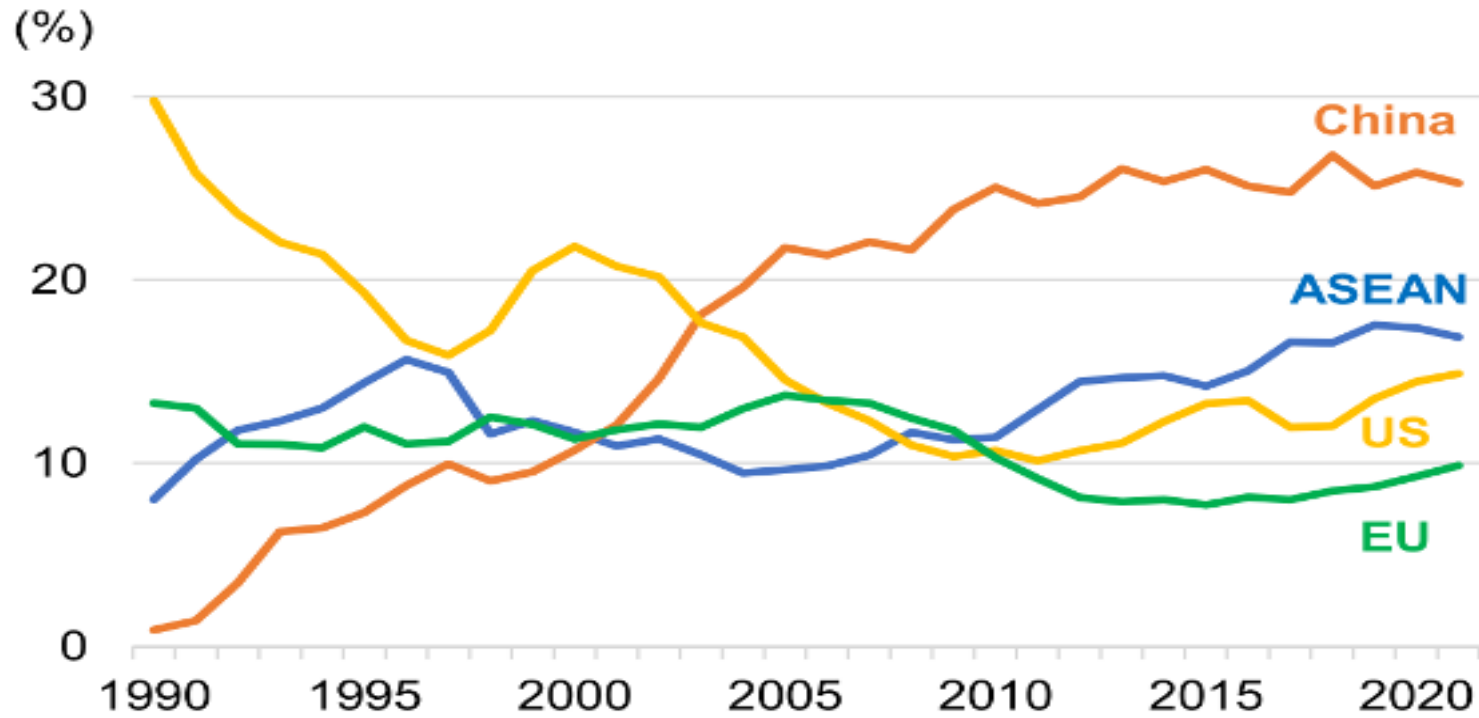
The Korean Wave has influenced consumer trends in ASEAN economies, particularly in the entertainment and beauty industries. It has led to a growing demand for Korean products and services, changing consumer preferences.

## 2 Market Expansion

The Korean Wave has expanded the market reach for South Korean entertainment and lifestyle brands in ASEAN countries, creating new business opportunities and partnerships between South Korean and ASEAN companies.

## 3 Cultural Exchange

It has fostered cultural exchange between South Korea and ASEAN nations, enhancing mutual understanding and appreciation of art, music, and traditions. This exchange has contributed to a more interconnected global community.



**Fig. 1.** Major economies' share in Korea's total exports.  
 Source: Korea International Trade Association

Kyunghoon Kim (2023). Towards sustainable and resilient ASEAN-Korea economic integration 2.0, *Asia and the Global Economy*, 3, 100061.

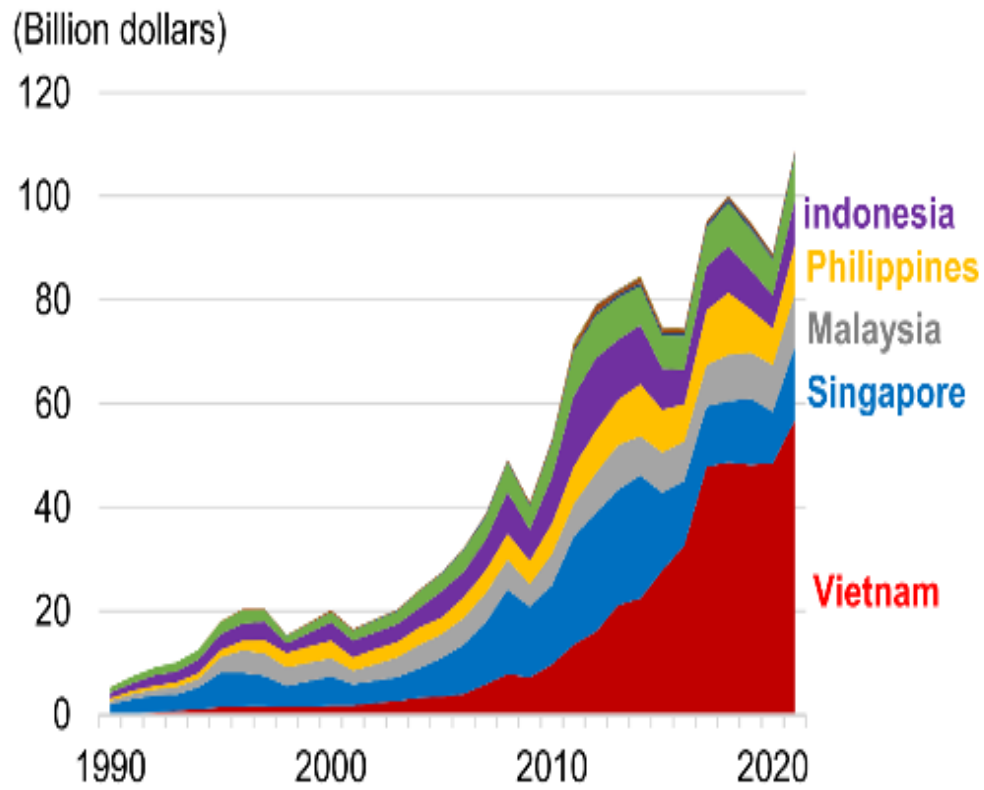


Fig. 4. Korea's exports to ASEAN members.  
Source: Korea International Trade Association

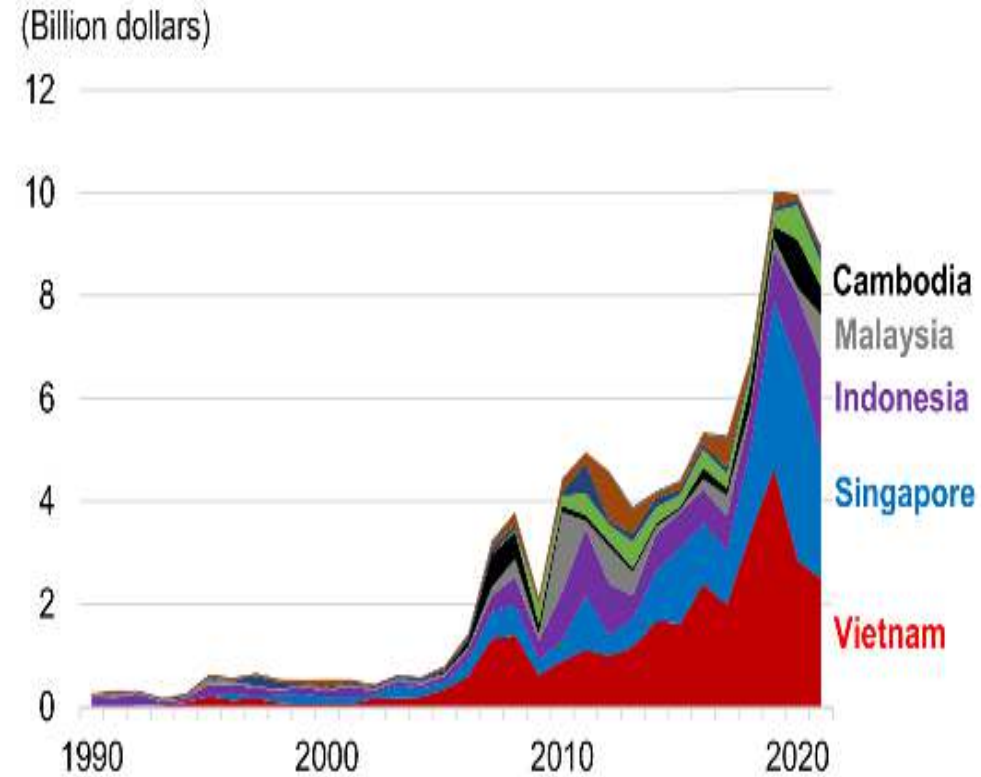


Fig. 5. Korea's foreign direct investment flow in ASEAN members.  
Source: Korea Eximbank

Kyunghoon Kim (2023). Towards sustainable and resilient ASEAN-Korea economic integration 2.0, *Asia and the Global Economy*, 3, 100061.

## Major progress in Korea-ASEAN diplomatic relations.

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<b>Month/ Year</b>	<b>Progress in partnership</b>
<b>Nov. 1989</b>	Establishment of Sectoral Dialogue Partnership
<b>Jul. 1991</b>	Upgrading to Full Dialogue Partnership
<b>Dec. 1997</b>	The 1st ASEAN+3 Summit & the 1st Korea-ASEAN Summit
<b>Nov. 2004</b>	Joint Declaration on Comprehensive Cooperation Partnership between ASEAN and Korea Korea's entrance into The Treaty of Amity and Cooperation in Southeast Asia
<b>Aug. 2006</b>	Korea-ASEAN FTA (goods) officially signed
<b>Nov. 2007</b>	Korea-ASEAN FTA (services) officially signed
<b>Mar. 2009</b>	Establishment of Korea-ASEAN centre
<b>Jun. 2009</b>	Korea-ASEAN FTA (investment) officially signed
<b>Oct. 2010</b>	Joint Declaration on ASEAN-Korea Strategic Partnership
<b>Sept. 2012</b>	Establishment of the Mission of Korea to ASEAN
<b>Sept. 2017</b>	Establishment of the ASEAN Culture House (in Busan)
<b>Nov. 2017</b>	Announcement of the New Southern Policy
<b>Nov. 2020</b>	Announcement of the New Southern Policy Plus

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Source: Ministry of Foreign Affairs, Korea.



## Cultural Branding in the context of Korean Wave in ASEAN

- ❖ Media and Entertainment
- ❖ Fashion and Beauty
- ❖ Idol Culture
- ❖ Cultural Exchange Programs
- ❖ Digital Platforms and Social Media
- ❖ Brand Collaborations





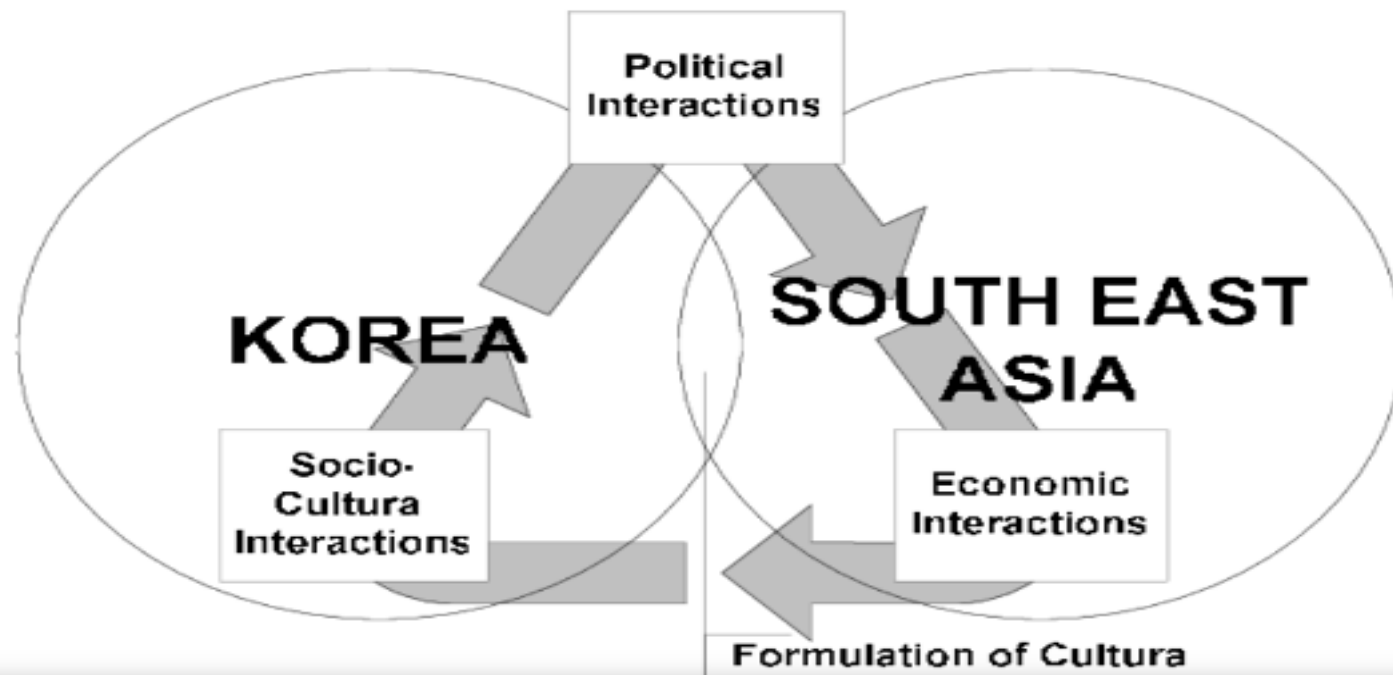


Figure 1. A Framework of Analysis of Cultural Proximity



Published in 2006

**The Korean Wave in Southeast Asia An analysis of cultural proximity and the globalization of the Korean cultural products**

Chung-Sok Suh

Youngju Cho

Seung-Ho Kwon

# Case Studies of Successful Cultural Branding in ASEAN Economies

Brand	Market	Key Strategy
K-pop Music	Thailand	Localized Concerts
K-beauty	Singapore	Influencer Partnerships
Korean Dramas	Indonesia	Subtitle Localization



# The Role of Government in Promoting Cultural Branding

1

## Cultural Diplomacy

Governments play a vital role in promoting cultural diplomacy, strengthening international relations through cultural exchanges and collaborations.

2

## Policies and Incentives

Government policies and incentives can support cultural branding initiatives, fostering a conducive environment for cross-cultural business endeavors.

3

## Educational Initiatives

Investing in educational programs to enhance cultural awareness and understanding, nurturing future generations of global citizens.

# Future Prospects for Korean Wave in ASEAN Economies

## Technological Advancements

The advancement in digital technologies will further expand the reach of Korean Wave content, transcending geographical boundaries.

## Cultural Fusion

Expectations of cross-cultural collaborations and fusion of artistic expressions, leading to innovative and inclusive content creation.

## Regional Collaborations

Anticipated growth of partnerships between South Korean and ASEAN entertainment industries, fostering a mutual exchange of creative expertise.

## Research Collaborations

Korean government has providing some amount of grants globally to promote Korean culture.

# Conclusion



## Brand Resonance

Successful cultural branding establishes deep emotional resonance with diverse global audiences, fostering brand loyalty and advocacy.

## Cultural Exchange

The Korean Wave has facilitated a meaningful and enriching cultural exchange, transcending borders and uniting people through the universal language of creativity and art.

## Innovative Evolution

The evolution of cultural branding continues to lead the way for innovative storytelling, global connectivity, and artistic evolution, shaping the dynamics of international business.



Thank You  
Terima Kasih