

JAPANESE AND KOREAN MARKETING STRATEGIES IN THE U.S.A.: A COMPARATIVE STUDY

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ABSTRACT

Briefly, the aim of this study is to compare and contrast, firstly, the overall approach of Japanese and Korean companies to the marketplace. This includes top management attitudes toward marketing and business strategies, the nature of their marketing objectives, and the actual marketing activities carried out by firms to face competition. Secondly, we wished to explore innovation and New Product Development (NPD) processes in both Japanese and Korean corporations.

This includes the objectives of new product development, the origin of ideas for products which have proved successful, the pricing of new products, and the speed of introduction and test marketing. Thirdly, we looked at the view of Japanese and Korean firms toward the proposed NAFTA agreement. This includes the measure taken - if any - to maintain their competitive position, and the ability of their strategies to exhibit flexibility and to make adjustments in response to the expected changing conditions.

The study is based on a survey of managing directors and senior marketing executives of Japanese and Korean firms in the U.S.A. The data were collected via a mailed survey in July/August 1993. Questionnaires were dispatched, addressed in person to the managing directors of Japanese and Korean companies operating in the U.S.A. The subsequent analysis is based upon a total sample of 32 companies operating in the U.S.A. (15 Japanese and 17 Korean). The companies included in the final analysis included household names such as Hitachi, Mitsubishi, Canon, Daewoo, Hyundai, Goldstar, and Kia.

The study reports on a number of critical success factors which distinguish Japanese and Korean firms' performance from U.S. competitors. Japanese and Korean companies saw their strengths in placing emphasis on research and engineering. They also emphasized speed in bringing new products to the

market and enjoy sufficient advantage to buy and defend market share in the U.S.A. after the deployment of NAFTA.