Korean Companies’ Internet Strategy To Improve Competitiveness


Korea Trade-Investment Promotion Agency (KOTRA)
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1. The Number of Domains by Country (1,000)

- Total: 17,760 Thousand

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<table>
<thead>
<tr>
<th>Country</th>
<th>Number of Domains</th>
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<tbody>
<tr>
<td>U.S.A.</td>
<td>12,250</td>
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<td>U.K.</td>
<td>1,044</td>
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<tr>
<td>Germany</td>
<td>1,033</td>
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<tr>
<td>Korea</td>
<td>450</td>
</tr>
</tbody>
</table>

Source: Korea Network Information Center (2000.6)
2. Internet Users in Korea (1,000)

Source: Korea Industrial Property Office
3. E-Commerce in Asia

- 1999: Total $3,350 Million
  - Japan: $1,520 Million
  - Korea: $720 Million

- 2000: Total $7,000 Million (Estimated)

Source: Boston Consulting Group (2000.3)
4. E-Commerce Outlook in Korea

EC Market Outlook for 2005
(Unit: 100 million won)

- B to B
- B to C
- Total

1999: 700, 1,300, 2,000
2000: 3,000, 2,900, 5,900
2005: 200,000, 20,000, 220,000

Source: Electronic Commerce Research & Development Association
(The figure for 2005 is forecast by Ministry of Commerce, Industry and Energy)
5. The Objective of the Silkroad21 (www.silkroad.com)

To Establish a Internet Trade Window

MOCIE’s Five-Year Plan for Internet Marketing

National Infra for E-Trade Silkroad21

E-Trade Community

Leading Global E-Marketplace

Standardization of Trade Information

Utilization of Valuable Trade Information

- Rapid Exchange & Sharing of Trade Information
- Immediate Deal through Cyber Space
- Time & Cost Savings (more than 50%)
6. Concept of the Silkroad21

- Overseas Trade Organizations
- Overseas Trade Sites
- Foreign Firms
- Foreign Firms
- Hyper Search & Auto Posting
- Hyper Search & Auto Posting
- Korean Firms
- Korean Firms
- Information Sharing
- Information Sharing
- KOBO, EC21, ECplaza, Korean Marketplace
- Korean Trade Organizations, Regional Governments, etc

Silkroad21
7. System Structure of the Silkroad21
7-1. Key Function - Hyper Search

- Hyper Search to retrieve info dispersed among participating trade sites

- Users
- Participating Sites
- Search Type
  - Offer Search
  - Buyer/Seller Search
  - Product Search

- Participating Sites
  - KOTRA(www.kobo.net)
  - KTNET(www.ecplaza.net)
  - KITA(www.ec21.net)
  - SMIPC(www.smipc.or.kr)
  - Regional Governments
7-2. Key Function - Cyber Consulting Service

- Capability to exchange talks instantly between buyers and sellers

- Cyber Trade Mart
  - Offer to buy
  - Offer to sell
  - Match Making

- Cyber Business Room
  - BBS Type Biz Room
  - Real Time Chat
  - Virtual Business Filing

Search Engine

Information Sources
8. Korean Companies’ Internet Activity Change after the Silkroad21

- **E-Catalog Registration**
  - 51,049 Products (Dec. 1999)
  - 90,526 (July 2000)

- **Company Profile Registration**
  - 52,650 Companies (Dec. 1999)
  - 75,090 Companies (July 2000)

- **Internet Use for Trade Info**
  - 20% (Dec. 1999)
  - 50% (May 2000)

Remarks: Total of the Participating Sites
9. Silkroad21’s Vision

- Attracting Foreign Buyers through Abundant Korean Trade Information

Hyper Search for Overseas Sites

Hyper Search for Korean Major Sites

Foreign Buyers Participating more

Korean Firms Participating more

Cyber Trademart

Integration of Cyber Trade Promotion Functions

Free e-Trade Zone

Overseas Silkroad21 Duplication

CI Strategy

Strategic Alliance
Thank You!