



Perception of North Korea by Young Americans in the Context of Global Marketing

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INTRODUCTION

The study explores how the young Americans perceive North Korea, the most isolated country in the 21st century. Since 2001, North Korea has been designated as one of the axes of evil and listed as a terrorist country. On the contrary, South Korea has been one of the most successful countries either in the economic or political world. Today, South Korea is the 10th largest economy in the world while North Korea is unable to feed its own people, millions of whom had been starving to death according to diverse sources. The perception of North Korea is critical to its future as someday will eventually join the global community and become active in global commerce. Positive perception of North Korea could expedite the process; from a reclusive and isolated country to a productive member of the global community.

Young Americans are the future of the country. Even in the political scene, young people are a dominating factor for the general election in the U.S. It is unprecedented that a large number of young Americans are motivated for political change as notable candidates for the White House are also young such as Barak Obama who is only 46 for the President and Bobby Gindal 36 that is considered to be a potential running mate as Vice President for John McCain. True as in any other countries, young Americans will play key roles in shaping the world diplomacy as well the global commerce in the future.

It seems to be imminent that North Korea will be erased from the terrorist list. The outgoing Bush administration is eager to solve the sticky nuclear issue with North Korea. Even though the six party talks have been short of completing the tangled issue, North Korea has been demanding the U.S. to treat them as normalized relationship. In terms of global marketing for the world businesses, normalization of the U.S. – North Korea relationship will lead to a stable political environment in the Korean peninsula and the neighboring countries and increased commerce of North Korean products in the U.S. market with simultaneous involvement of American investment in North Korea.

METHODOLOGY

Data Collection and Sample Characteristics

One hundred thirteen (113) students in a state university in the mid-west, USA were asked to rate 21 research questions of their perception of North & South Korea and answer 5 socio-demographic questions plus 11 questions of their media habits. The information in Table 1 shows the sample characteristics. 48 female and 65 male college students had participated in answering the survey. There are more respondents in upper college years than freshmen. The majority are seniors. Fifty-eight percent (58%)



of them are making GPA B or higher and in terms of a common university grading system, ninety-one percent (91%) of them are in good standing as required in general by many universities and colleges where 2.0 GPA is a minimum standard to receive a college degree. In collection process of the data, the respondents were approached by an interviewer throughout the campus such as library, lounges, and cafeteria. No data was collected in classroom.

Table 1 Sample Characteristics

Gender	Frequency	Percent
Female	48	42.5
Male	65	57.5
Total	113	100.0
Year in School		
Freshman	3	2.7
Sophomore	25	22.1
Junior	32	28.3
Senior	53	46.9
Total	113	100.0
GPA		
1.1-2.0	1	0.9
2.1-3.0	46	40.7
3.1-4.9	66	58.4
Total(n)	113	100.0

Table 2 Media Habits

	Female	Male	Significance
Newspaper	2.25	2.26	.952
Television	3.52	3.12	.004
Magazine	1.06	1.23	.114
Cyberspace	1.86	2.63	.005

Table 3 Magazines Read in %

	Female	Male
Time	23	17
Newsweek	27	20
US News & WR	6	8
Readers Digest	6	0
Playboy	0	12
Others	Cosmo	Fortune
	Parenting	Men's Health
	Self	Sports Illustrated
		ESPN
		Business Week



FINDINGS

1. In spite of the heavy publicity in which North Korea has been projected as a villain, there is no perceptual difference between the two Koreas; South Korea and North Korea.

With the scale of 1=SD, strongly disagree, 2=D, disagree, 3=N, no opinion, 4=A, agree, and 5=SA, strongly agree, 21 questions were asked. As shown in Table 4, the young Americans see little difference between North Korea and South Korea.

Table 4 Different Perception of North and South Korea

	SD	D	N	A	SA
NK is one of the poorest.	4	45	30	28	5
SK is one of the poorest.	6	40	32	30	5

It is of course true that North Korea is one of the poorest countries in the world, while South Korea is the 10th largest economy now. North Korea's GDP per capita is a mere \$1,700 compared to \$25,000 of South Korea. North Korea's poverty is almost in the neighborhood of Bangladesh whose GDP per capita is \$1,400. This raises a few questions one of which may be that many young respondents are nonchalant toward the countries outside the U.S. continent, or they may see the two Koreas as one Korea. If the latter were true to the perception of the young Americans, it can be hypothesized that North Korea and North Korean products can easily penetrate into the North American markets. North Korean products can take the advantage of the reputation and prestige built by South Korea's automobiles, TV sets, electronics and many others.

2. Impact of Gender Differences is significant at 0.05 test level.
 Females: Generous perception on North Korea
 Agree NK is more democratic than males.
 Agree Bush's handling of NK nuclear issue more than males.

Males: Realistic perception on North Korea
 Agree the 38th parallel line is a dividing line more.
 Favor diplomacy over military approach for the nuclear issue.
 NK is a greater threat than Iran is.
 NK is taking a delay tactic.
 SK is an ally of the U.S.A.
 SK is a democratic country.

3. Sources of information
 Males: Spend almost 2.63 hours/day in cyber space.
 About 1 hour more than females.
 Fortune/Men's Health/Business Week/ESPN
 Females: Watch televisions more than males.
 Females: Watch every day.
 Males: Watch a few days a week.
 Cosmo/Self/Parenting/Fortune
4. Males are more likely opinion leaders of North Korea. They have firm attitude toward North Korea.



5. Two factors identified by Factor Analysis with 25 variables

Factor 1: Uninformed young Americans

1. US-NK in good relationship.
2. US-NK should trade.
3. US business can benefit from investing in NK.
4. 38th parallel is not a dividing line.
5. NK is not a greater threat than Iran is.
6. NK is a friendly nation to the U.S.
7. NK is not taking a delay tactic.
8. SK is not a U.S. ally.
9. SK is not a democratic country.
10. Less likely watch televisions.

Factor 2: World conscious young Americans

1. Do not approve the Bush's North Korea nuclear handling.
2. Favor diplomacy over military action with North Korea.
3. China is behind NK.
4. Russia is behind NK.
5. South Korea is not a developed country.
6. South Korea is not a 11th largest country.
7. More likely read newspapers.
8. More likely read magazines.
9. Less likely spend time in cyberspace.

DISCUSSION and CONCLUSION

1. Lift of the North Korea's embargo
This will speed up the North Korea's entry into the global community where they can display normal behavior acceptable toward a peaceful relationship.
2. Allow MFN (Most Favored Nation) status to North Korea
North Korea needs to tap into the American market for their products and new technology. Labor intensive business can find North Korea is a heaven for processing and assembly where an average worker is paid less than US\$50 per month.
3. American businesses to North Korea
North Korean market can function to bridge American businesses to European consumers.
4. North Korean products to American consumers
5. North Korea's promotional strategies to the U.S. market
 - a. Focus on printed media
 - b. Business magazines: Fortune/Business Week
 - c. Males are opinion leaders
 - d. Sports events used