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# Business in Europe for Korean companies: mid-pandemic opportunities

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COVID-19 is accelerating socio-economic structural changes, supported by policies of European and Korean governments. However, given the magnitude of economic challenges, government actions are not enough.

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Hard-hit companies, especially SMEs, also need to take actions on their own. For Korean companies, in particular SMEs with products proven in their domestic market, the pandemic can offer new opportunities to enter the European market. In this short article we discuss what companies should pay attention to, in order to capture this opportunity.

Experts have different views on what the world will look like after COVID-19[1], but one clear thing is that COVID-19 is accelerating the socio-economic structural transformation.[2] Looking at the Korean New Deal, it can be confirmed that the government's willingness to support this acceleration. We should now discuss whether Korean companies can discover new opportunities for growth in Europe amid these socio-economic changes. Our answer to the question is yes.

Europe, like Korea, is also seeking structural change, which is an opportunity for Korean companies. The most striking direction of the change would be the transition to an eco-friendly society. As part of the plan for the change, the European Union will invest about 550 billion euros in green projects over seven years[3]. The EU's plan and Korean New Deal, both projects, commonly aim to build an environmentally-friendly society. It is expected to be a

great opportunity for Korean companies, coupled with the increased confidence in K-brands through the COVID-19 crisis and the policy support from the Korean government. Since the EU states that they will actively support foreign companies to foster the green industry, preemptive attempts to discover opportunities are needed to secure opportunities[4]. In particular, it will be a chance for SMEs to seek growth abroad. One of the important goals pursued by the Korean New Deal is to reduce the economy's reliance on conglomerates by supporting SMEs[5]. If the policy benefits can be reaped in both Europe and Korea, SMEs should advance into Europe, expecting positive results from the changes triggered by COVID-19.

So, how can companies secure opportunities in the European market? For the past ten years, Reddal has accumulated knowledge and know-how about a global business by focusing on the CEO agenda projects related to strategic decision-making, sales growth, and productivity improvement for customers around the globe. Based on Reddal's experience, three main factors are essential for Korean companies to succeed in Europe. First, companies need to understand the importance of strategic approaches and planning. By structuring a problem and prioritizing a plan, a company can develop a detailed market entry plan. A company should also define targeted deliverables and/or outcomes and identify a critical path to manage the plan systematically. To make this strategic approach realistic, then second, a thorough understanding of the European market is required. This is an important issue that goes beyond merely acquiring information. European standards must be fully understood and also clearly defined what values are valid in the European market. Finally, to achieve results through realistic strategies, it is vital to have competencies such as sales materials, project execution, and management ability.

Some companies are targeting short-term goals without sufficient preparations. However, suppose a company wants to capture recurring opportunities in Europe. In that case, if a detailed plan is established from a long-term perspective based on an understanding of the European market, it can be said that the opportunities for Korean companies are not limited.

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