



Business Confidence Survey
2023/24

German Business in Korea

Benchmarking the
German with European results

Contents

1. Introduction
2. Business Development
3. HR / Labour
4. Business Environment
5. Respondent Profile

Foreword

The “**Business Confidence Survey 2023/2024 of the European Business Community in Korea**” gives an annual snapshot about the perception, successes and challenges of the companies from Europe active in Korea. For the third year now, KGCCI benchmarks the German companies’ replies to better analyze their forecast and concerns, to draft meaningful policy recommendations and enable an enhanced exchange amongst the German Business community.

Reading the benchmarking results does not replace taking a close look on the Business Confidence Survey 2023/2024 which depicts trends and developments through its long series of data. This focus on the German-Korean results rather adds the perspective of the group of companies which stood for 26% of the Korean-EU trade volume in 2023.

We thank all the companies that participated in this survey. The outcome is widely noted in Korea and Germany and will strengthen the Korean-German as well as the Korean-European business relations even further.

Enjoy reading and please revert to us with any questions.

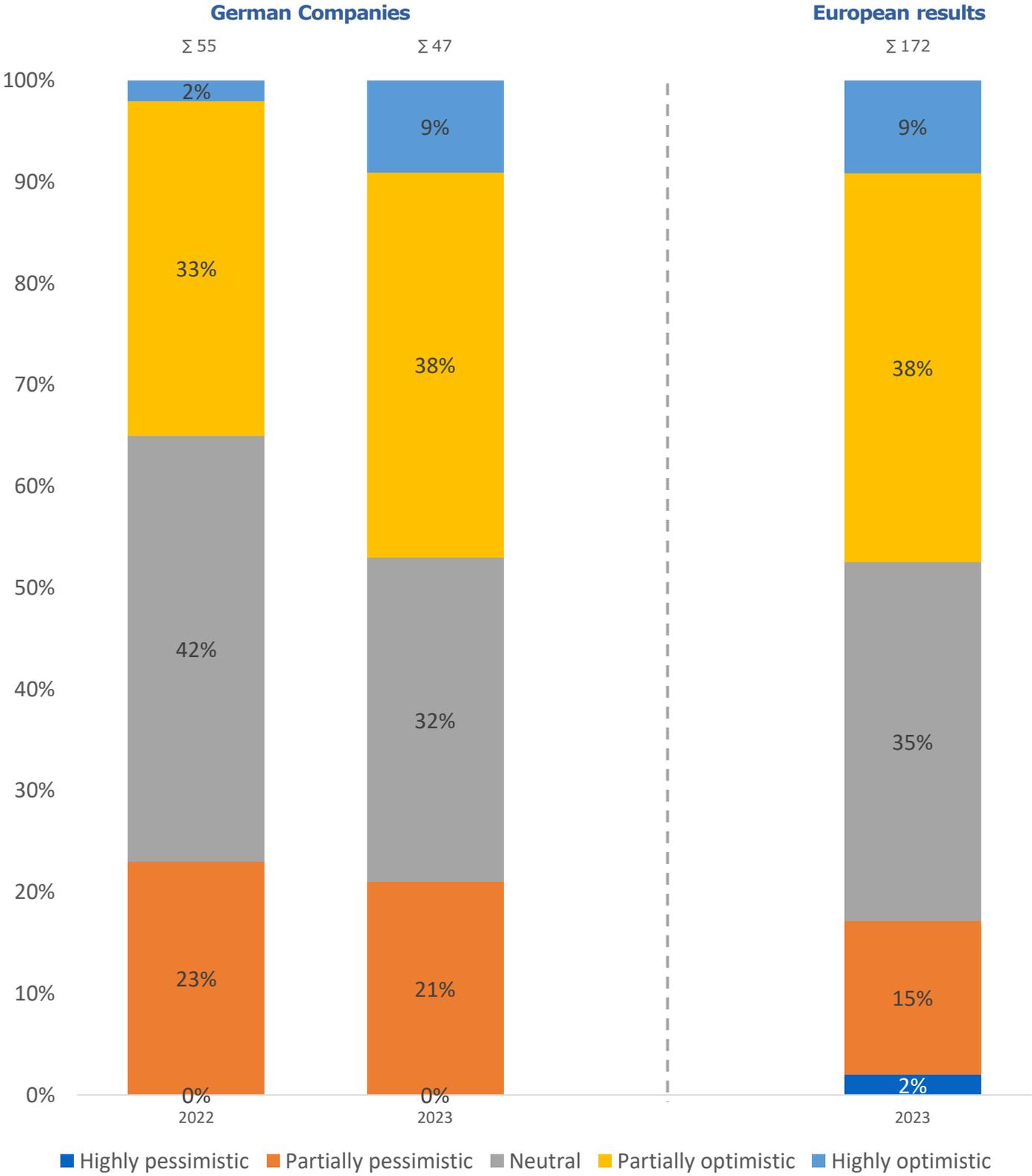
Seoul, March 2024

Dr. Martin Henkelmann
President & CEO
Korean-German Chamber of Commerce and Industry

Business Development

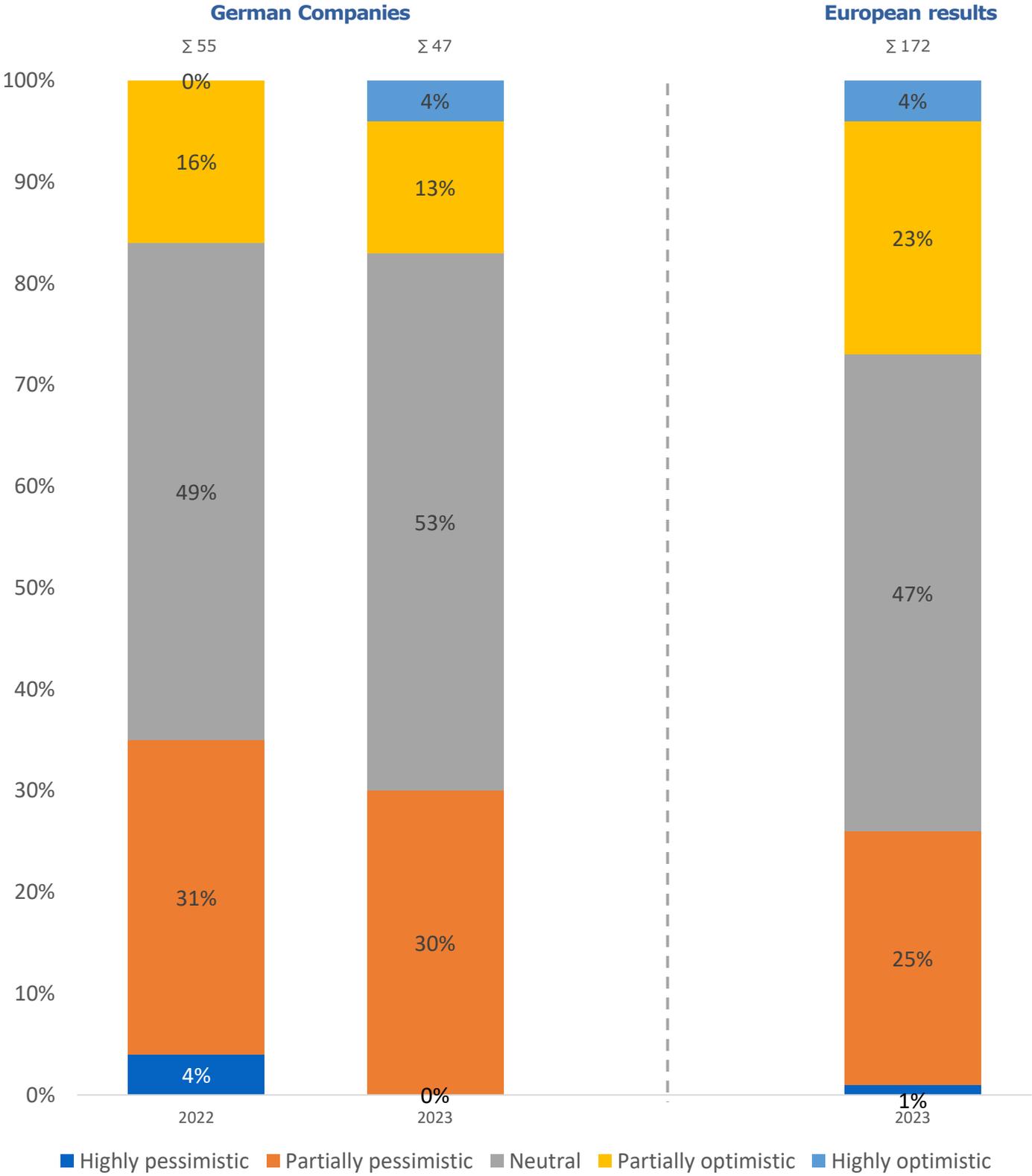
Business Development

How would you describe the business outlook for your industry in Korea within the next 2 years? (SALES)



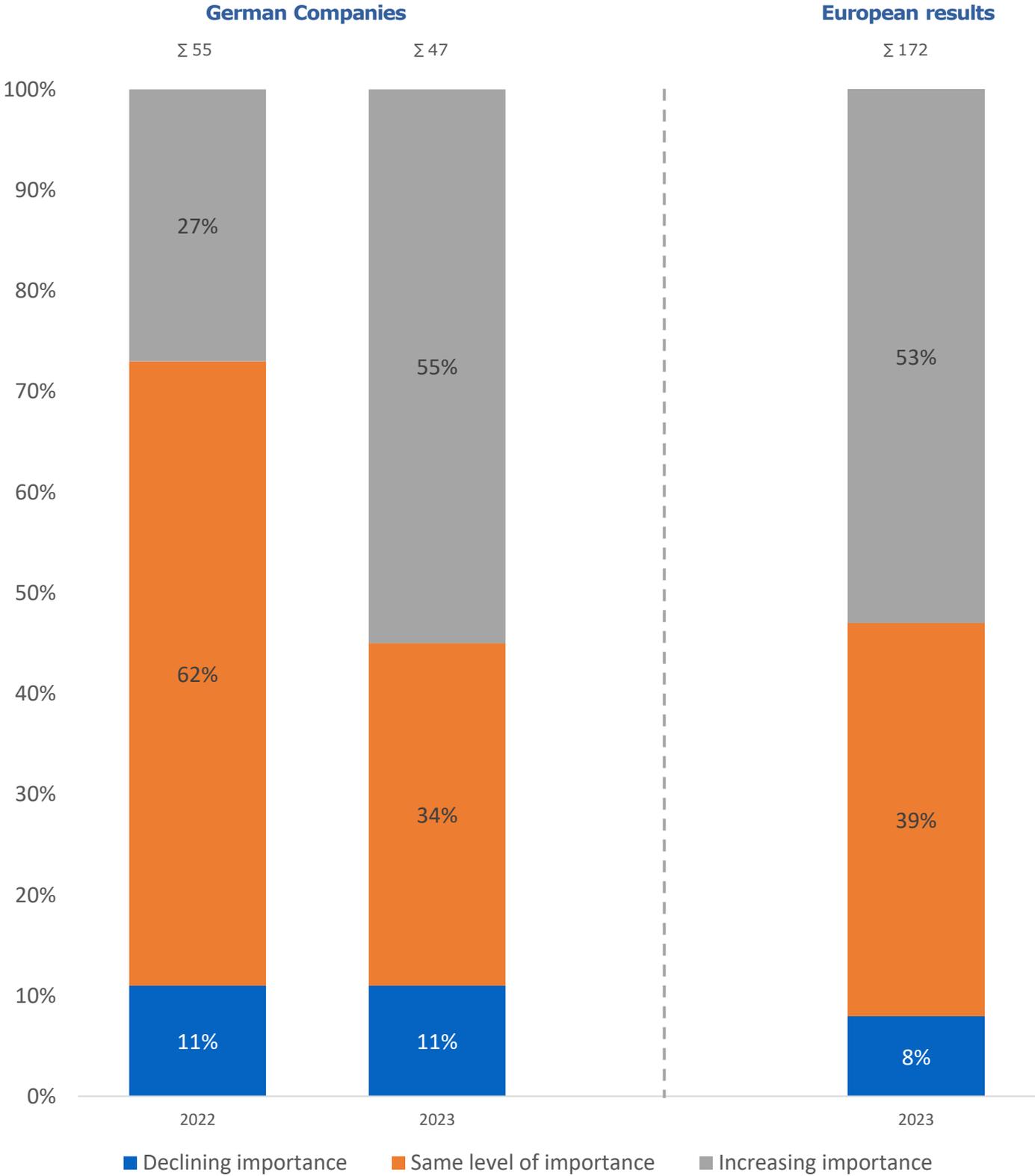
Business Development

How would you describe the business outlook for your industry in Korea within the next 2 years? (PROFIT)



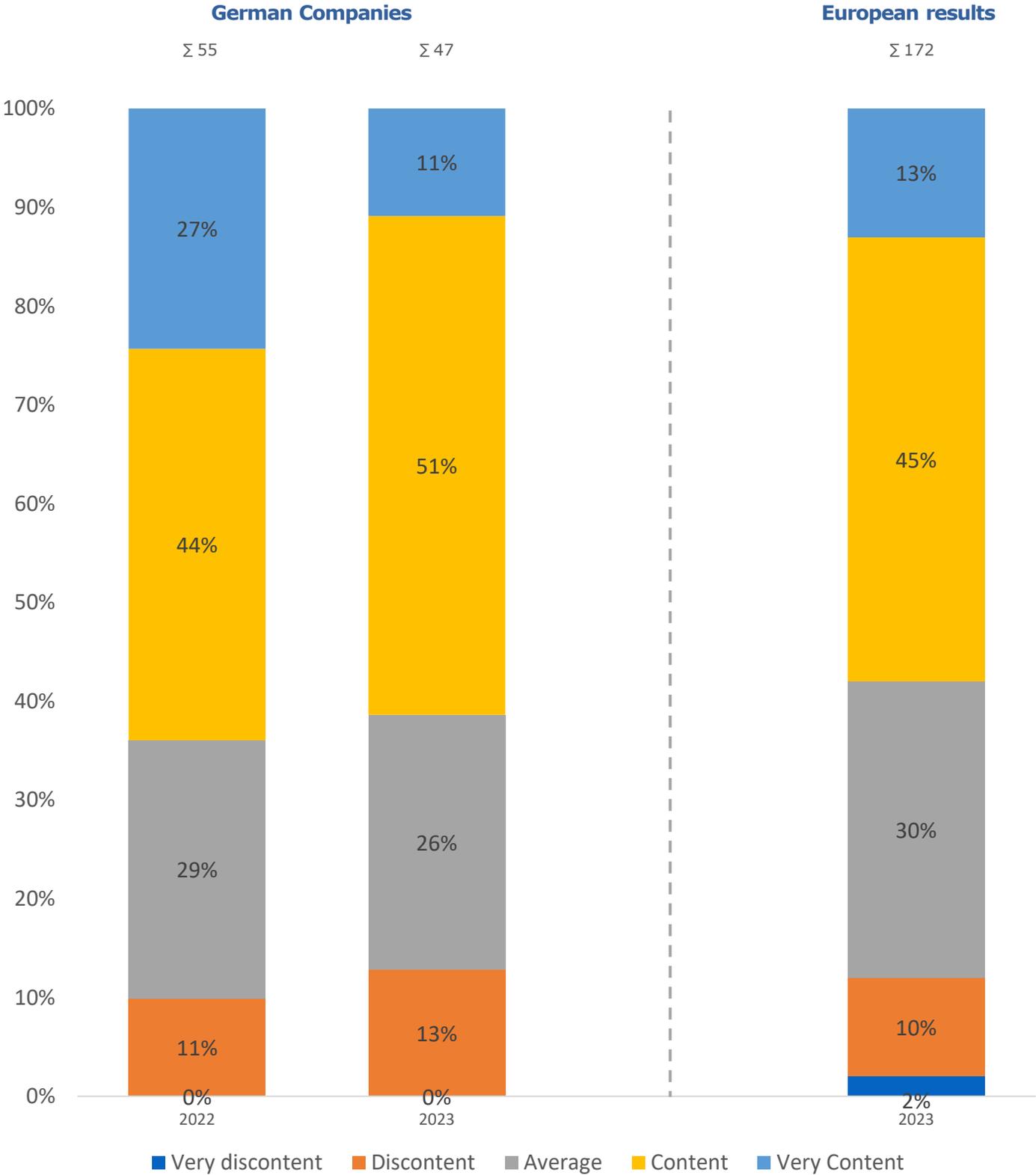
Business Development

How would you characterize the importance of Korea in your company's overall global strategy?



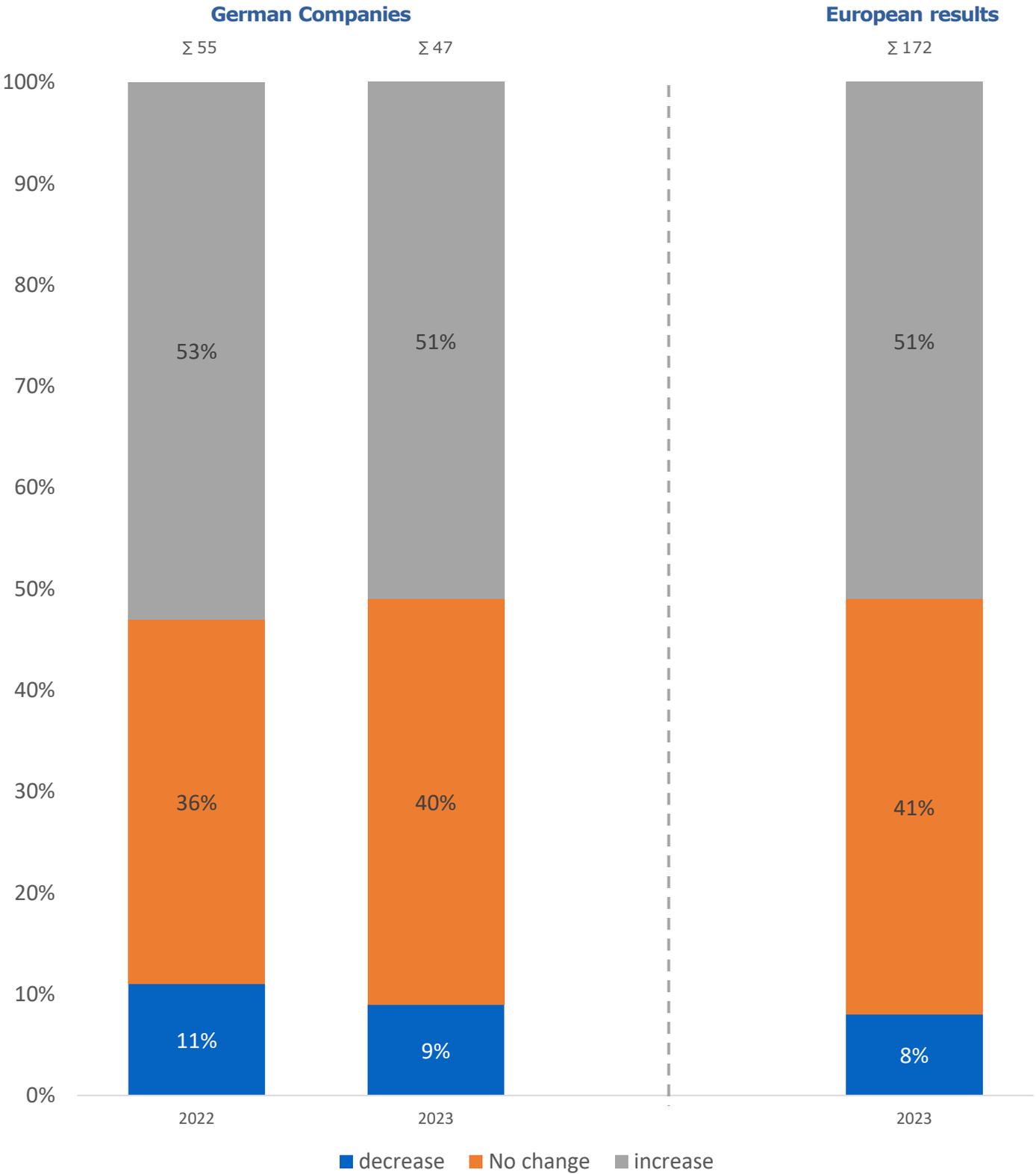
Business Development

How do you view your company's performance in Korea?



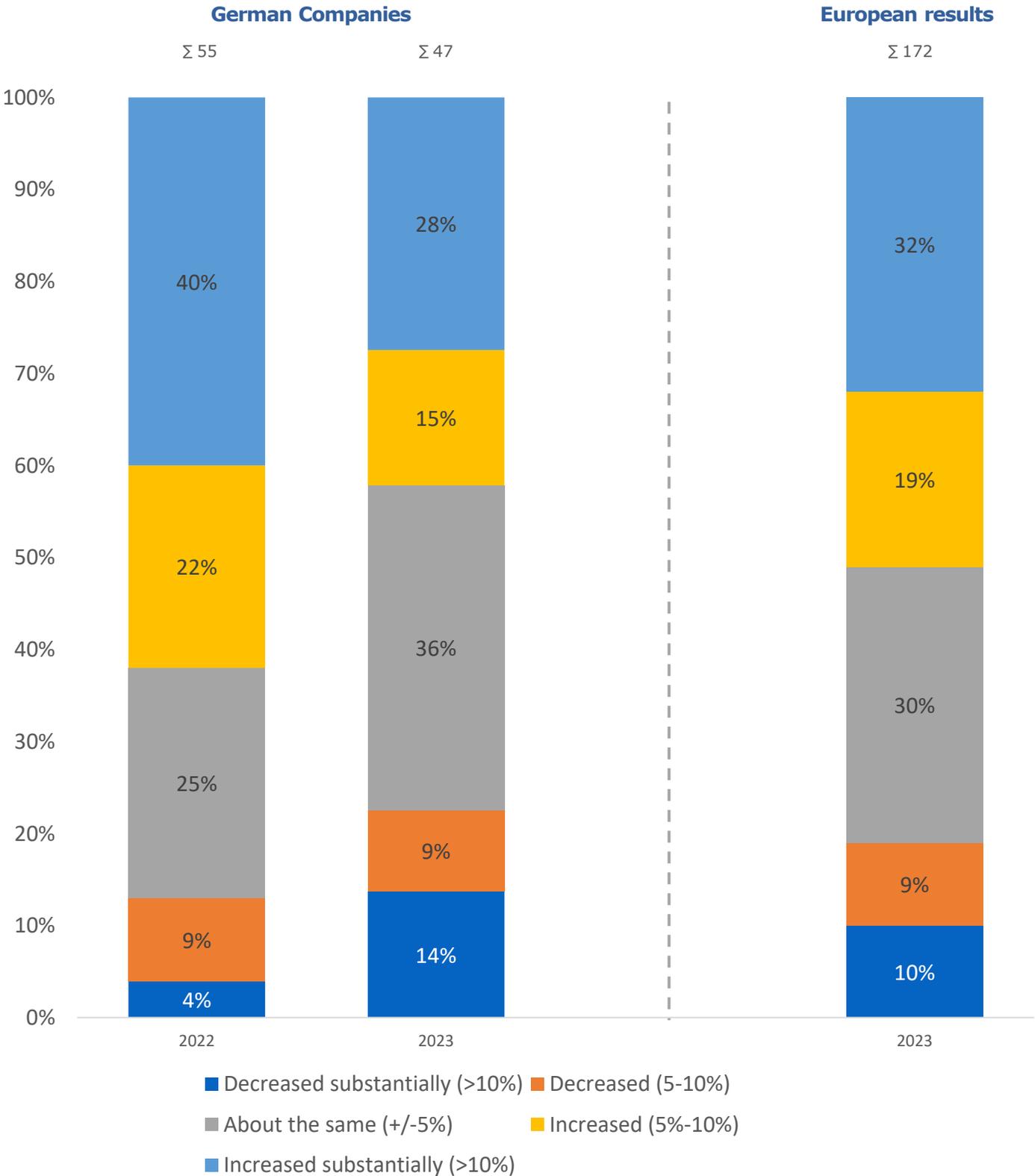
Business Development

Do you plan either to increase or to decrease investment / operational expenses?



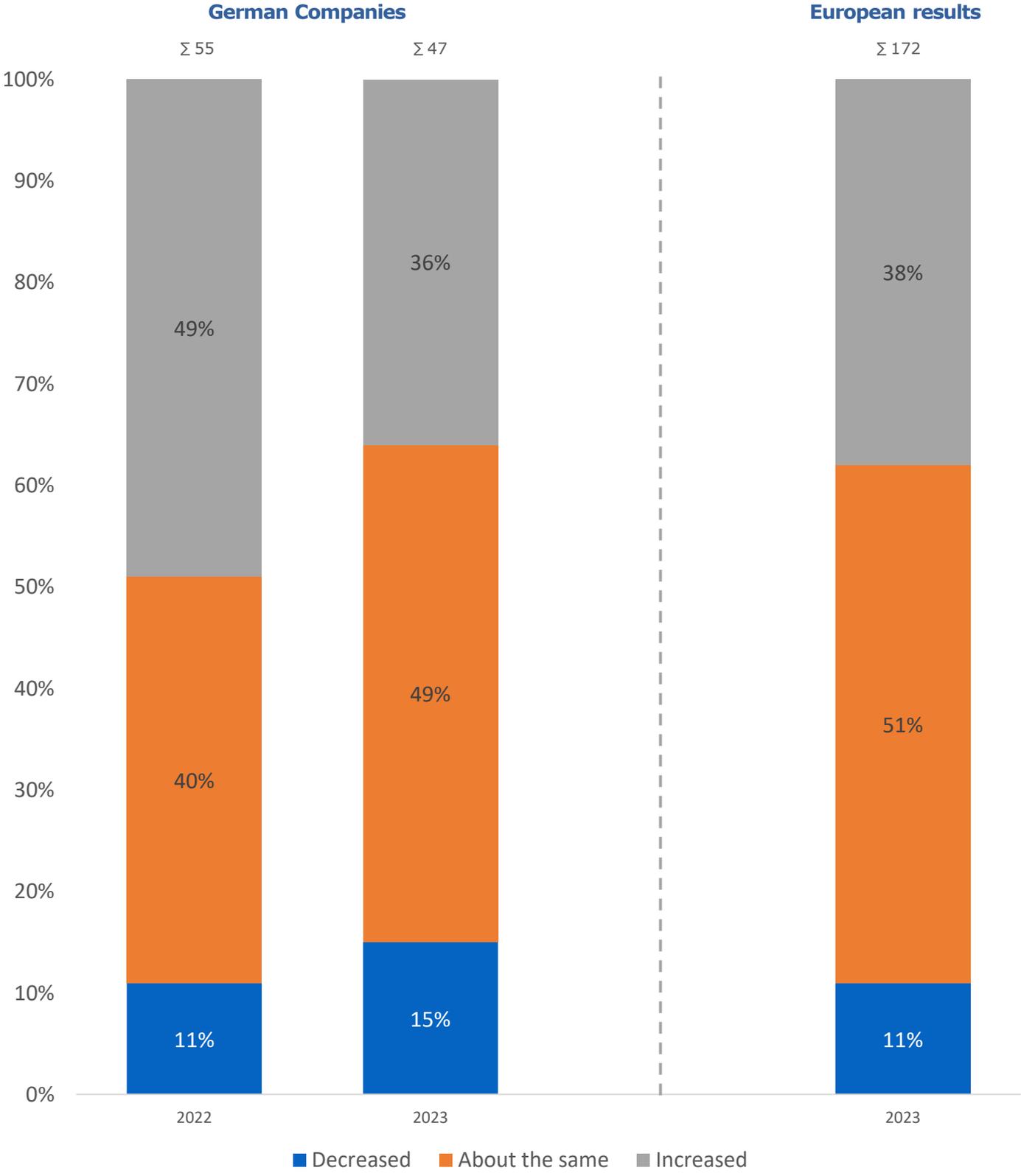
Business Development

How did your company's revenue in Korea change in 2023 compared to that of 2022?



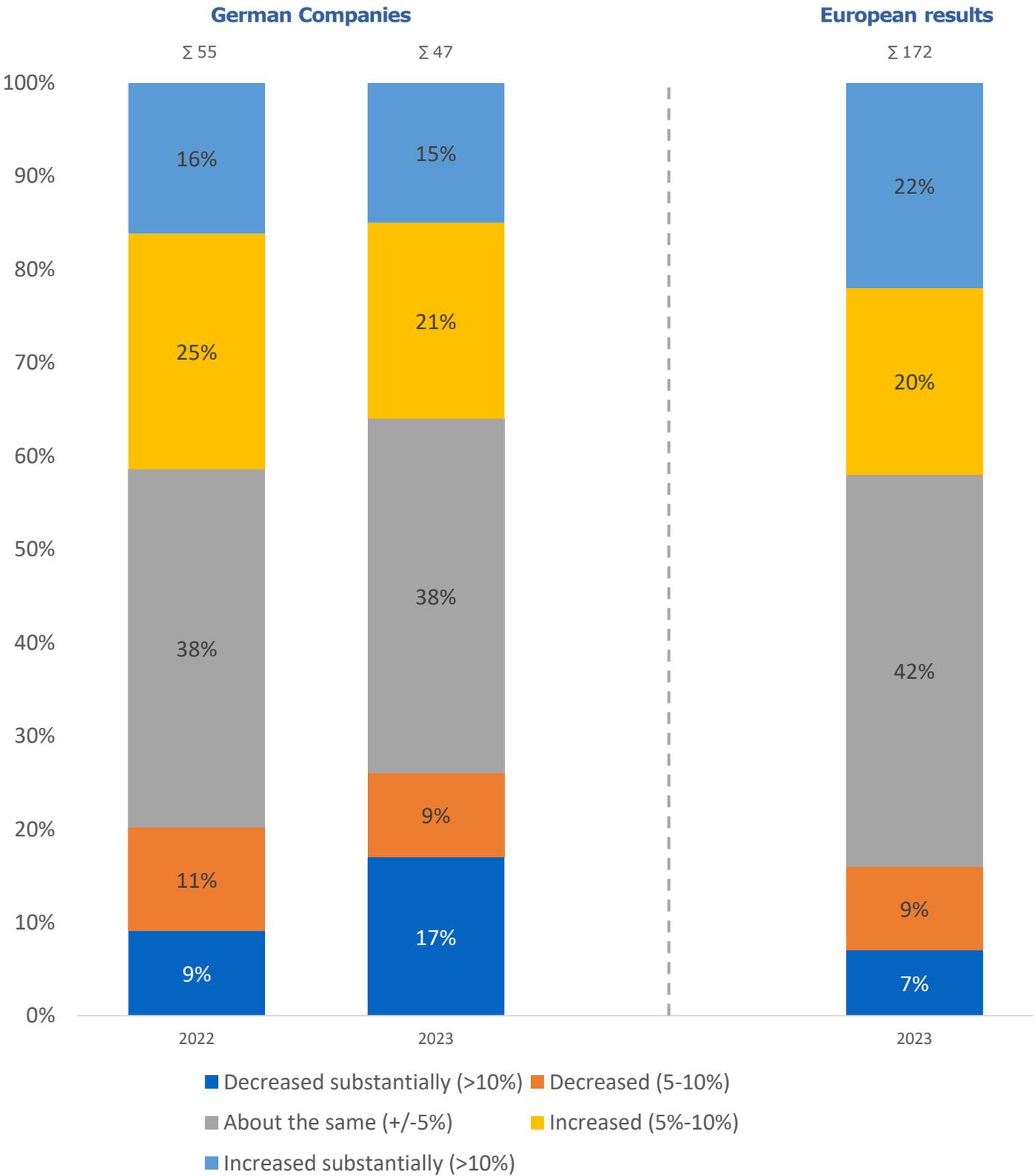
Business Development

How did your market share in Korea evolve in 2023 versus 2022?



Business Development

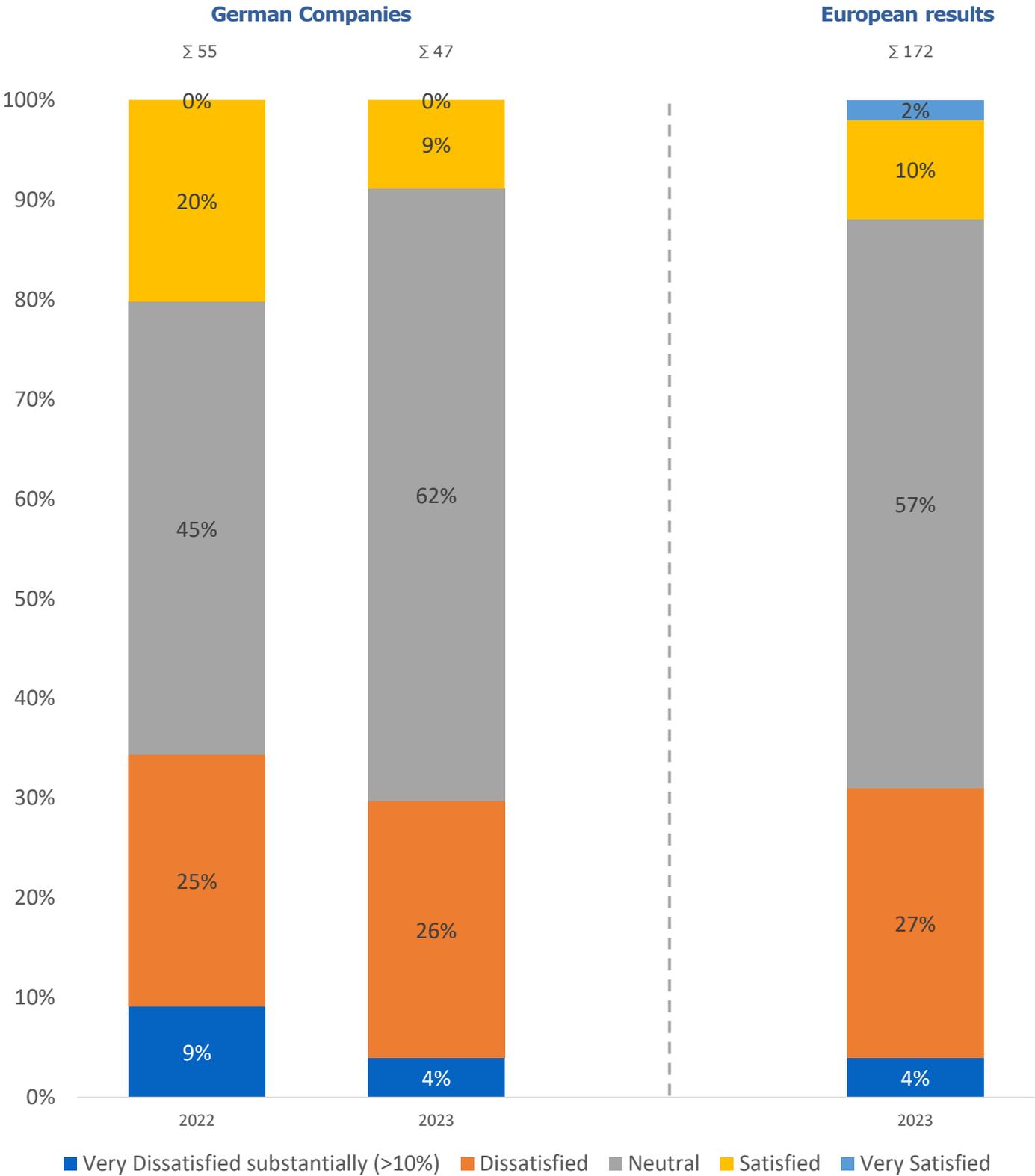
How was your company's EBIT(Earnings before interest and tax) margin in Korea for 2023 compared to 2022 results?



HR / Labour

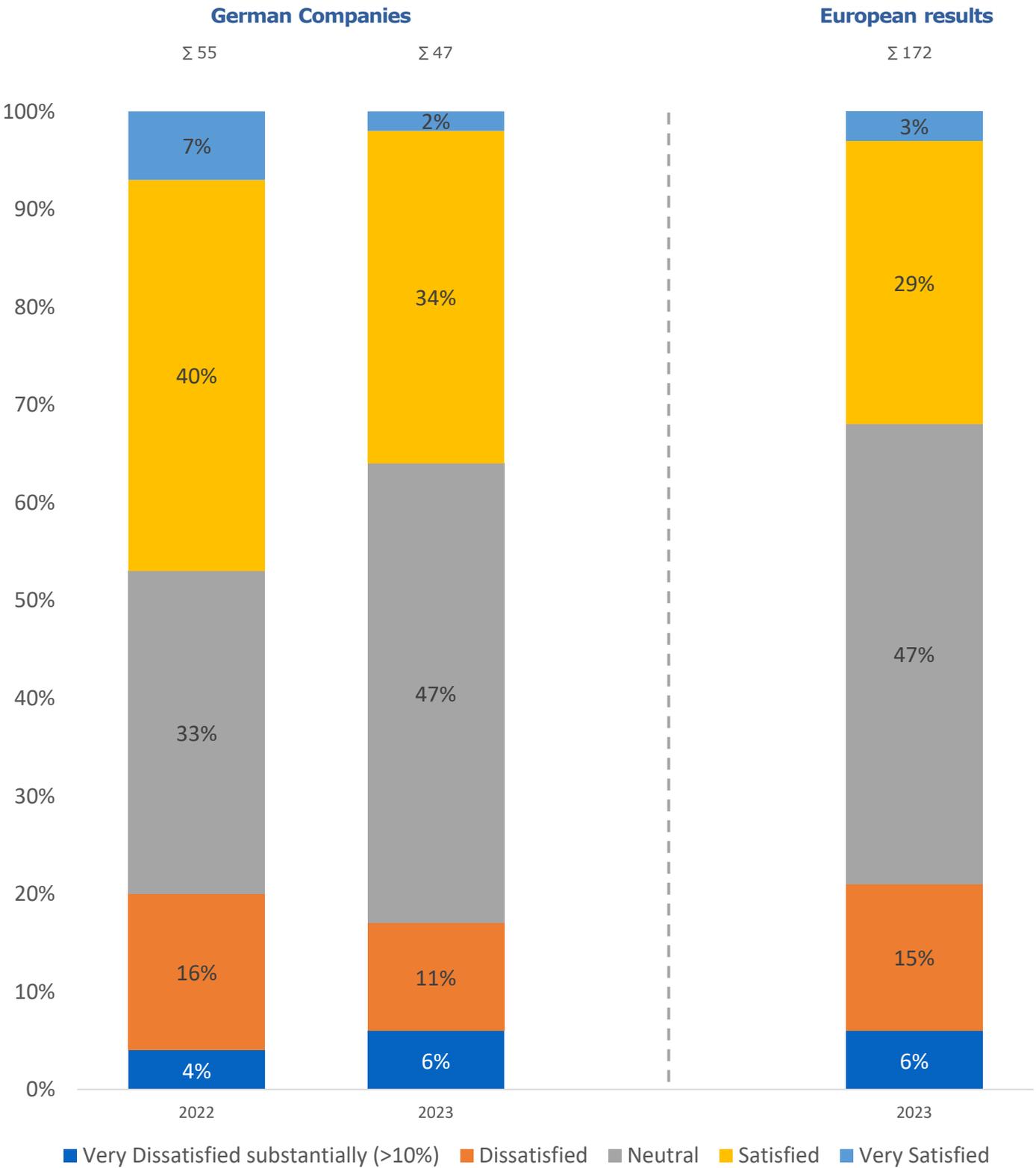
HR / Labour

How satisfied are you with Labour Management – Labour Costs at your company in 2023?



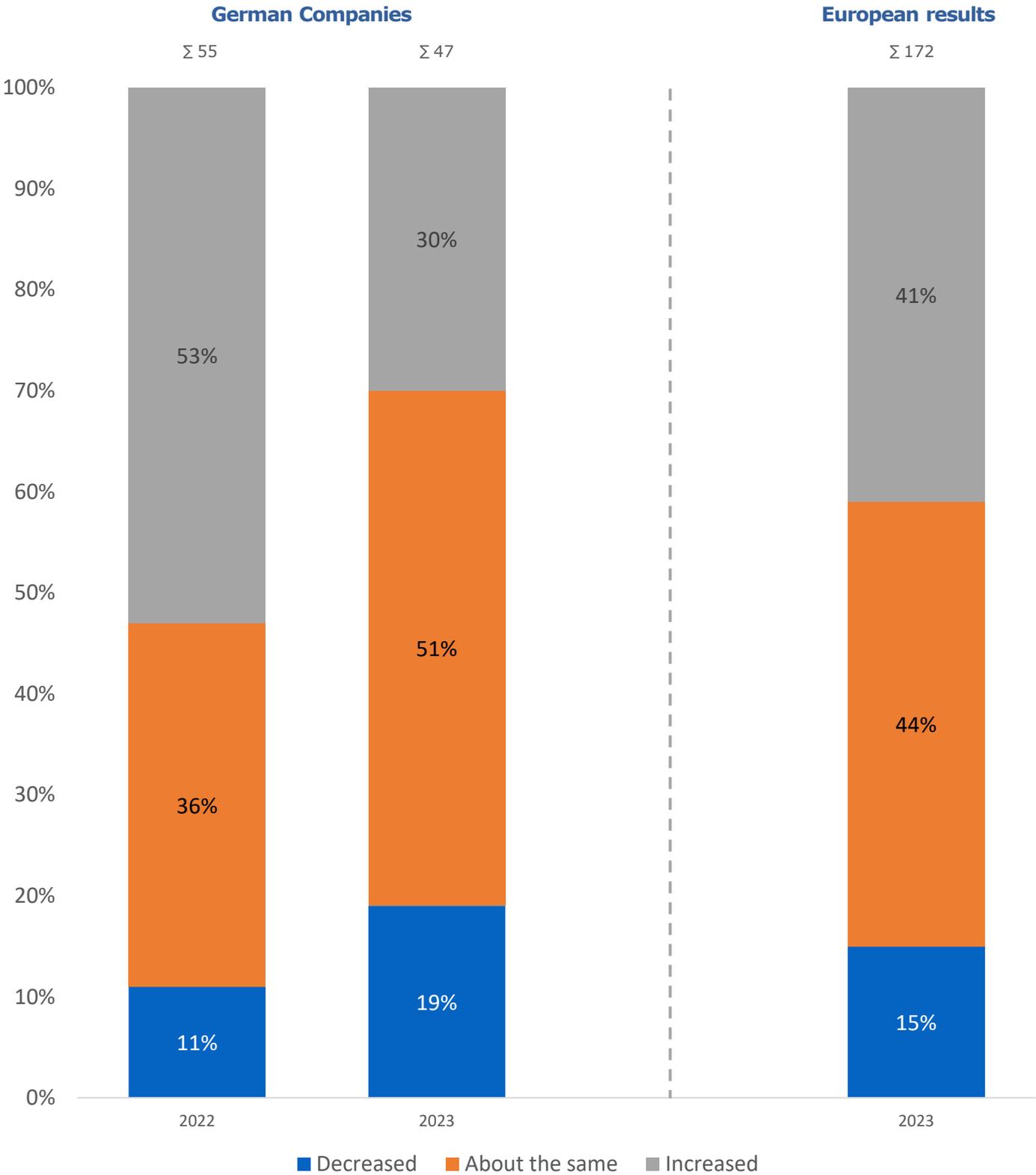
HR / Labour

How satisfied are you with Labour Management – Labour Relations at your company in 2023?



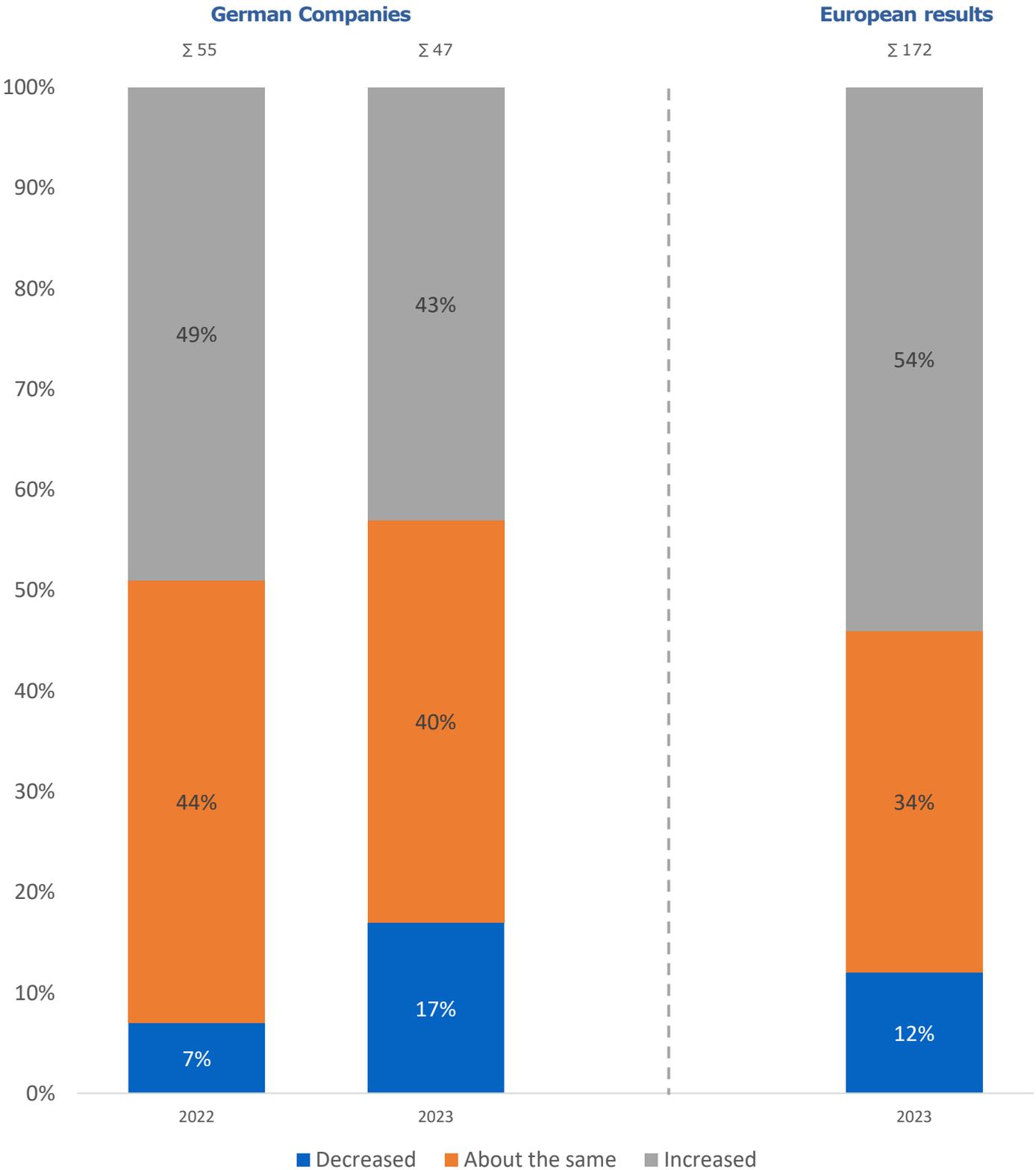
HR / Labour

What has happened to the number of permanent positions in your company in Korea in 2023?



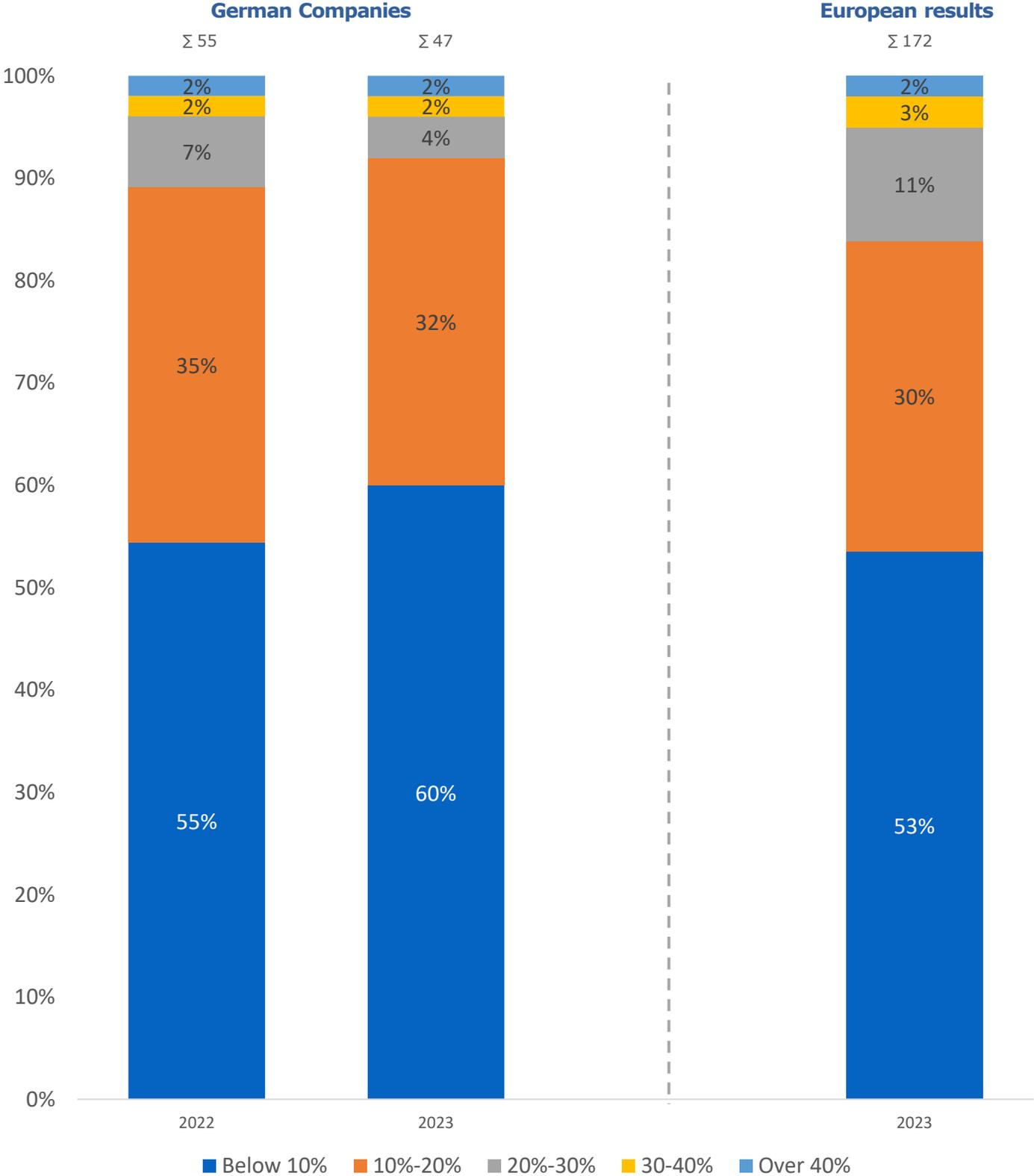
HR / Labour

How do you expect the number of permanent positions in your company in Korea to evolve over the next two years?



HR / Labour

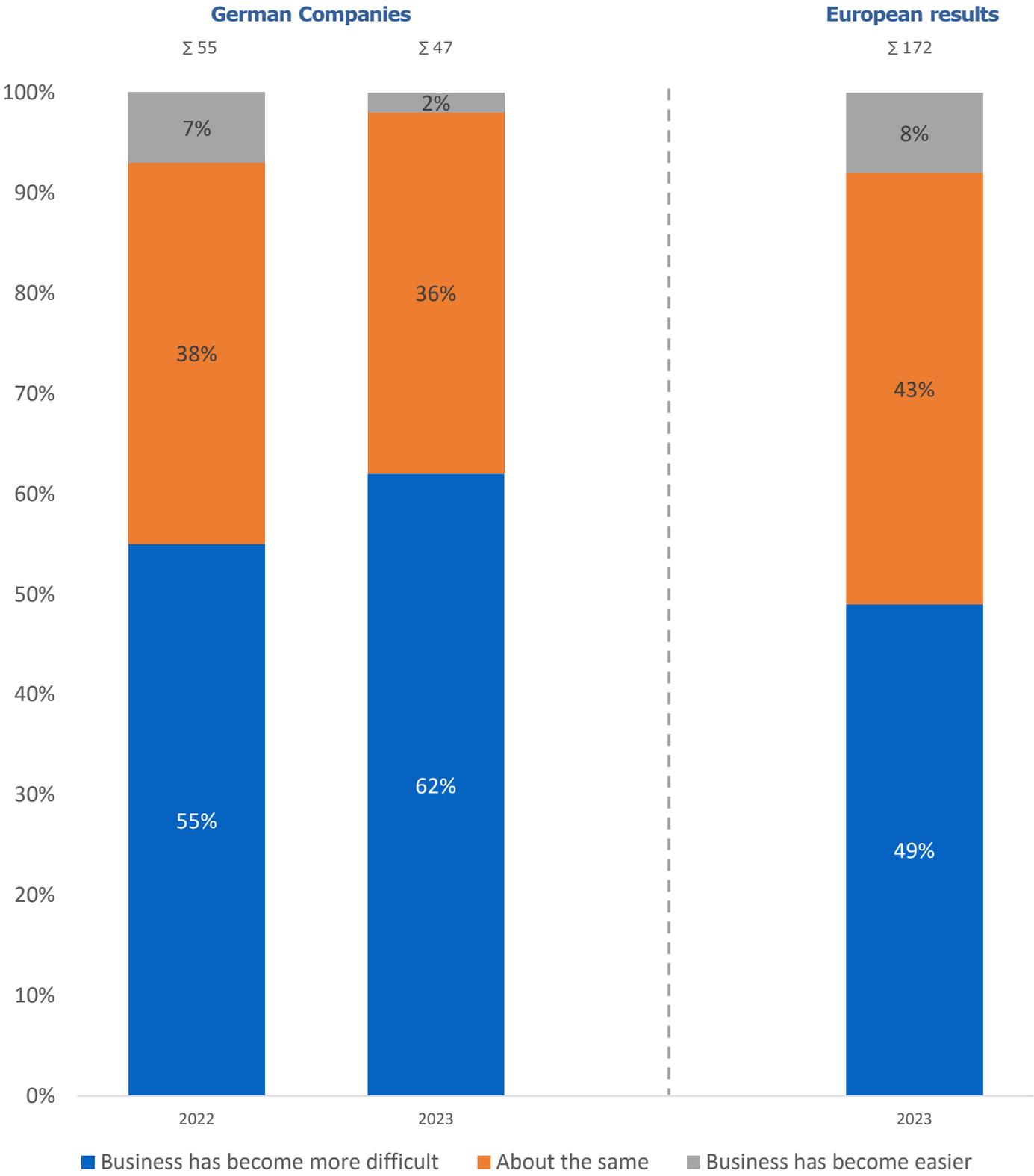
What was the level of your staff turnover in Korea in 2023?



Business Environment

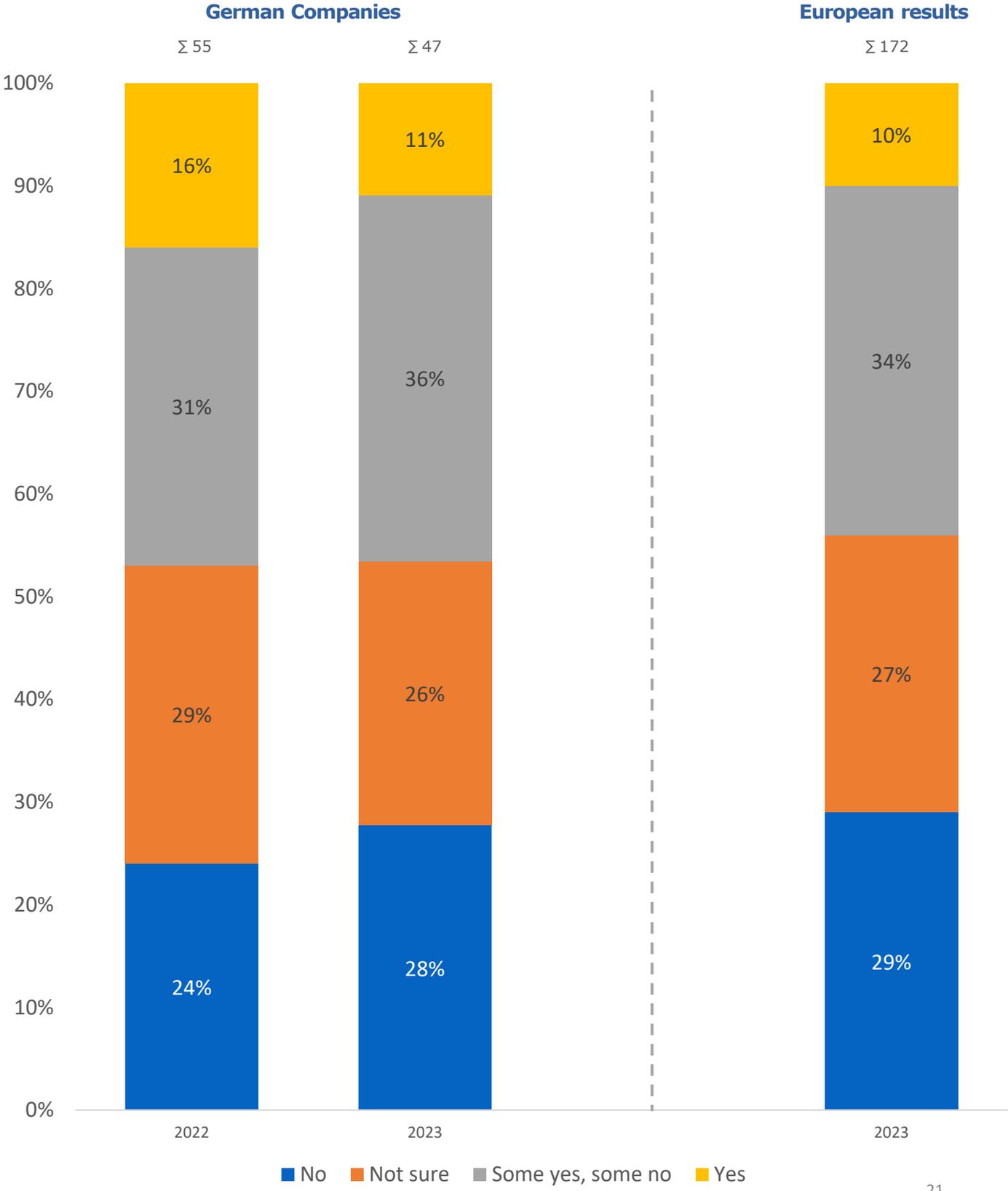
Business Environment

How has doing business in Korea for your company developed over the last 2 years?



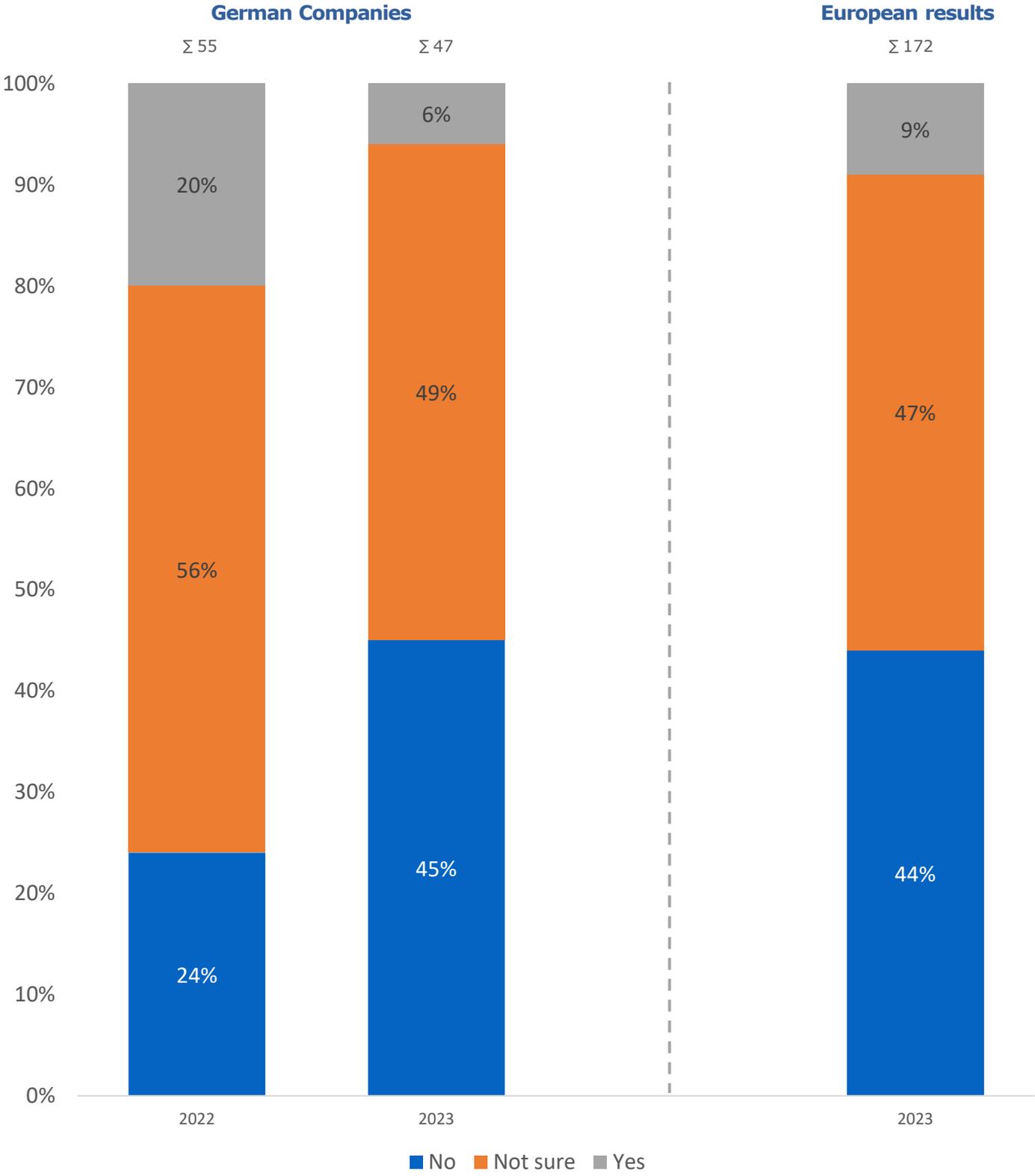
Business Environment

Do you believe that reforms implemented this year (2023) have helped your business?



Business Environment

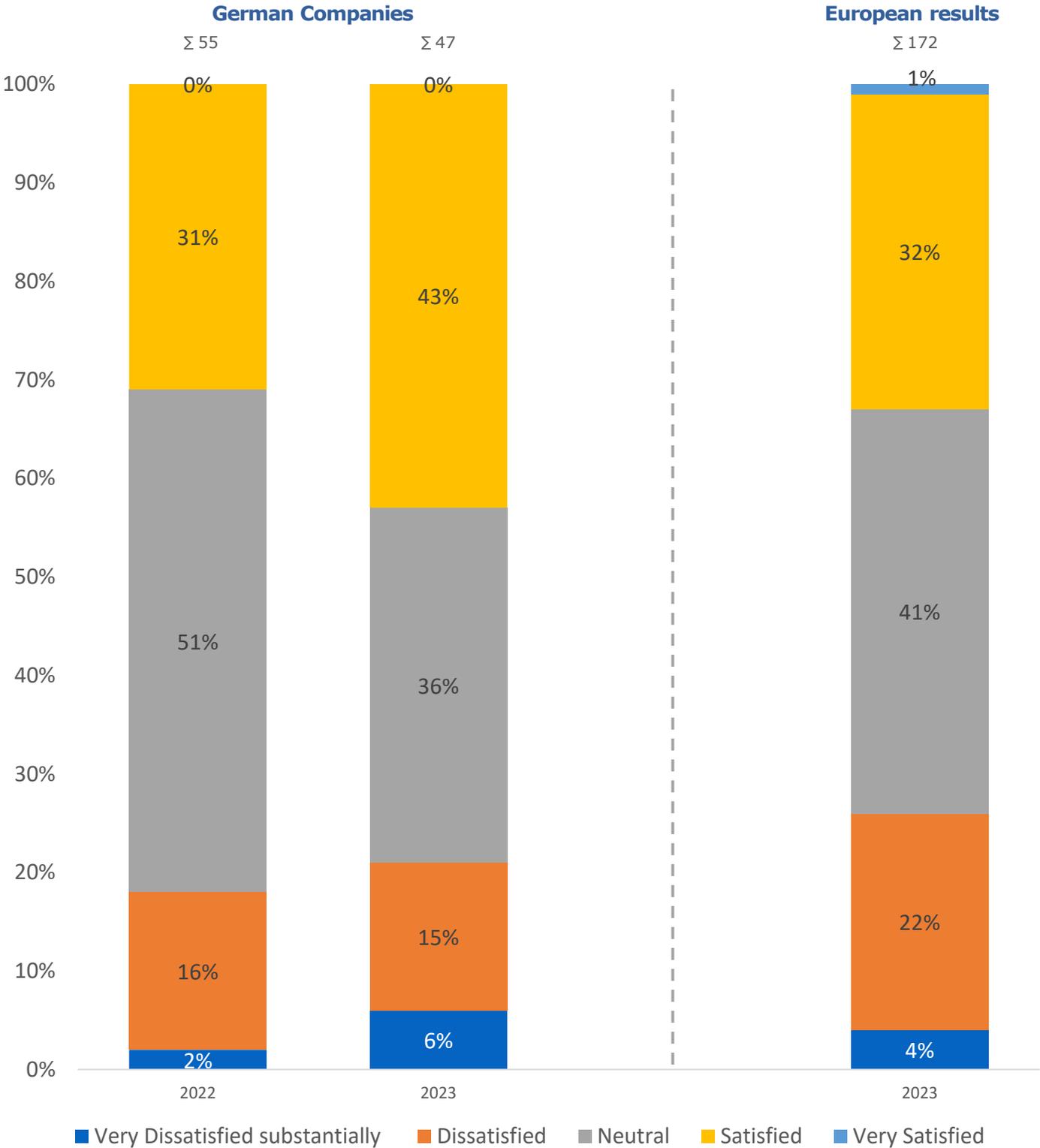
Do you believe that the Korean government will implement meaningful reforms next year?



Business Environment

How do you perceive the following market parameters in your specific business in Korea?

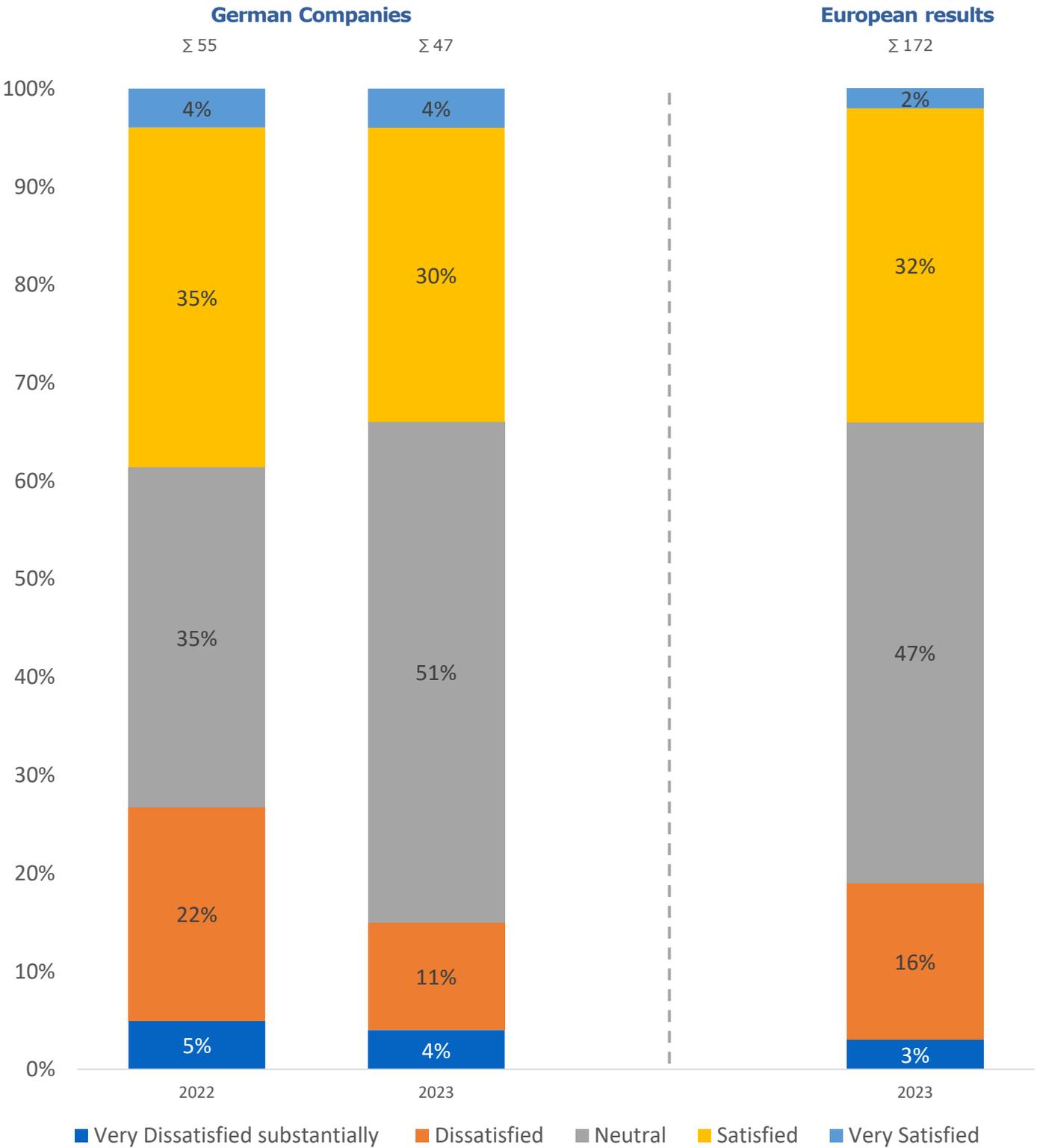
[Economic growth in Korea/Economic growth of your market segment in Korea]



Business Environment

How do you perceive the following market parameters in your specific business in Korea ?

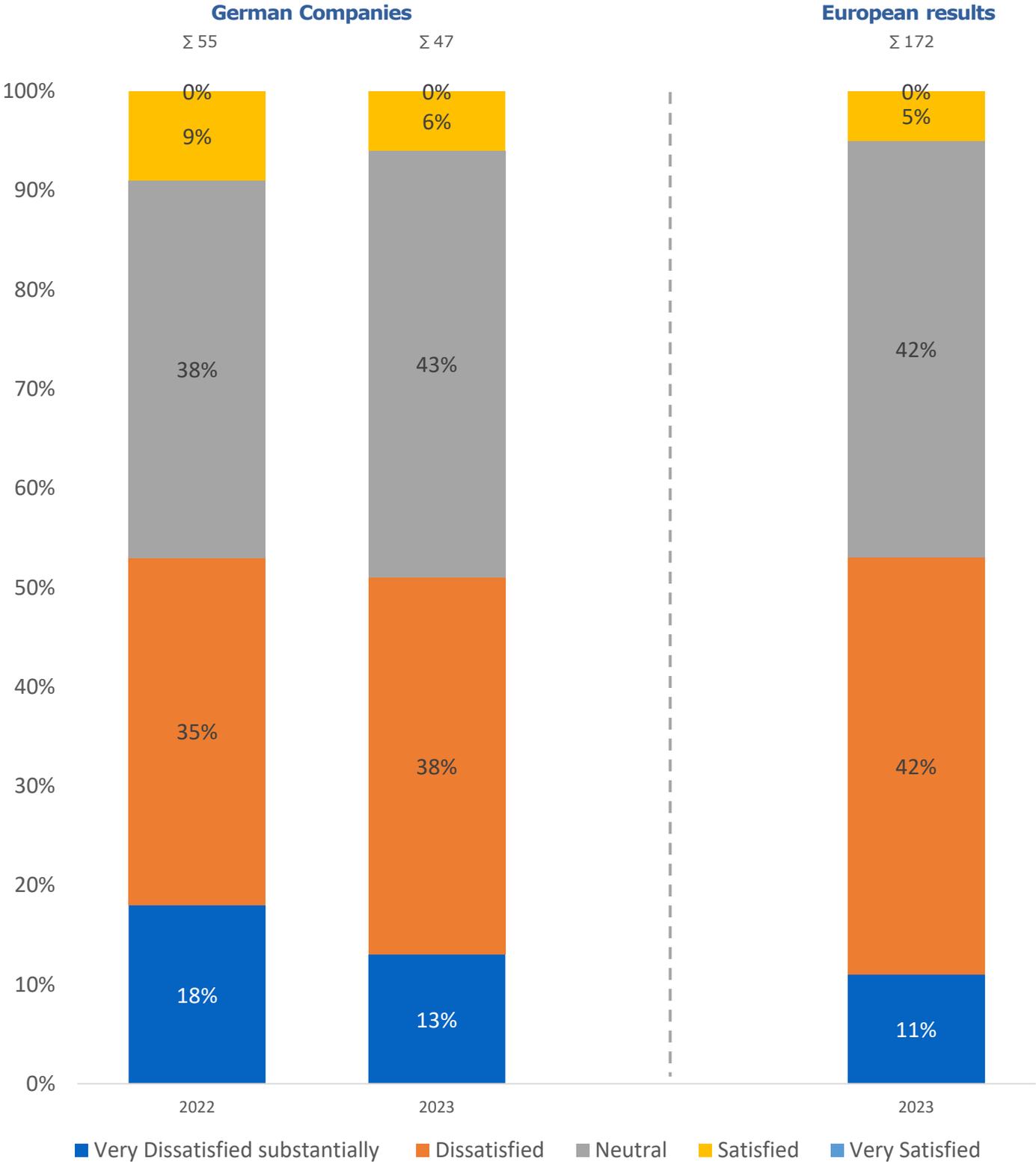
[Capacity for innovation]



Business Environment

How do you perceive the following market parameters in your specific business in Korea?

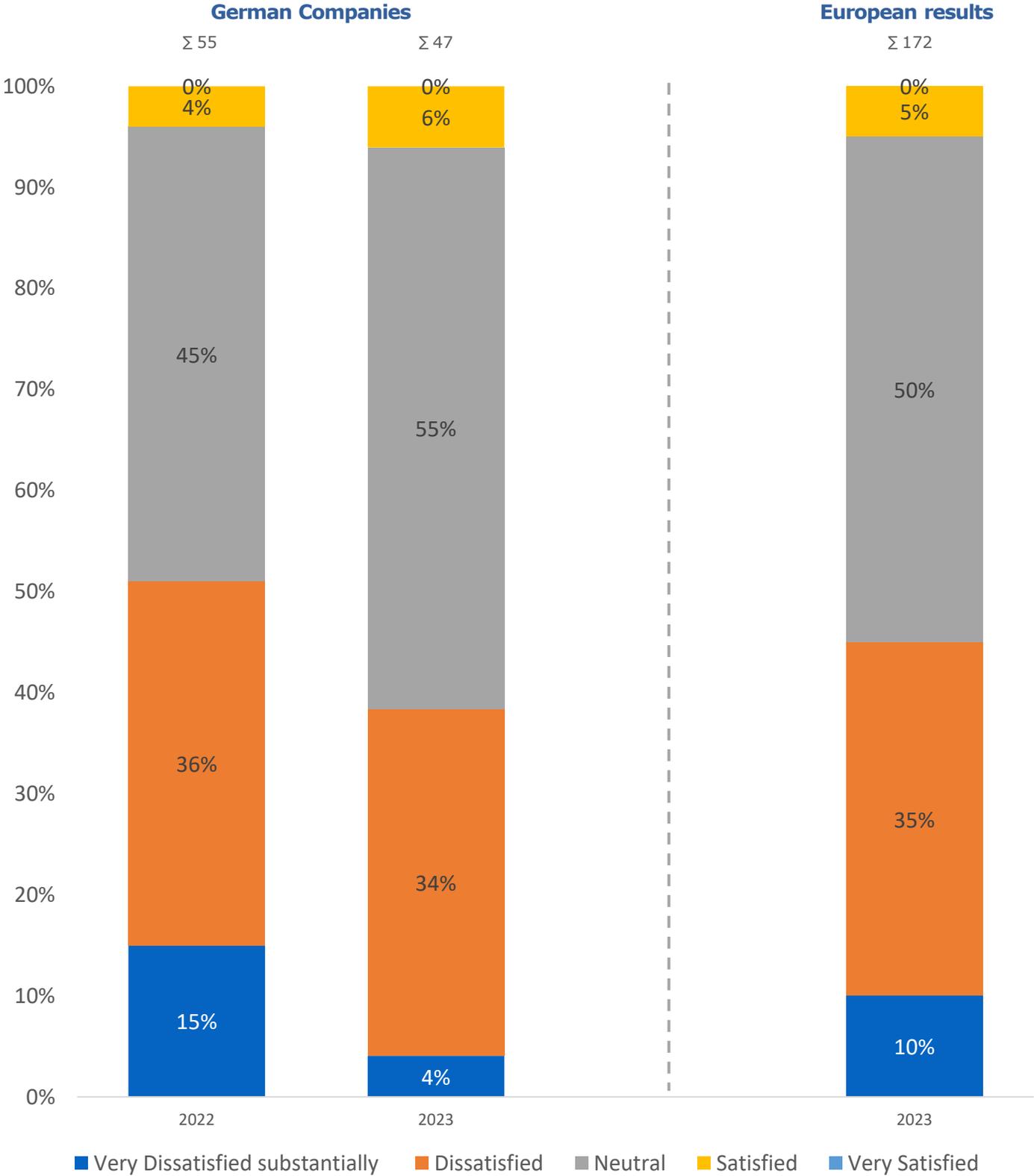
[Legislative environment & regulations]



Business Environment

How do you perceive the following market parameters in your specific business in Korea?

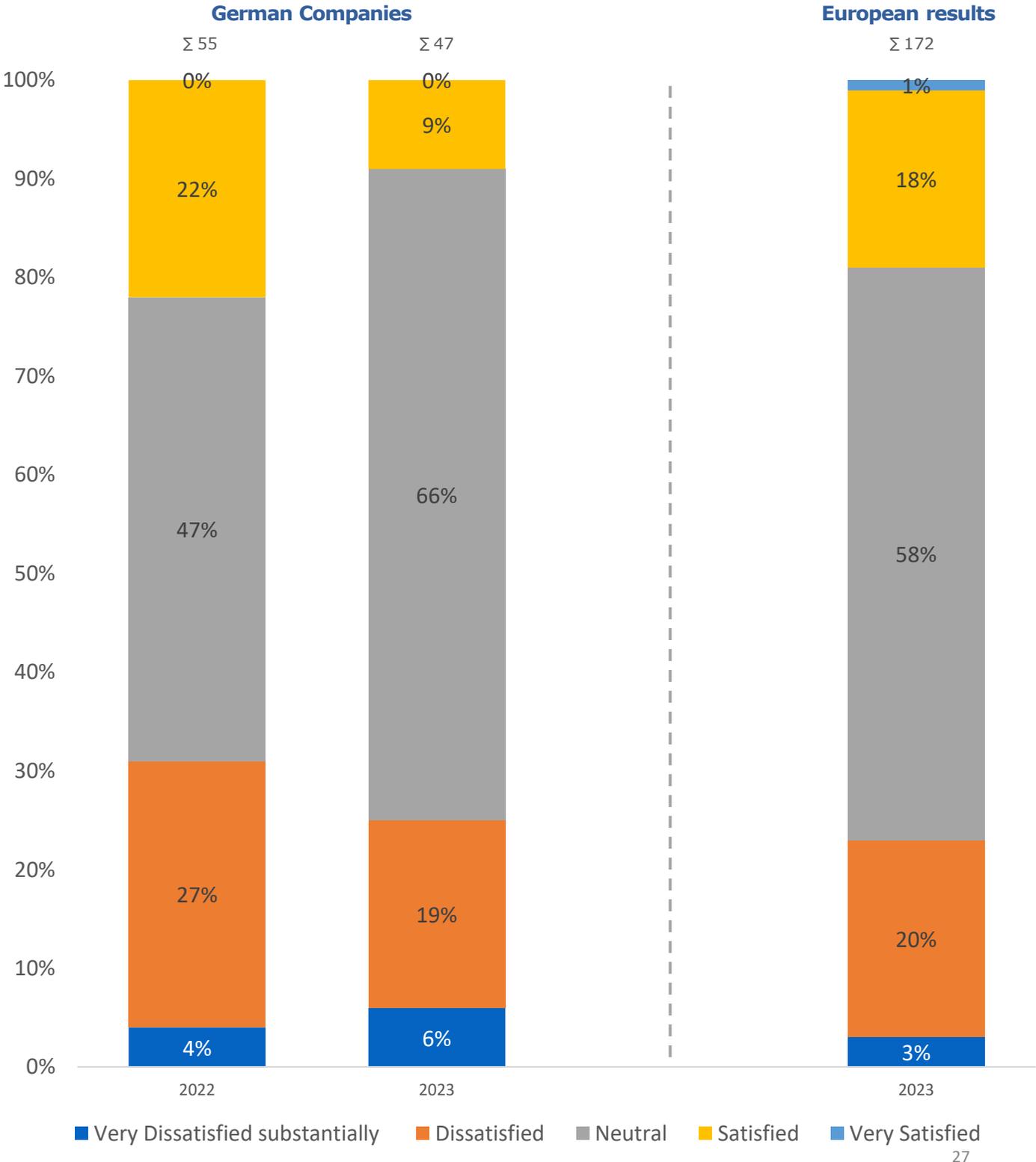
[Discretionary enforcement of regulations]



Business Environment

How do you perceive the following market parameters in your specific business in Korea?

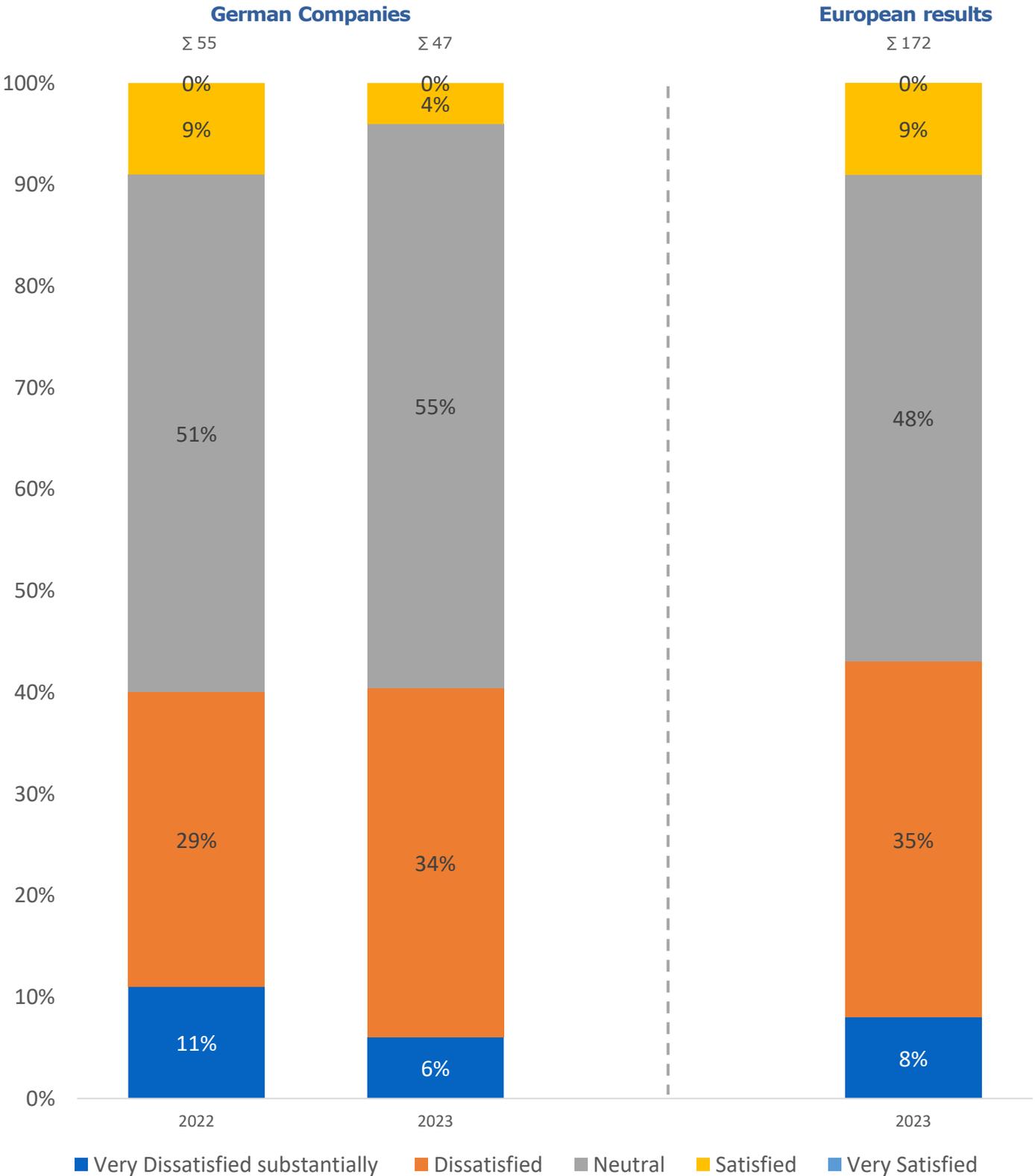
[Administrative issues, e.g. establishing legal entity, tax filing, publication of financial statements]



Business Environment

How do you perceive the following market parameters in your specific business in Korea?

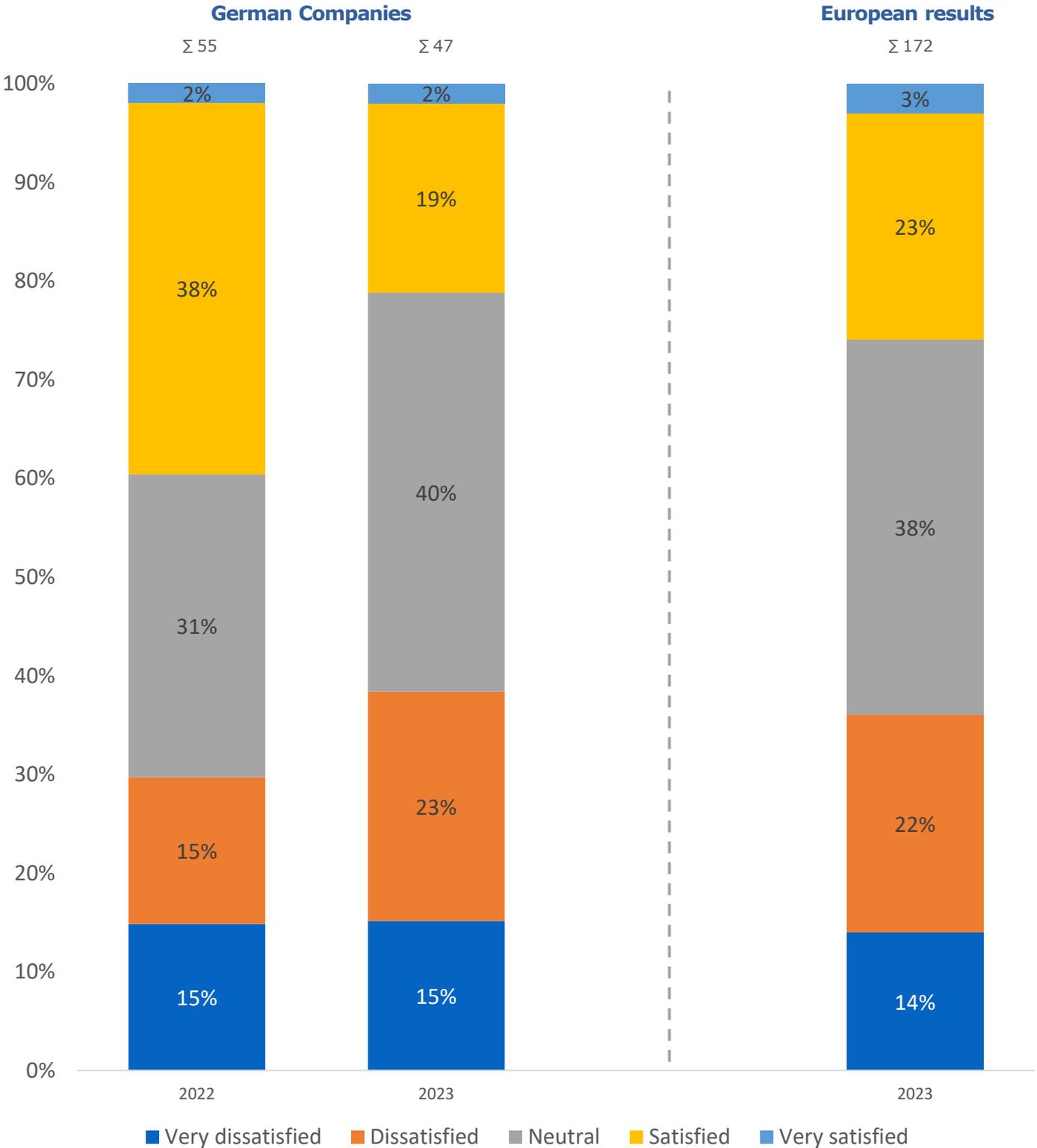
[Transparent policy-making and implementation]



Business Environment

How do you perceive the following market parameters in your specific business in Korea?

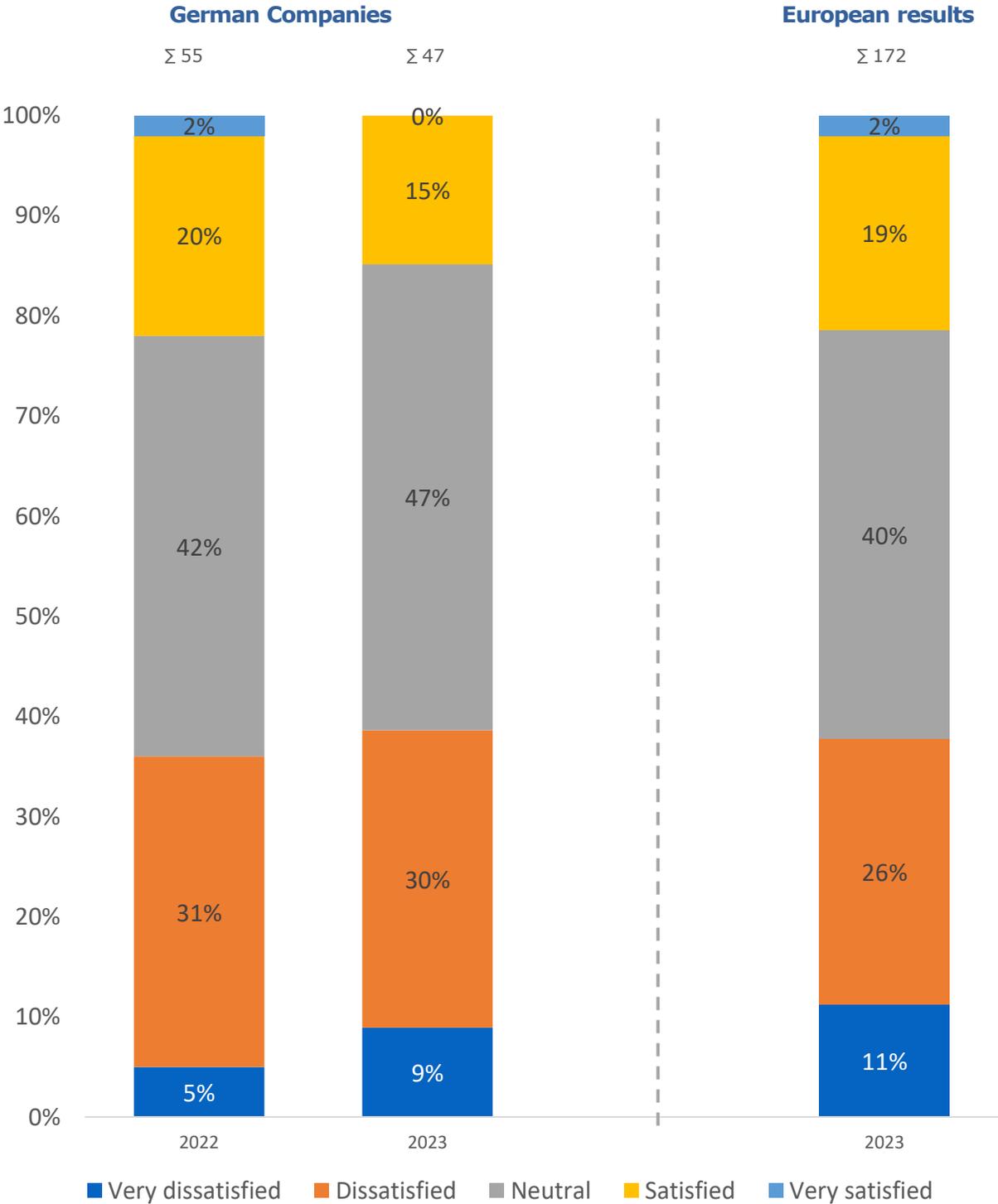
[Immigration issues (employee / spouse), e.g. obtaining visa, visa extension, work permit]



Business Environment

How do you perceive the following market parameters in your specific business in Korea ?

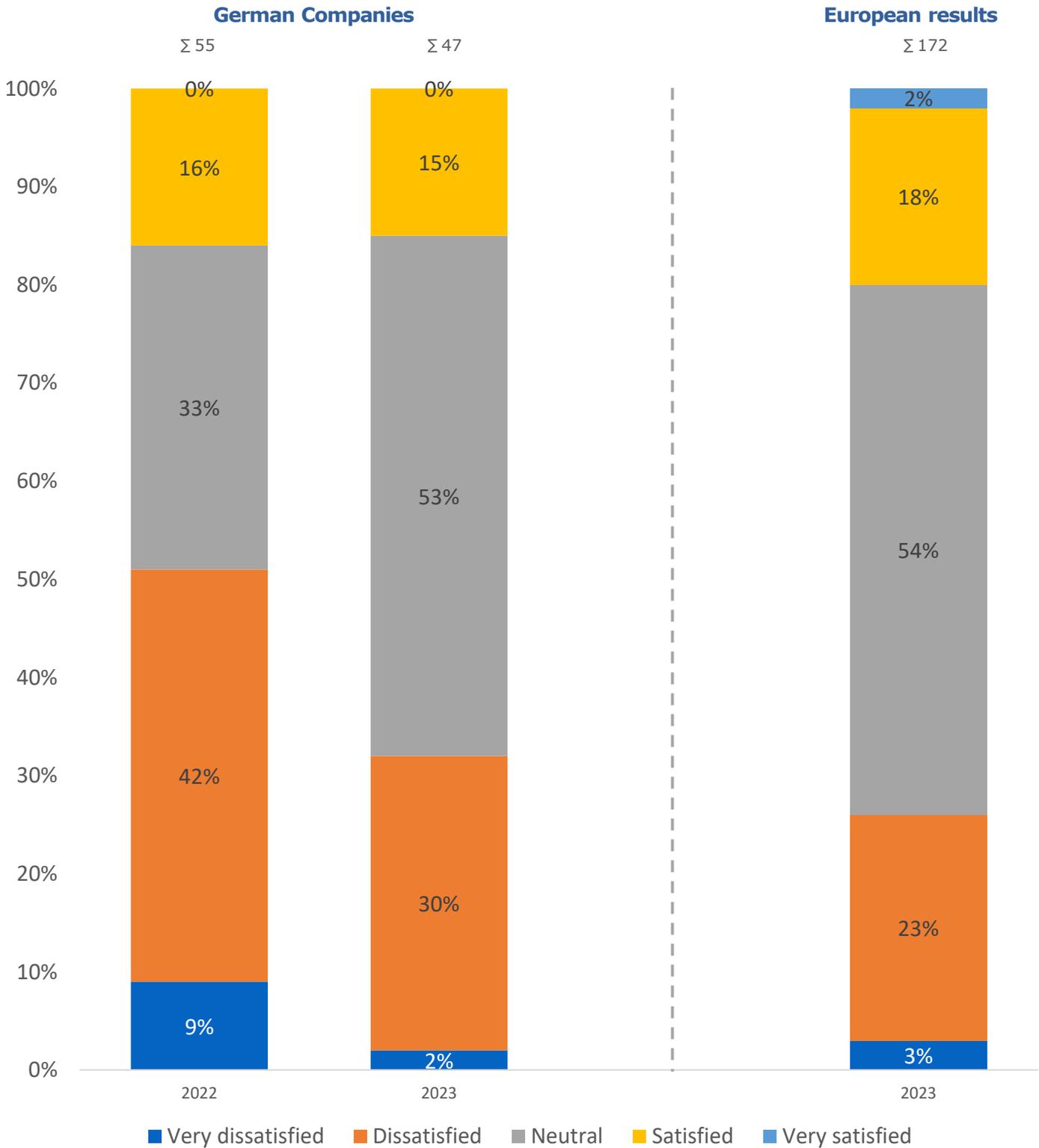
[Openness of Korean market to foreign goods & services; lack of market access barriers]



Business Environment

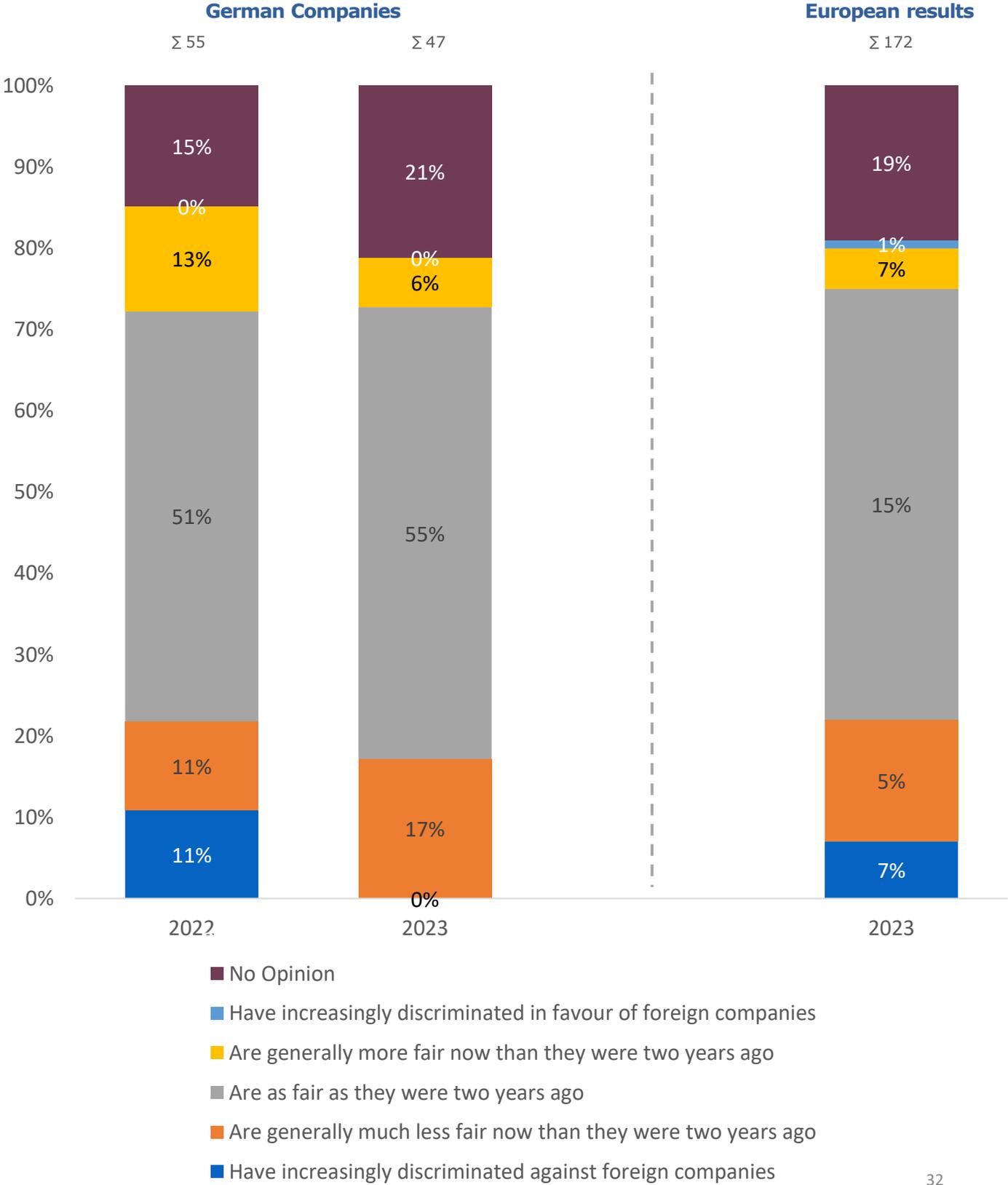
How do you perceive the following market parameters in your specific business in Korea?

[Customs procedures / customs audits]



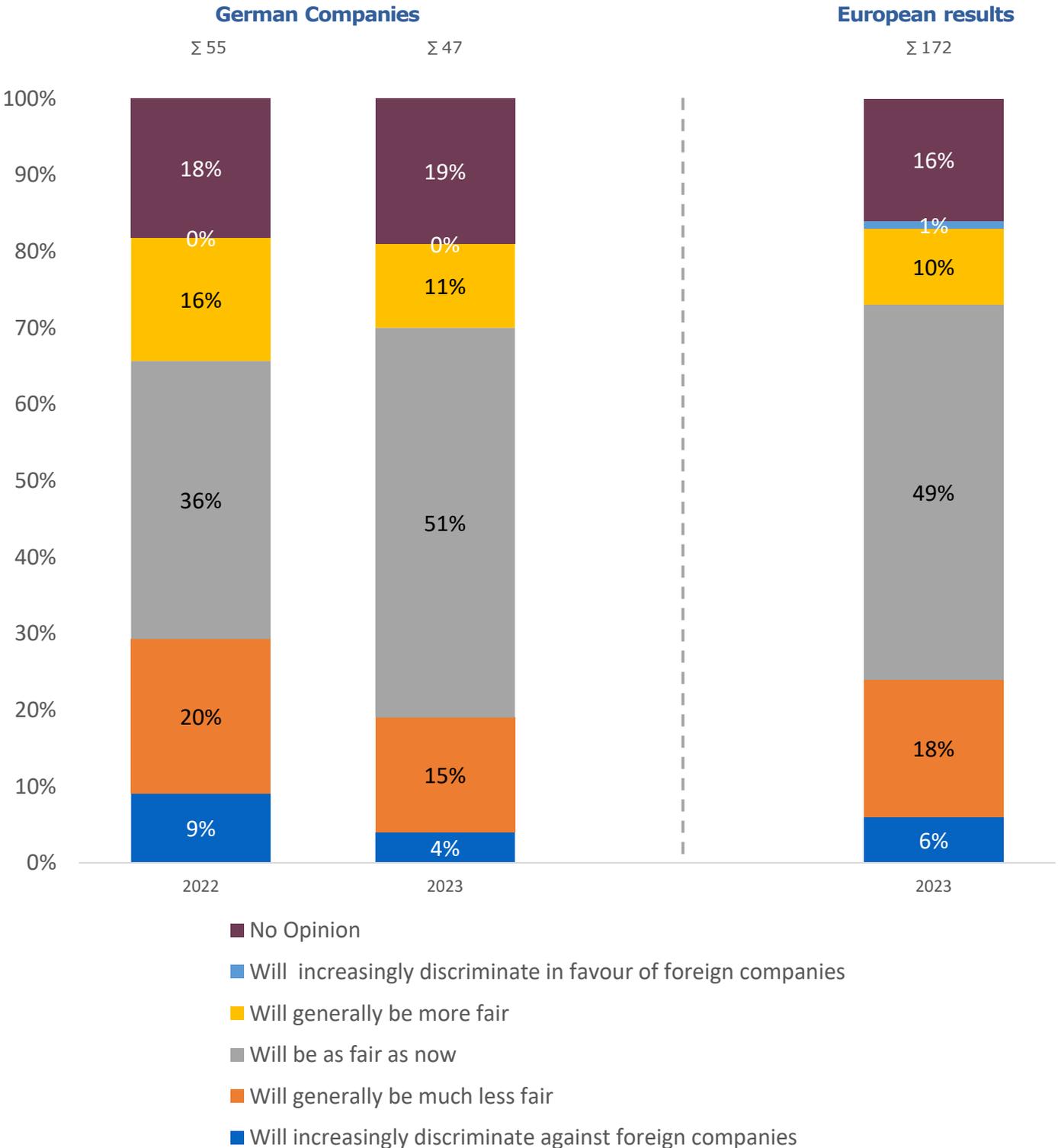
Business Environment

Within your business sector, how have government policies relevant to foreign companies' business environment changed over the past two years?



Business Environment

How do you perceive government policies relevant to foreign companies' business environment will change over the next two years?

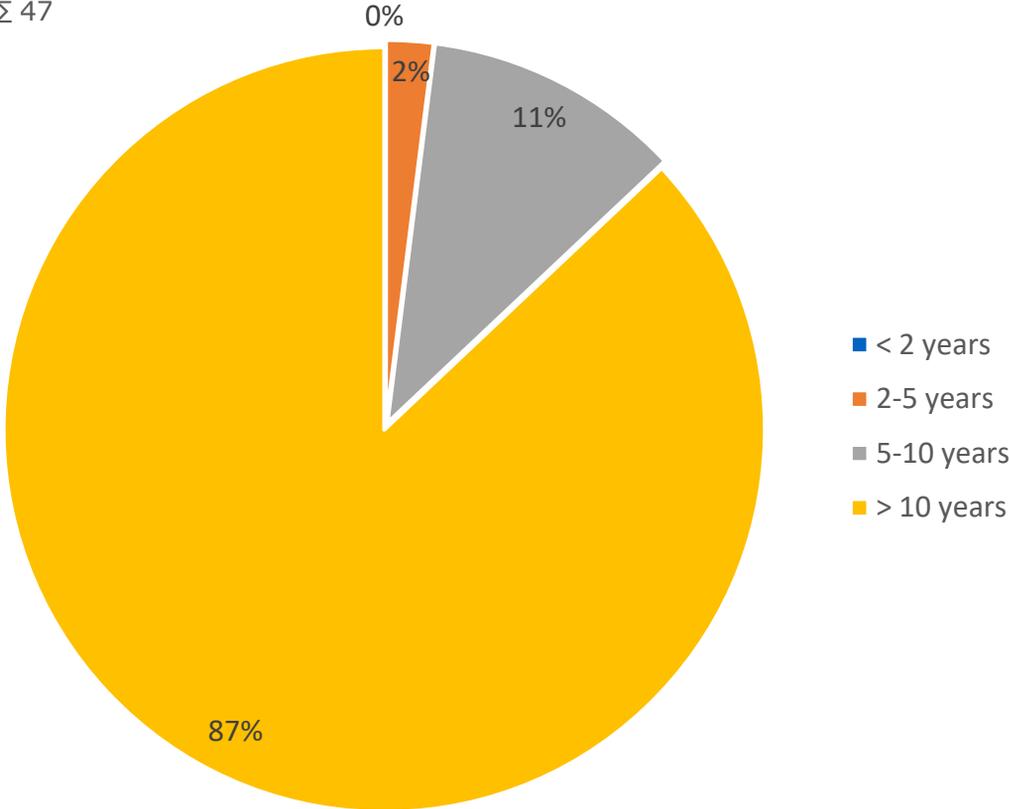


Respondent Profile

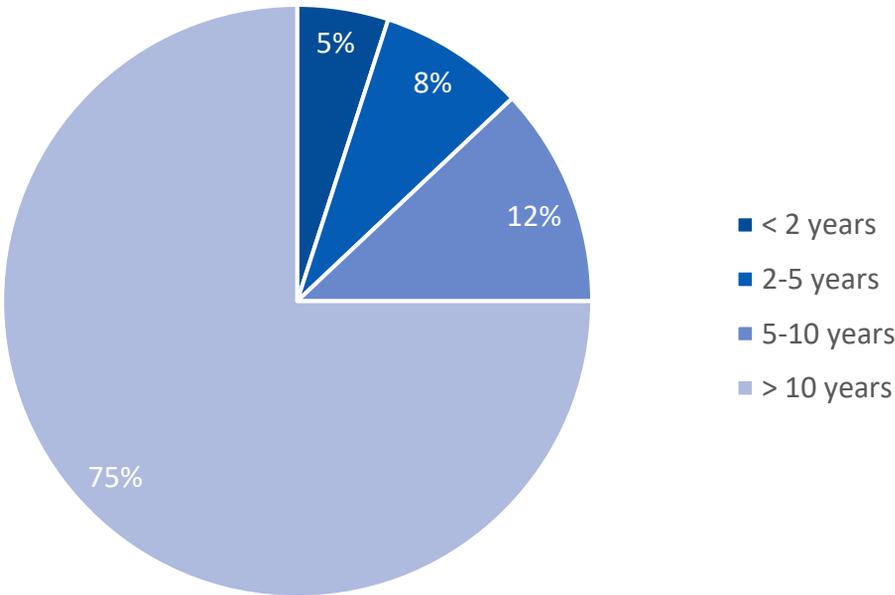
Respondent Profile

How long has your company been operating in Korea?

German Companies Σ 47



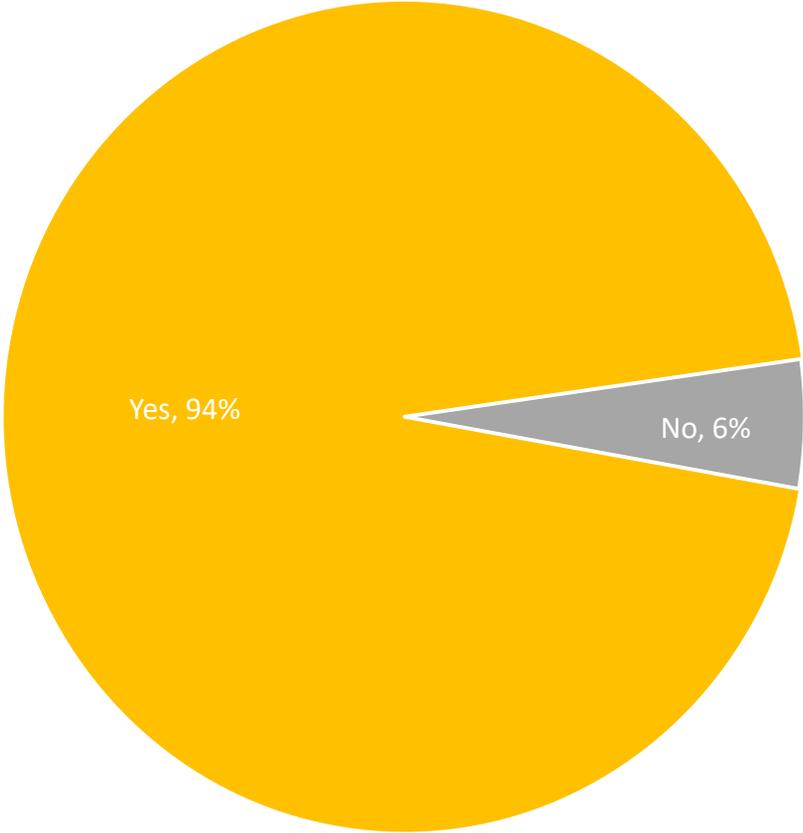
European results Σ 172



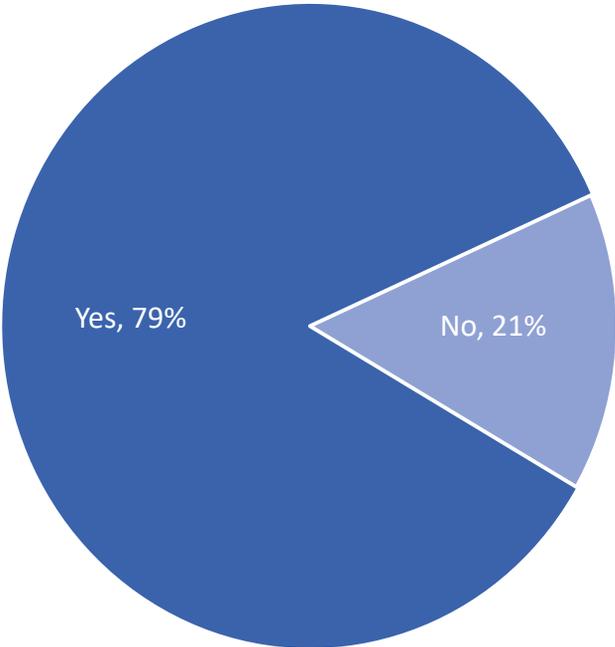
Respondent Profile

Is your company fully owned by a European company?

German Companies Σ 47



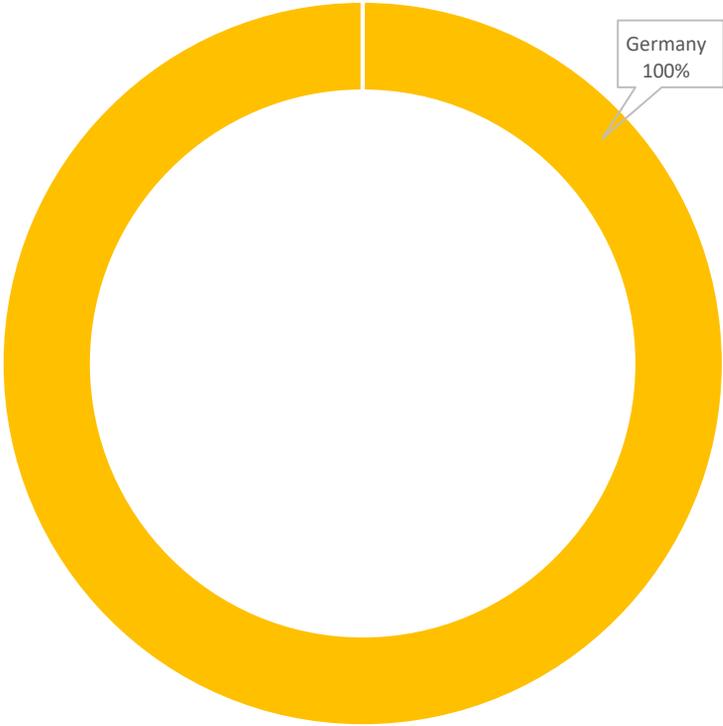
European results Σ 172



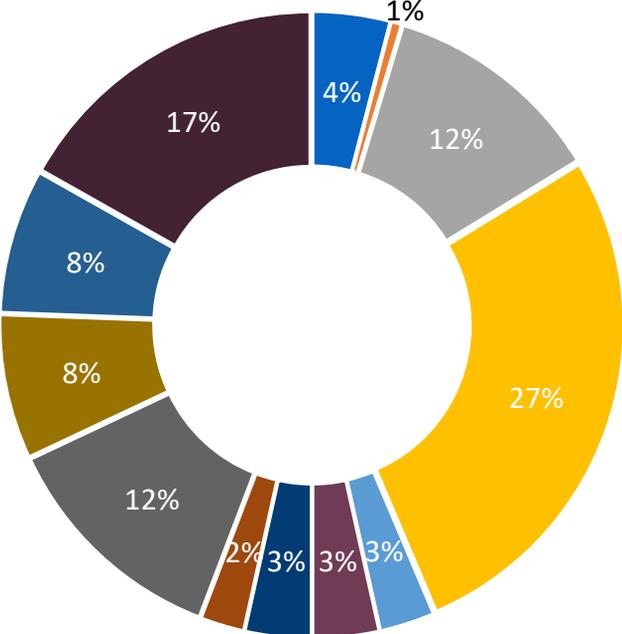
Respondent Profile

Where is your company headquarters registered?

German Companies Σ 47



European results Σ 172

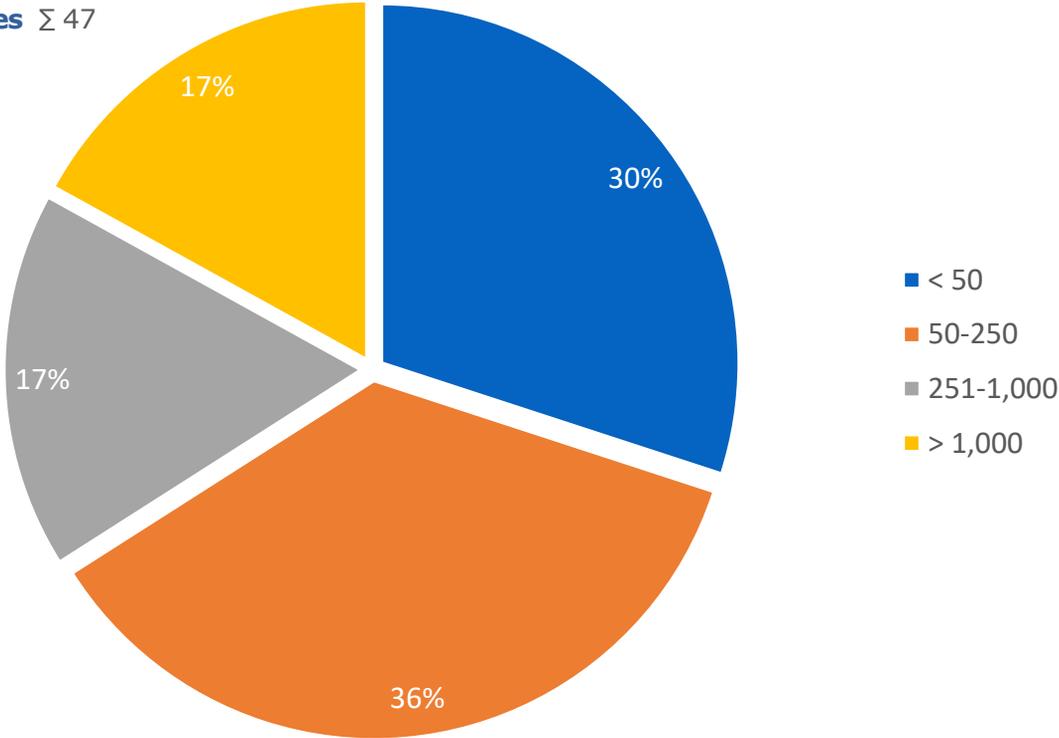


- Belgium
- Finland
- France
- Germany
- Italy
- Netherlands

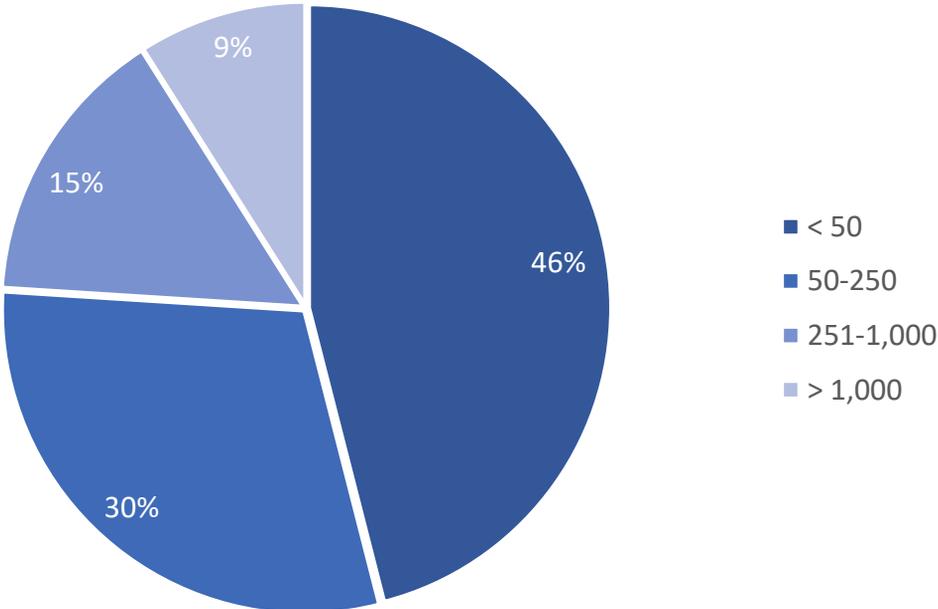
Respondent Profile

How many employees do you have in Korea in 2023?

German Companies Σ 47



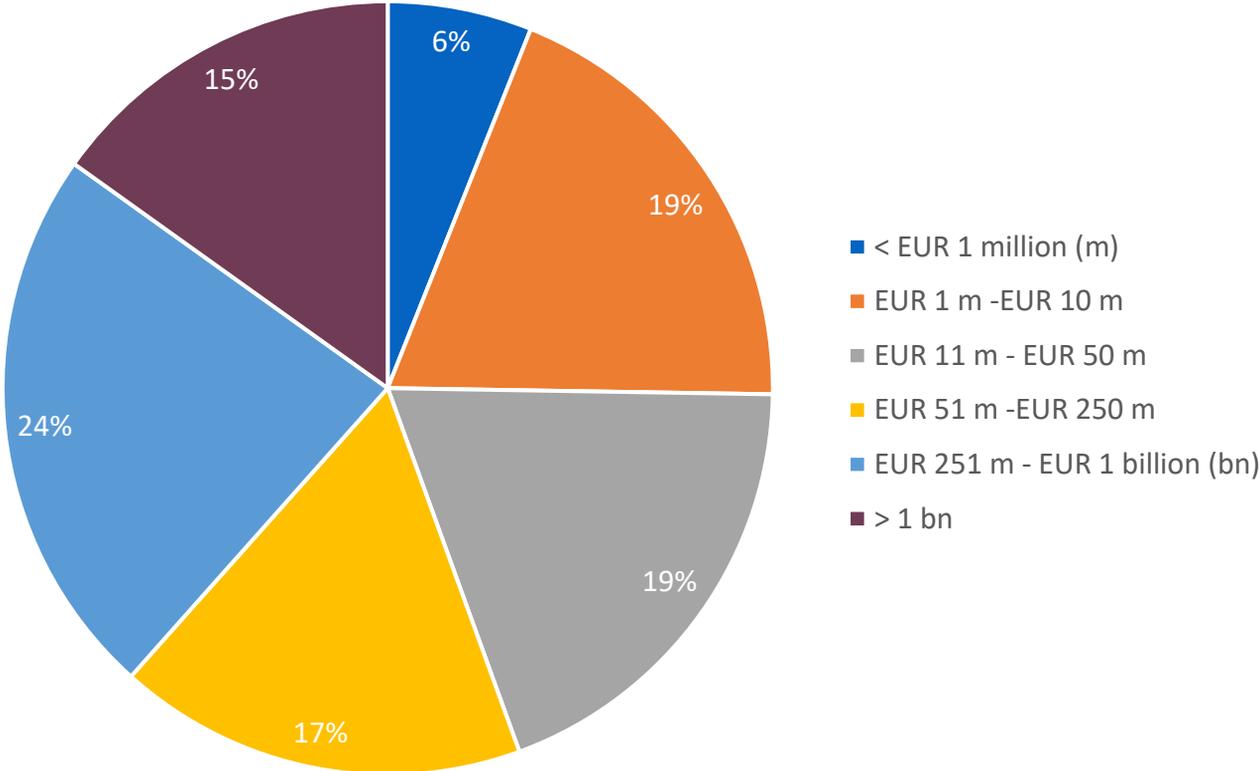
European results Σ 172



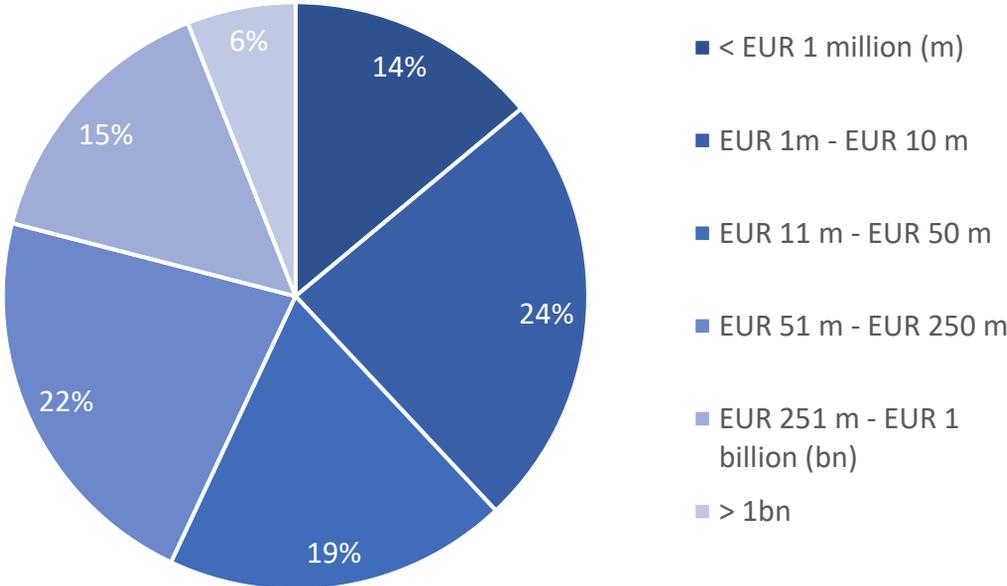
Respondent Profile

What is the total revenue of your company in Korea in 2023?

German Companies Σ 47



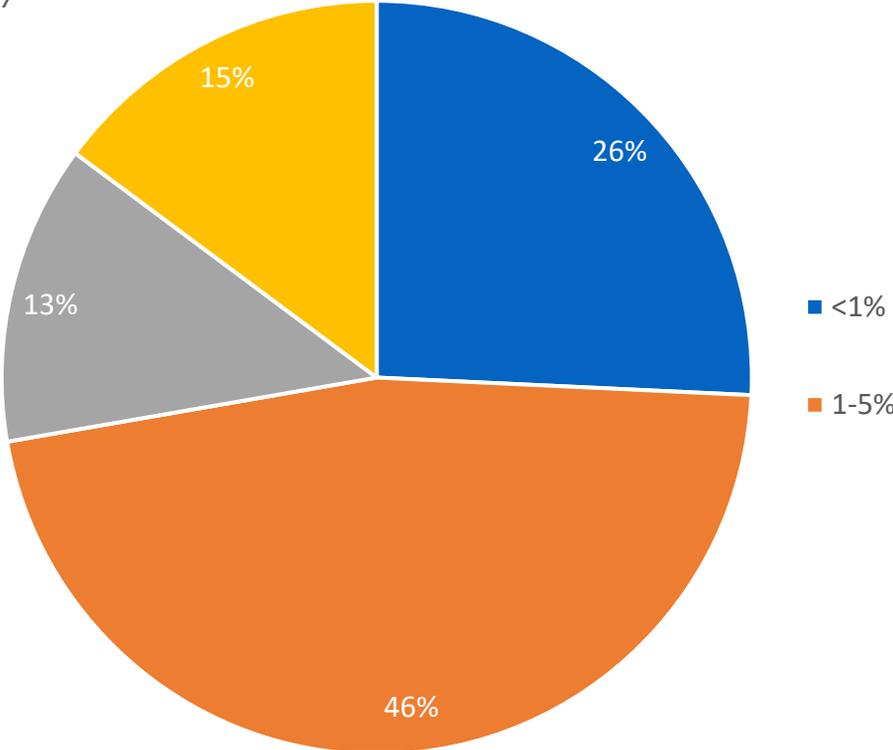
European results Σ 172



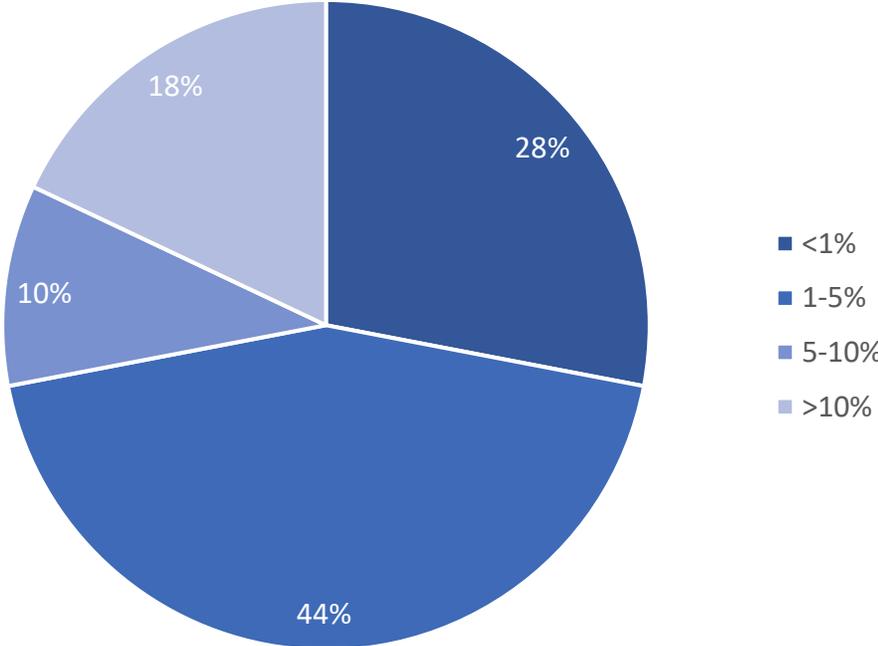
Respondent Profile

What proportion of global revenues is generated in Korea in 2023?

German Companies Σ 47



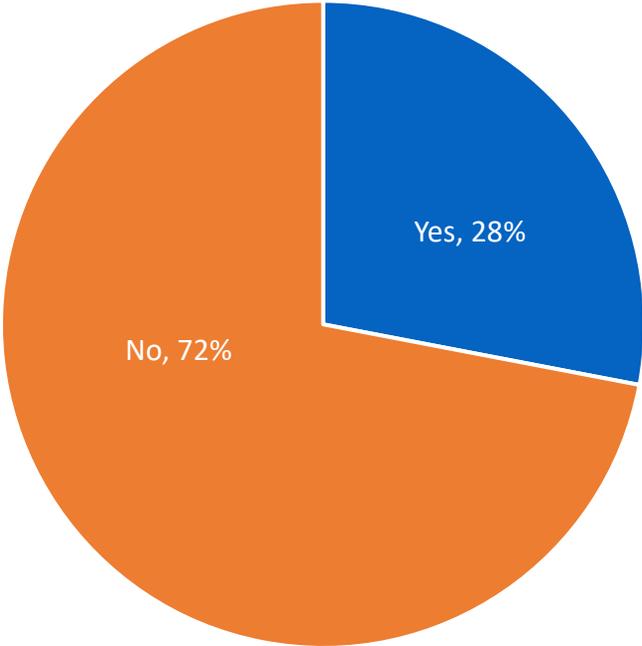
European results Σ 172



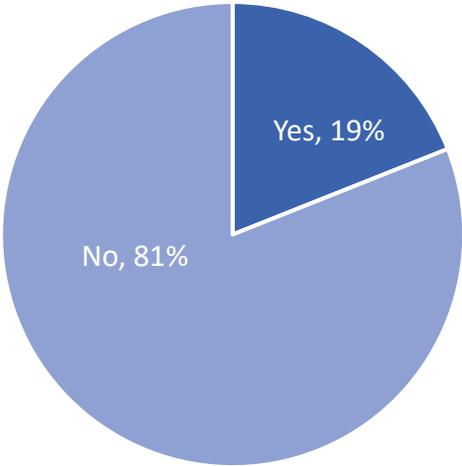
Respondent Profile

Does your company have R&D or production facilities in Korea?

R&D Facilities

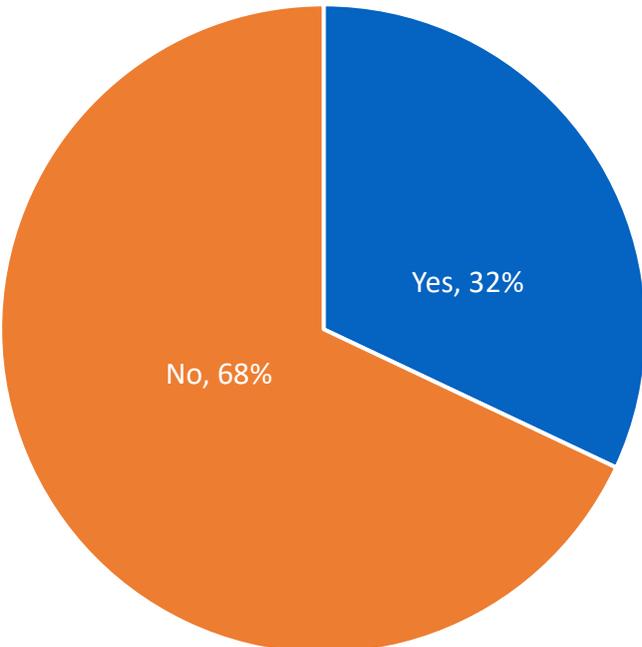


German Companies Σ 47

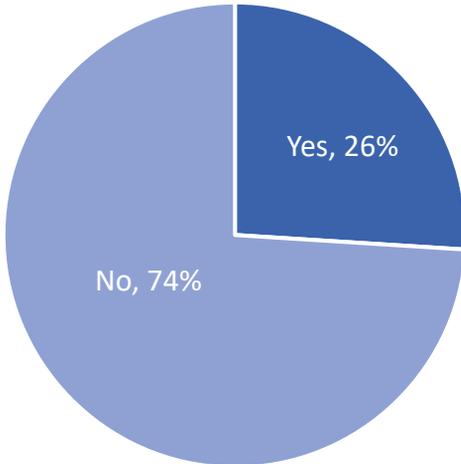


European results Σ 172

Production Facilities



German Companies Σ 47



European results Σ 172

KGCCI

The Korean-German Chamber of Commerce and Industry (KGCCI), has been a reliable partner and service provider for German and Korean companies as well as organizations since its **foundation in 1981**.

KGCCI is the **second-largest foreign chamber of commerce** in Korea with around 500 members and about 30 multilingual employees. It belongs to the global German Chamber Network Abroad (AHK) with 150 German Chamber offices in 93 countries. Its umbrella organization is the German Chamber of Commerce and Industry (DIHK) and it is supported by the German Federal Ministry for Economic Affairs and Climate Action (BMWK). At its location, KGCCI manages the **German Office**, where German companies can rent office spaces or single working desks. The location also houses Germany Trade and Invest (GTAI). KGCCI supports German companies entering the Korean Market through market analysis, delegations, B2B matchmaking, etc.

KGCCI serves as an **information platform** and **amplifies the voice** of German-Korean business relations. In addition to the weekly newsletter, it publishes the quarterly Economic Magazine KORUM, a semi-annual Business Confidence Survey that depicts German companies' assessment of the Korean market, and an annual CSR Report of German companies.

KGCCI has been serving as the official representative of trade fairs like Messe Berlin, IFA, Messe Stuttgart, and Spielwarenmesse Nürnberg for many years. Since 2021, KGCCI is hosting the **Secretariat of the Korean-German Energy Partnership in Korea**.

The annual **KGCCI Innovation Award** honors innovative Korean-German business projects. Starting in 2017, KGCCI has been organizing the cross-industry, cross-national **mentoring program** for female executives "Women in Korea" (WIR/우리). In cooperation with German automotive and truck manufacturers and five Korean colleges, KGCCI is operating a German-Korean **Vocational Training** (Ausbildung) program based on the German model. 570 (120 graduated) trainees participate in the program.

Contact

KGCCI / KGCCI DEinternational Ltd.

41-7, Jahamun-ro, 24-gil, Jongno-gu, Seoul 03042, Korea

Tel.: +82-2-3780-4600

Fax: +82-2-3780-4637

Email: info@kgcci.com

www.kgcci.com