Section 9. Recommendations and Conclusion

HackerNest, as a non-profit business that unities local technology communities around the world through community events such as hackathons and tech meetups, should expand to Seoul, South Korea. Seoul is the capital of South Korea. HackerNest would enjoy the tech atmosphere in Seoul as leading global electronics companies such as Samsung and LG, all have the headquarters locate in Seoul. Seoul is also the education centre of South Korea. Thus, HackerNest can find hackathon venues, participants, and volunteers easily. There are two airports that serve Seoul alone—Incheon International Airport and Gimpo International Airport. Korean Air serves major domestic routes and offers international service to Canada. Because at the early stage of its expansion, HackerNest’s headquarter would be sending executives from Toronto to Seoul, HackerNest should consider becoming a VIP member of Korean Air. HackerNest will be able to communicate with its partners and headquarter easily through the internet. However, HackerNest needs to consider the time difference between South Korea and Canada before setting up meetings or video conferences.

On the cultural aspect, because the South Korean culture is extremely different from the Canadian culture, HackerNest must study the Korean cultural norms in depth to gain insight into the Korean citizens, customers, and businesses. Ideally, HackerNest should send a group of employees to South Korea to experience the Korean culture and hire domestic workers. The Koreans believe in Confucian values and care about their dignity. It is important for HackerNest to demonstrates the Confucian values and the concept of “face” when conducting business in South Korea. Not everyone in South Korean can communicate in English. To avoid communication problems, HackerNest should ask questions form several directions to verify that message has been successfully communicated. When making presentations and business plans, HackerNest should consider minimize words and maximize graphs, charts, and visuals to help communicate across languages and cultures. Hiring employees who can speak both Korean and English freely to help with the foreign expansion will be ideal. The diversity of religious belief has impacted South Korea’s social development. As a result, HackerNest must understand the basic exercise and holiday celebrations of these religions, and give workers days off during these holidays.

In order to success in South Korea, HackerNest must be aware of the political and economic movements, follow the regulations and laws set by the government, and respect the country’s political views. South Korea’s steadily growing economy will benefit HackerNest’s subsidy in Seoul. South Korean’s government’s model of encouragement has led to the dominance of the family-controlled chaebols, many of these chaebols are technology firms that HackerNest can approach to and ask for sponsorship. South Korea is appealing to foreign businesses because of its rapid economic development, highly skilled workforce, high quality infrastructure, and specialization in new information and communication technology. Additionally, the strong shipping and air cargo infrastructure makes South Korea a great hub for expansion into other markers. However, the lack of general transparency in regulation is a major concern in South Korea. Therefore, HackerNest should publish a code of conduct that explains how employees should respond in different situations. South Korea has a strong relationship with Canada. The Canada-Korea Free Trade Agreement (CKFTA) will eliminate tariffs for HackerNest. HackerNest will be required to pay corporate tax. To avoid paying huge amount of tax to both Canada and South Korea, HackerNest should look into the double taxation treaty between the two countries. Additionally, HackerNest should apply for the tax reduction and cash grants when the business is at its early stage. The government’s subsidies will cover some portion of HackerNest’s land purchase expense, lease expense, and employment/training expense. South Korea also has an active engagement in various of international organizations. HackerNest should partner with the local offices of those international organizations to gain trust, sponsorship and publicity. Recently, the political situation in South Korea is not quite stable. In 2016, a political scandal in South Korea sent hundreds of thousands of protestors into the streets and has cost past president Park’s impeachment. In May 2017, Park’s presidency was replaced by President Moon. With the appointment of a new president, there might be potential changes in government policy, specifically policy towards trade and foreign investment. HackerNest should stay updated with the political and economic news in South Korea and stay on top of the changes.

HackerNest will benefit from the talented individuals in South Korea. Individuals with an engineering or technology major can be hired as hackathon organizers or mentors. Job seekers with a business degree can be hired as accountants, consultants, managers, and secretaries. To reach out to more people and spread hackathon, HackerNest can consider accepting student volunteers to help organize tech socials and hackathons. However, South Korea has strict labour laws. HackerNest should be aware of the government policy regarding minimum wage, and consider maximum work hours in terms of employment. HackerNest should try not to exceed the maximum weekly working hours. If exceed, HackerNest should offer incentives to its workers to make sure they are productive. HackerNest should also expect its employees taking paid vacations during any time of the year. To avoid any working condition violation, HackerNest needs to establish a management system for occupational safety and health, prepare preventative measures for harmful and dangerous equipment, facilities and materials, and periodically provide employees with necessary safety and health education. If HackerNest will hire minors, HackerNest should only require minors to work only a limited number of overtime hours and prohibit from employing them at night. The South Koreans also value gender equality, so HackerNest should offer equal opportunities for both men and women.

HackerNest’s major services are hackathons and tech meetups. Market research must be conducted by HackerNest to help solve marketing problems and make the business more successful. For instance, HackerNest needs to know the issues that most South Koreans want to address at hackathons, what people like or dislike about HackerNest’s tech social and hackathons, and who is most interested in attending HackerNest’s tech social and hackathons. HackerNest can ask Seoul National University to be its test markets for hackathons and give each attendant, volunteer and mentor a likert scale survey to fill in. To test the effectiveness of tech socials, HackerNest can conduct a focus group research. Since HackerNest has experience with expanding the business overseas, HackerNest can use its internal information sources, such as past business analysis on its hackathon and tech social feedback, inventory data, advertising results, and production statistics to determine the product development, pricing, place, and promotion for HackerNest’s subsidy in Seoul. In addition, HackerNest should gather secondary data, which is data collected from websites, databases, books, periodicals and indexes, to thoroughly solve marketing problems. Major League Hacking’s database provides a lot of resources for hackathon organizers. HackerNest’s target market is the millennials, which include high-school students, college students, and people who entered the work force in recent years. Most hackathons have a theme. To determine the theme of each hackathon, HackerNest can research about the critical problems that the millennials care about. More than six months prior to each hackathon, HackerNest should lock down a venue. An on-campus venue is HackerNest’s best option because it’s usually free, and hosting a hackathon on campus will attract many student attendees and volunteers.

HackerNest needs to rent an office space to accommodate full-time employees, host meetings between businesses, and hold tech meetups. HackerNest’s subsidy in Seoul will be locating at the city’s Central Business District since this area is the centre of Seoul’s most successful business hub, and it has a modern and stylish atmosphere. HackerNest’s office has direct access to subway station and is close to embassies, as well as international class hotels and restaurants. For local employees, it’s convenient to commune to HackerNest’s office. For international employees, or board of executives from the headquarter, HackerNest’s office in Seoul can arrange them to stay at the international class hotels close by. Because hackathons and tech meetups are free to the public, HackerNest needs to fundraise and negotiate with IT businesses in Seoul. Korean consumers and businesses tend to be concerned with the brand name. Some Korean consumers typically research products online, especially through social media. Therefore, HackerNest should translate their official website into Korean, stay active on social media, and contact media and press to be featured online. Trends and celebrities have a large influence upon consumer preferences. HackerNest should reach out to video game celebrities and executives of technology firms to judge at hackathons.

To promote hackathons and tech meetups, HackerNest can reach out to student groups and STEM departments on all university campuses and launch a social media campaign. In addition to Facebook and a Kakao Talk, HackerNest can also display ads on media poles and through Micro Software Magazine. HackerNest’s ads must be translated into Korean due to regulations on Use of Foreign Languages in Advertisement. Furthermore, ads should contain HackerNest’s or event’s logo, a catchy slogan of the event, colorful and appealing pictures, and a link to the Facebook event page.

When entering South Korea, HackerNest should be aware of the competition exists in the South Korean market. To compete against its direct competitors, HackerNest should utilize social media and press to gain public attention, and prepare for a backup plan for every hackathon or tech meetup. To compete against its indirect competitors, which are organizations and companies that help launch tech startups and host software and hardware developing courses, HackerNest should give everyone the opportunity to attend tech meetups and hackathons.

Overall, HackerNest should expand to Seoul, South Korea, and HackerNest should consider adopting aforementioned advice and solutions to help overcome barriers and challenges.