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[Field Research]

E-Strategy between European and Korean Innovative Business Channels in Post-New Normal Era

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Abstract

Purpose – The aim of the study is to analyze the impact of the European Union's (EU) focus on innovation and consumption, after the EU Eastern enlargement, on trade, investment, and technology cooperation patterns of Korea to formulate a pan-European marketing strategy, with a special emphasis on the mobile phone industry.

Research design, data, and methodology – This study compares the intersection of the pivotal areas in the markets in the "post-new normal" era to identify outlets to commercialize development and innovation in this region. The EU would like to realize potential trade and investment opportunities with the Central European Economic Community (CEEC) from this enlargement.

Results – The study analysis suggests a positive impact for innovation and consumption from the EU Eastern enlargement on trade, investment, and technology cooperation patterns of Korea to formulate a pan-European marketing strategy with a special emphasis on the mobile phone industry or motorcar e-strategy.

Conclusions – Due to the evolving close interdependencies some hubs have emerged between regional, small markets and the central, larger ones such as Germany and France.

Keywords: E-Strategy, Innovation, Consumption, ICT, E-Car, Post-New Normal.

JEL Classifications: N94, M15, O32, R12.

1. Introduction

This paper is just what Korea for 10 years under the new concept of the economic system should present a plan for innovation. Emerging markets now want to consume own desired products that meet the needs of their areas. As well as

the developed countries's markets, the emerging one mainly consumed, where consumer spending has been converted into the emerging markets.

So it aims at analyzing the impact for the Innovation & Consumption of Eastern enlargement of EU on trade, investment and technology cooperation patterns of Korea to formulate a pan-European marketing strategy with a special emphasis on the mobile phone industry.

The EU was incepted by the European Economic Community (EEC) in 1957 via Rome Treaty. European Coal and Steel Community (ECSC) and European Payment Union also contributed to the launch of EEC. The European Community (EC) had reached the Single European Act (SEA) in 1987 by fully recognizing that it had been falling behind in industrial adjustment capability compared with the United States or Japan. The SEA specified the target of accomplishing the EC into common market until 1992. Having launched the common market in January of 1993, the EU announced a schedule to achieve the monetary union which was achieved in 1999.

Despite having extended preferential treatment on both incoming flows of trade from the CEEC and outgoing flows of investment towards CEEC, the EU was reluctant to make a further concession to the CEEC due to the possible increase in social network expenses and internal instability. But there emerged a paradigm shift among EU members to expedite its initial plan of enlargement towards the CEEC as a means of revitalizing their industrial adjustment process. The motorcar and IT industry can be good examples to realize growth potential by amalgamating technology and capital of the EU with high-quality labor force (not the consumption but the Innovation)and expanding market of emerging economies of the CEEC. The EU would like to realize its potential trade and investment opportunities with the CEEC from this enlargement. Since the crisis of the global finance in 2008, they have focused the Innovation & consumption.

This rapid innovation is possible an emerging area of energy was not in itself capable of supplying electricity through the solar system to get this electric car to emerge. It is the main core of consumption as the regional marketing of gravity model. That was the era of the investing system to equip cars and fuel, where everything is possible. To establish an integrated system like the Apple smart phone company's IT equipment systems on

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the market street corner there is a need to expand the market. Although products industry group begins to convergence, but the converging of products is not because all things are not intended to be commercialized soon innovations.

2. Comparison with previous studies

Zhao et. al. (2013) has argued that it was shown the limits of the respective powers ranging from the importance of convergence and global practices with a new standard of economic growth, at the same time with increasing the global recession and fears was derived from the euro crisis. The dramatic development of the Internet was chosen for enabling consumers in the country to learn from the best suppliers in the world. Two trends are needed for the emergence of institutional co-innovation between suppliers and consumers for sustainability necessarily. The new standard navigation of economic growth was presented by creating his paper with the importance of co-occurrence, based on the comparative empirical analysis of institutional systems in 100 countries.

It, however, was only considered that Datt & Nash (2013) have pointed out budget problems and resource constraints, innovation efforts of the public economic sector, or new initiatives recapturing the innovative leap into the top. In the other hands, this should be done first by the government to accelerate innovation. It seems that promoting a culture of innovation or modeling of the private sector has a long way to go for it.

In response to that, Sardar (2010) showed the focus on the definition in the following graph two variables (stakes on decision-making and systemic uncertainty) with the uncertainties of the market environment to use post-New Normal era. Schaffhauser (2012) claimed that in order to succeed in an era of austerity, they need IT as changing the cost of conversations with IT, even education is important to realistically change the expectations of school education on what can be achieved that on the center of IT.

The above two previous studies were emphasized in education, and environmental, institutional, budgetary, human resources, but authors focused on an emerging area of innovation and consumption according to IT convergence industry. In addition, with the price competitiveness of the IT industry revealed in the new normal era, it would have to be installed in the emerging area the cheaper infrastructure and the products and service being consumed.

3. E-Strategy of new commerce

3.1. E-Strategy of New Markets

Most multinational enterprises (MNEs) treat the EU as a single market for their global reallocation of production and technology. But the internal integration ratio ranges with a wide margin in real terms. This paper compared with the intersection

of the pivotal areas in the market coming "post-New Normal" in order to open up outlets in the market to commercialize its development and innovation which these regions deemed to be played as an important role. E-strategy for smart business is that how the local business on the web can support some business strategy.

For expanding the E-strategy, South Korea at the moment is so competitive or cooperative relationship with China and EU in the global market. Korea has to build against it the following consuming regions growing as new intersections. The middle classes are emerging in the local markets because it is the central axis of innovation and consumption led to consuming or producing.

The prior region adopting innovative products or industries is Eastern Europe, Balkans spreading as the hub intersection (center axis of consumption or innovation) or gateway to the in Mediterranean, Asian and Russia through the Helsinki V project of the EU. At two lower stage the second is Maghreb region, which the innovation ability can be spread to Africa through Mediterranean Morocco, Algeria, Tunisia. At two lower stage the third is Indonesia, which is Southeast Asia spread to the Mediterranean through the Suez Canal, this also is the intersection of the market.

These areas were preempted by the simultaneous hub with releasing and producing of innovative products, to be expected commercial approach or to invest directly in local. It proved indirectly that can be more effective than the hub of the Western industrialized countries. This preemptive strategy of expecting niche areas due to the saturation of existing areas is now key issues in E-strategy. So countries in fairly strong trade-dependent ratio like Korea have to be secured them as soon as possible.

At the World Economic Forum in the last 2013 'New Normal' was mentioned, which means the emerging standards in accordance with the changing times. New Normal was the issue of the Davos Forum in 2013 that the CEO El-Erian is the economic term first used in 2009. He has expressed the changed global economic orders about the new normal before and after the global financial crisis in 2008. The normal is macro-economic order, new normal macroeconomic refers to the newly-established order in accordance with the economic situation. The era of post-new normal has arrived here forward the next step in the new normal.

It is requested on the marginal change of diverse fields at the Post-new normal era, which is of marginal thinking to commercialization between markets, so multinational enterprises now play an important part to widen the distribution that is commercialized innovations. Of the existing research the corporate marketing was led to the main distribution channel for distributing a mass advanced civilization in the developed countries or regions, then in late comers. However, if any, companies are to now supply products with only the emerging markets, it should be different goals developed for the enlarged base of the major cities where they have launched an innovative product suitable for the local characteristics. Such studies seek to be frontier market the both new innovation and the mass consuming root.

For instance, there still exists a wedge in corporate tax rates,

which ranges from 10 per cent in Ireland to 40 per cent in Italy in 2002. Boosted by the inflow of capital and R&D capabilities, the regional champions put their efforts to become the global ones from pursuing an intensive pattern of growth. Furthermore, R&D clusters can be reinforced by facilitating the exchange of manpower.

This paper focuses mainly on Hungary, Poland and Czech Republic at the industry level analysis because these countries have pioneered the frontiers of recent reforms among transition economies. These three nations absorb about 74.5% of FDI to the CEEC. The U.S. and Germany have played important roles of channeling more than 40% of FDI in this region. Over the past ten years Hungary has gone through radical changes to integrate itself into the world economy by increasing its exposure to international competition. Having established its market economic system, Hungary is focusing on bringing market performance into line with its peers, mostly through strengthening the competitive edge in important sectors and overall improvements to the quality of regulatory governance. The Eastern enlargement has brought forth intensified competition between the affiliates of EU firms and those of the U.S. ones.

Apple has the time to enter the electric car market. The computer company just was in less 7 years than the time it had entered revolutionized the mobile phone industry in 2008, and now is looking over to the electric vehicle industry. It is because the machinery industry is rapidly converted into IT-based electric car industry. As a beginning, it has also an important role in the Tesla electric car. At this point, the industry within Western countries has some products converge and the economy growing as its exclusive markets to emerging. These emerging markets need to the more times to expand consumption up to activation, but in order to enable and accelerate their consuming, The equipment should only appear on a convergence of the local economy together like developing smart phones and electric

cars, not the low cost of it. These grafts may be possible for the late comers to develop more self enlarge the market.

Here is the time that needed for the alternative preparation of innovative products in emerging markets. China at a time of competition and cooperation with Korea has already pioneered the market outward expansion. China has envisioned the Venice, Italy and Athena in Greece as Europe's entry gate as a logistics base of the New Silk-road, Africa has preempted the Kenya Nairobi as the main pivotal base of East Africa, and Jakarta in Indonesia to build Southeast Asia to visualize the bases loaded logistics industry, so it is trying to lead the future industry. This is because the competitive countries has considered as a local harbor or city street corner in the selection of the most important industries in the global market strategy. However, it will be noted as the base city, led by the emerging role about innovation as a consumption and production economy.

3.2. Integration in terms of Production Site and Market consumption

The IT industry has such an attribute of short life-cycle, product differentiation and very rapid pace of the Innovation & Consumption. The U.S. has maintained the front runner and the EU and Japan have been lagging behind in terms of in-house technological capabilities and innovation and consumed at the same time. The EU plans to expand its IT or E-car industry hubs from the Western and Northern Europe to the Eastern and cross its fingers for the possible upward movement of competitive edge in IT industry. For example, Hungary is endowed with the highly-quality manpower and location hub in logistics. However, as <Table 1> shows the market share of world leading mobile phone firms, it appeared the own local market.

<Table 1> Market Shares of Leading Firms (mobile phone, %)

MNE	1997	2004	2007	2012	2015 1Q
Nokia	19	30.4	38.8	24	-
Motorola	22	15.3	14.1	-	-
Samsung	3	12.7	14.3	29	21.3
Siemens	4	7.2	-	-	-
Sony-Ericsson	17	6.2	9.2	-	-
LG	-	-	7.2	4	4.3
Apple	-	-	-	10	13.1
ZTE	-	-	-	6	2.7
Xiaomi	-	-	-	-	3.2
MS	-	-	-	-	7.2
Other	35	28.2	16.4	27	48.2
Total	100	100	100	100	100

Source: Seo (2008) &, compiled by author.

<Table 2> Automobile production in CEE, 2013 (1,000 unit)

Corporate Brand	Skoda	Renault	Lada	Volswagen	Hyundai	Ford	Kia	Fiat	Peugeot	Dacia
Production area	CZ/SK	SL/RO	RU/etc.	HU/PL	SK	PL	SK	PL/SE	CZ/SK	RO
Outputs	661	622	595	498	493	482	448	406	295	282

Source: HIS (2013).

However, since 2008, within regional hubs of innovation that had begun to increase consumption of mobile phones, it has replaced the existing ordinary mobile phone with a smart phone like iPhone. Nokia has caused the chasm (Technology-Marketing disconnected). Nokia finally went off from the center of the investment. Nokia factory and investing the R&D centers in Hungary as regional hubs was suspended, then closed. Like Siemens in 2005, Nokia in 2012 was to be disappeared in the regional hubs of the world as well as the central hub of Europe. Because of the market entry by many companies, it occurred a number of competing firms, then now the market has been occupied by more than half of the other companies. This mobile phone markets tend to being broken the regional markets down, rather than monopolizing the market. This is being appeared and grown in their own markets.

The last of 2008 some kind of emergency system was down time for the New Normal in order to prevent the global financial crisis as the economy in the developed countries is recovering. The traditional economic structure has collapsed the composition of namely emerging countries - production, developed countries - consumption. This Post era of 'New Normal' has arrived. For the new landscape and the new era, it should develop a new resource, new talent and technologies like 'pour new wine into new wineskin'. What the era has led the consumer market is emerging middle classes, they are becoming a center of innovation and consumption. In addition, the user needs to become diversities, the need for the development of products and services that can meet the various desires has to be designed the importance in this environment, and its application can only be further enhanced castle.

Conservatively, multinational enterprises accelerates pan-European integration in their local production, R&D, back-office functions by making financial organizations and pooling logistics from individual country basis to pan-European one. The prime impact of the Eastern enlargement may be the fortification as production base and the increase in market may be a secondary one. Old member nations are keen to enhance their industrial adjustment capability on the motorcar, IT, steel and textile and clothing industry by promoting trade, investment and technology cooperation with the new members of CEEC. The average wage rate of CEEC ranges from 1/5 to 1/4 of those of old member nations. The relative share of FDI inflows from old members to CEEC reaches about 65 percent. Most such FDI inflows have a close relationship with the privatization or intra-industry trade of CEEC.

However, a scale of the current typical vehicle production varies from CEECs, <Table 2> growing the scale similar to each

other across CEE at 2017 or it expect that Turkey toward the neighboring Balkans to be pulling ahead of them in scales. Even if the production and development only occurs and consumption does not occur in regional hubs, the central hub like Germany becomes vulnerable. This is due to a close interdependence between the central hub of Western Europe and Eastern Europe hub.

Eventually, due to the influx of companies such as Tesla electric car, market Hub is easy to appear in a chasm. As the hub-spok economy, the car industry is brought to Eastern Europe's export-oriented growth and German has to do the de-veloping of priority at the same time producing new cars with a reasonable price. It should induce the consumption of regional hubs.

Innovation in new markets is experiencing a sudden change. In particular, the number of parts in the automotive and related industries is rapidly evolving IT to more than 20,000. The convergence speed of the smart car and electronics, IT technology is faster to maximize growth than the expansion of the electronic components market. This is because the movement driven by the electronic system, while reading a book in the car or going into a post-laptop work era. For example, there first, is a developing trend with innovative technology in the United States such as Tesla Motors, Apple, Google of convergence companies in the tech-valley area, and second, because it is right to be manufactured by domestic automated facilities like BMW. These are two reasons because these companies have lowered the proportion of making product assemblies in domestics to move to minimum wage workers in many emerging regions. However, the market movement in the emerging areas is a tendency to be migrated by causes such as ensuring the affordable energy and the technology alignment of the area where two functions intersect. Because ensuring of the local cheap energy source has become a very important factor for expanding to other countries that this could pre-empt the market base. Europe can be a driving force in automotive powerhouse through pre-empting the market and a marketing in the base city and cultural convergence as described herein.

But the Nokia of Nordic countries is one of the many reasons in the path of the decline in the IT industry that the Finnish government and Nokia did prepare unpredictable future as creating or adopting the new IT industry, and due to a fairly high dependence on emerging markets for the base enlargement without economies of scale. Why it is necessary to focus on expanding base cities of the market is the rapidly changing. So the intersection of the market should be involved in the convergence of logistics, manufacturing and smart cities.

4. E-Strategy of Korean towards the European Market

4.1. Strategy Changes and Market Segmentation in the European Marketing

In the early 1990s, Korea had contemplated the impact of 'Single Market' of 1992 on the Korean trade and investment with the EU. Such a concern was intensified by the possible emergence of 'Fortress Europe'. Flows of trade and investment with the EU have been expanded before the currency crisis of 1997, but it showed a downturn in the late 1990s. Korea had undergone through tough times in settling down trade disputes with the EU in electronics, shipbuilding and motorcar industry. Since the mid-1990s, there has been virtually no systematic approach to facilitate trade and FDI with EU. The sluggish progress with the EU may be stemmed from the heavy reliance of Korea's trade and investment with the U.S., China and Japan. But the pan-European market has become too large to be treated as a residual market in terms of trade, investment and technology cooperation.

Despite having perceived the increased market size and the relative importance of the pan-European market, the lack of perceiving differentiated tastes of consumers has worked as an impediment factor for both Korean firms and public organizations in capturing the EU market. Conventional market survey classifies consumers on the basis of national borders. But it may be more plausible to augment demographic, social psychological and behavior traits to the national category as a means of drawing strategic implications. It may be reasonable to sort out consumers on the following categories which reflect salient features: differentiated lifestyle, diversified evaluation method of brand equity, different patterns of purchasing products, different ditches of price sensitivity, attitude of European customers towards Korean products and consumers' awareness towards product differentiation.

It shows national differences in consumer preferences at national levels. The Central and Eastern European countries exhibit strong preferences on Euro and self confidence compared with stylish and traditional attitudes. It is inferred from Homogeneous consumer needs, tastes and lifestyles in the EU that the homogeneous attributes between the Western Europe and CEEC is greater than those between the Western Europe and Korea. It may be, thus, sensible for Korean firms to have affiliates in the CEEC as a means of promoting the pan-European marketing. It is also noticeable that there is not a wide margin in competitive edge of new member nations in the CEEC compared with the old ones as shown in Competitive Edges at the Sector Specific Level of EU. This implies that the CEEC may be a suitable place to build plant and R&D facilities whose products may be loaded to the Western European markets or elsewhere in the global market if Korean firms successfully bridge or close the gap in pan-European marketing and R&D activities.

4.2. Importance of R&D activity and Corporate Strategy

The critically important corporate strategy for Korean firms to increase their market shares in the emerging market of the CEEC as well as Western European countries may be reformulated into how to capture the niche markets. Another important reason for pursuing such a marketing strategy is that it may allow Korean firms to bridge the chasm between the initial market penetration and the mass marketing with a minimal frictional cost. The chasm marketing refers to the discrete of marketing caused by the uncovered sunk cost of R&D expenditures due to a wedge between marketing and R&D activities. It shows the chasm market in terms of technology life-cycle.

It indicates the bottleneck of discrete marketing activities that emerge when marketing revenue does not fully cover the R&D expenses of items whose product life cycle is rather short. The chasm may work as an entry barrier for a further development of early majority market. The high-end products with extremely short-life cycles are liable to fill the slots of chasm. Chasm marketing aims at reducing and closing such a chasm by analyzing how to finance the R&D and capital expenditure for capturing the early majority market. This approach alleviates the possible extra burden of Korean firms in expanding their market share in the enlarged pan-European market. The chasm marketing refers to the discrete of marketing caused by the uncovered sunk cost of R&D expenditures due to a wedge between marketing and R&D activities.

It pointed out that Samsung Electronics faced with chasm marketing issues as compared to other competitors. The same point is, if Samsung group rely on economies of scale, the chasm marketing should not be a problem. But if they rely on the ability to design and product differentiation chasm marketing, there may be a problem. The company will also increase the likelihood of bankruptcy.

Marketing foothold in the EU is Hungary like a hub of market distribution within CEEC, for example, South Korea conglomerate cases like Samsung, LG, Hyundai-Kia, Hankuk Tire have already entered into the European single market through the benefit such as low cost, incentives (direct cash subsidies), EU funds, so on. Representative entrepreneurs, Samsung (Samsung) had started from Hungary, and expanded own business in Slovakia, and built the consumer electronics factory in Poland. Although the cost level of central Europe is favorable considering the many variables of matters, such as higher distribution costs, taxes when compared to China. It is because public policies will actively encourage these things. If some entrepreneurs' sales established in there, they will be increasing the proportion of marketing and distribution out and, even added to such R&D investment, the width of the incentives and workforce are greater in Hungary.

4.3. change of the new market

At the new normal era, innovative regional markets were because of bringing a large risk as a small interest in the deci-

sion, while for example, Samsung Electronics became the world's largest mobile phone manufacturer. In the context of market changes, however, Apple has just changed it like the size of the iPhone 6, and has an exclusive 90% of the operating profit of the world's smartphones by outstripping Samsung smartphone shipments.

In the advanced emerging markets like China (Xiaomi) and India (Micromax), Indonesia, local businesses have secured the upper place. Korean companies need to be taken an attention in the Indonesian market that it accounts for more than 35% share of the local mobile phone manufacturers. In particular, Indonesia is expected because local manufacturers expand the market share through the preferential policies that the country is expected to produce mobile phones even higher. There is a need to multiply advance to local commercialization as <Table 3>. Actually Evercross is 18.2% of the total handset market share and smartphone market share accounted for 13.1% and established itself as the second largest mobile phone brand, followed by Samsung Electronics, Smartfren also recorded a third place in the smartphone market there.

The underlying strategy of expanding low-cost line will fail. Korea or EU companies need to overcome the discontinuity of the market. For example, the commercialization of electric vehicles, Tesla Motors were founded in 2003 in just five years has led the electric vehicle market in the US market was reserved for the traditional automotive companies are currently growing in the market to break the Tesla model.

The bounds of the current IT and automobile convergence were collapsing. For IT's convergence of existing traditional auto companies, IT companies have underestimated the direct new markets. The automotive industry is a logical essence different from the phone to the machinery industrial fields. Traditional automotive companies thought that it is difficult and more complex industrial structure and distribution for new companies to enter the automobile market, unlike Apple' smartphone entry. The combination of automobile and IT become to have their own necessity. As a function of the existing market conditions and the spread of market saturation, the role is a situation that is being transferred to the new innovation. To this end, industrial investments are needed to expand the base for a rapid product innovation. Because it can expand to fit the convergence-edge toward high-quality, low-cost market without technical innovation and the capital market. Specific implementation like E-strategies

should be different from the previous one. The reason is why the current economic recession for recent decades is a big gap to the recession as causing fundamental. So the alternative rotation of business cycle is simply trying to cope with the restructuring of the economic order and experience.

This research is to investigate and study the possibility of a logistics base with innovation and consumer markets in emerging countries in the upcoming convergence era. For examples, these small-scale technologies (smart devices) are becoming developed into a large-scale technology (IT-based electric vehicle). Equipping 17-inch LCD panel or absents of the internal combustion engine become to enlarge more than twice the seats of electric vehicles, the IT infrastructure has become more broadly effective and available spaces occupied by a mechanical base. This is because Apple has a reason to develop electric cars. The Tesla as causing a revolution in the electric car era was staggered to adopt the Apple employee. Even Tesla is developing a new concept of a car after only one or two steps, competitively similar products are launched every area.

BMW reaches up to 99% of the automated lines, it can be switched quickly to more than 50% of electronic IT-based electric car like the Tesla, not mechanical. Car industry also was regarded the one or same industry that IT equipment made this revolution possible. This IT-based machinery industry also affects the energy power industry. This is because energy is a low power, and power switching times in transition of various resources, it was not in device power consumption such as a nuclear power industry. There are transited from the existing capital and labor into low-wage or logistic convergence of market industry. goods produced in the region is the way with the competitiveness in the global market.

However It is recently why BMW established a new logistics center and warehouse of spare parts in the domestics is also the center. In the premium compact car segment in order to prevent market dominance of BMW while Mercedes-Benz is why the plant started production of the B-class flagship model in Hungary in the IoT fields like pre-safe technology, Distronic Plus assistance system and Lane departure warning system by 2030, because the Hungarian industry is the IT industry's strengths. To use the talent of the Hungarian IT industry, creative development programmers have been there for mass production. In the past, IBM, Nokia, Ericsson, HP, Siemens, Oracle and other global IT companies have invested to hire programmers.

<Table 3> Market Shares of Leading Firms (mobile phone, %)

Domestic brand manufacturers and Development	China	India	Indonesia	US	EU	Korea
New entrants : smartphone	Xiaomi/ ZTE/ Huawei/ TCL/ Lenovo	Micromax / Intex / Lava	Evercross/Smartfren	Apple / Google / MS	-	TG/ Existing enterprises
New entrants: E-car	Shanghai, FAW, Chang'an, Beijing, Geely Auto	Mahindra	On self-developed	Tesla / Google / Apple	Existing enterprises	Existing enterprises

Source: compiled by author.

5. Conclusion & Implication

This paper has shown that it is rather imperative for Korean firms to carry out FDI to the CEEC in terms of pan-European marketing in the Post-New Normal era. It emphasized on the critical importance of tracing out the possible emergence of chasm like Nokia. It also points out the potential risks of the chasm by failing to cover the R&D expenditures due to the discrete patterns of consumption and rapid pace of product life cycle. By taking into account the crucially important role of R&D and focusing on hubs of own market distribution, it demonstrates the importance of aggressive investment to capture the niche markets by making use of FDI on joint R&D activities. Kia' E-car fields include of Samsung and LG, small businesses are evaluated to have been agile in bridging the chasm market by making use of FDI for accommodating the changing patterns of market with technology catch-up as E-Strategy in side of Post-New Normal. So in the Post - New Normal era, the change depending on the direction of investment concentration in the automotive industry of more than 50% IT center parts will have to increase the innovation industry as not a simple production base but cross-regional one oriented innovation and consumption of multinational companies.

Without the marketing investment that create consumption in emerging regional hubs such as Eastern Europe or simultaneously developing continuous products it will fail in global marketing. This is because close interdependencies is being made the hubs between the emerging regional small market and the central large one such as Germany and France. But they may be falling behind in the chasm marketing over the European E-Strategy unless they successfully trace out the changing patterns of demand and technology map of competing firms. So it is grown their own markets. The public policy is required to shift from the local own role of products in terms of promoting linkage effect of avoiding the chasm in Post-New Normal era. Korea also has to support innovation in IT convergence industry, The collaboration and investments to foster an ecosystem of innovation and consumption for preemption is required not only for acting in regional cooperation, but also staging of the production base in order to share.

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