The London School of Economics and Political Science

Practicing Globalization: Mediation of The Creative in South Korean Advertising

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A thesis submitted to the Department of Sociology of the London School of Economics for the degree of Doctor of Philosophy, London, December 2013

Declaration

I certify that the thesis I have presented for examination for the MPhil/PhD degree of the London School of Economics and Political Science is solely my own work other than where I have clearly indicated that it is the work of others (in which case the extent of any work carried out jointly by me and any other person is clearly identified in it).

Abstract

The aim of my thesis is to investigate the various ways in which globalization is performed in the locus of the South Korean advertising industry. In doing this, I focus upon the practice of creative advertising which is considered as one of the main practices to perform globalization in the locus. Addressing globalization as performativity means that this study rejects the idea of globalization as an objective structure. Instead, it approaches globalization as discursively induced practices and a transitory construction constituted of aggregate action. However, the actions that build globalization are diverse and situated in time and place. It necessitates this study to 'follow' the actors who embody narratives of globalization and produce it in their daily performances of those narratives.

In this thesis, I follow South Korean advertising creatives who are an embodiment of a particular type of agency which identifies creative advertising with globalization and modernity. In this respect, their practicing creative advertising is simultaneously practicing globalization and modernity. However, their practice of creative advertising is situated in the South Korean advertising industry and takes place in a network of actors who embody different agencies. It makes creatives' practice of globalization and modernization by way of creative advertising an ongoing struggle and negotiation. I explore the ways in which creatives' practice of creative advertising transforms when they are connected to other actors in the network, particularly ad firms and clients; and the ways in which this transformation produces different forms of globalization.

In this thesis, globalization appears multiple, contingent and mediated. Various narratives of globalization produce diverse subjects but these narratives are locally mediated. . It is the processes of performing the imaginary 'global' that is locally defined. Therefore, globalization is essentially a local product in which local agents practice the local on a new platform.

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Chapter 1 Introduction

1.1. Globalization and Creativity in South Korean Advertising

Creativity is "a staple byword of the discourse of advertising" (Negus and Pickering, 2004: vi). Picking up an advertising trade journal and flicking through its pages, we routinely come across expressions like "creative promotions and campaigns", "creative brief and research" and "creative hotshops and boutiques". We also see news and features with great regularity about "the personnel awarded for their creative contributions to the industry" (ibid). It is not unusual to hear that "creative jobs are the most high-value added entities of the advertising agency" while "the plight of the agency in the market is […] precarious [without a successful team of creative workers]" (Faulconbridge et al., 2008: 31). All these give the impression that creativity occupies a central position in the business of advertising for both individual's chance of success and ad agency's getting ahead of competition. Or, at least, it could be interpreted that the advertising industry is keen to be seen in this way and thus tries hard to present itself like this. Either way, the centrality of creativity in advertising appears unquestionable.

However, there is the other side of the coin. Firstly, creativity has not always been considered this important in advertising. In fact, it was not so long ago when advertising was obsessed with science and aspired to become a pure scientific discipline (see Packard, 1957; Key, 1974). At the time, creativity, "with its implication of the intuitive, the nonrational and the eccentric" (Frank, 1997: 41), was almost entirely ignored. Secondly, despite the growing pervasion and naturalization of the aforementioned discourse, it does not appear that it is universally and unreservedly embraced by the advertising industry today as something central to their business: on the one hand, it remains a terrain of fierce dispute and contestation between actors within the industry, not only the well-documented tension between agency and client but also between advertising practitioners themselves (see Mazzarella, 2003a; Nixon, 2003; Cronin, 2004a; 2004b; Bilton, 2009); on the other hand, it shows markedly uneven spatial distribution across different advertising industries. From a global perspective, there are a select few countries seen to produce "cutting-edge creative productions" while all the others "little more than banal calls to buy a particular product" (Pratt, 2006: 1883). Even in the countries with a great reputation for creative excellence, creative advertising tends to be the preserve of a small number of elite brands or advertisers. Like

everywhere else, the majority of ads produced and consumed in those countries remain dull, unimaginative sales pitches.

In this thesis, I relocate these dilemmas in a non-northern context of South Korean advertising; and examine the dynamic ways in which creativity is constituted as an effect of its situated co-performance. The institution of advertising is a northern invention. To this day, a few northern countries have dominated the world of advertising in terms of both creative and commerce. Most of business discourses and practices globally adopted originate from these countries, and, by doing so, they set the standards for the rest of the world to follow. Being one of the rests, South Korean advertising has constructed itself mostly by co-opting and implementing elements of the northern-originated discourses and practices. However, it did not produce itself as a carbon copy of 'northern' advertising as it involved an infinite array of mediators which transformed those appropriated elements. Creative in South Korean advertising could be located in this context. Discourses and practices of creative, creativity and creative advertising are appropriated mostly from northern countries. In this respect, it is important to investigate how local actors mediate these discourses and practices as well as the dilemmas, problems and disputes associated with them, and result in producing a localized assemblage of creative advertising.

In order to explain these, I analyze business discourses and practices of three Seoul-based advertising agencies – Cheil Communications Worldwide (hereafter Cheil), Diamond Ad, and Welcomm Publicis Worldwide (hereafter Welcomm) focusing on the ways in which creatives perform creativity in different cultural positions, organizational forms, relations of production and institutional settings. To be specific, I investigate: what elements of the discourse and practice of creative advertising are selected and appropriated by these actors and why; how they are mediated and translated in the constitution of creativity; what subjects are produced and what factors come into play in the mediation and translation; and how creativity is materialized in particular forms.

There are two overarching themes run through in this thesis: one is globalization and the other creativity. The main points I put forward here with regard to each of these themes are as follows: firstly, contrary to the popular concept that depicts globalization as a grand, objectified and supra-local process or a set of such processes (e.g. Castells, 1989: Giddens, 1990: Ohmae, 1992: Held et al., 1999), this thesis conceptualizes it as performativity. The main benefit of this concept is that it allows an anti-essentialist approach to globalization by shifting the focus from what it is to how it is done or how

it is used. In this approach, globalization emerges as diverse, transitory and localized practices which collectively bring into being particular 'global assemblages' (Ong and Collier: 2005) across various social fields and localities. It renders it visible the materiality of practices of actors and makes it traceable its particular local constitution. In this context, I attend to the ways in which various actors do or use globalization in their everyday business practices. In South Korean advertising, it appears that globalization is redefined and performed as strengthening international competitiveness which involves many different and sometimes contradictory discourses and practices according to different positions of actors.

Upon this premise, I explore how creativity in South Korean advertising emerge in particular forms as an effect of collective and situated performance of globalization. Before going into further, however, it is necessary at this point to make a clarification about the concept of creativity employed in this thesis. In advertising, it has long been considered that creativity belongs exclusively to creatives, the primary workers in the making of texts (Hesmondhalgh, 2002: 5). Bilton (2008) argues, however, that this notion of creativity has become increasingly outdated in western countries following the emergence of the new media environment and the demise of commission model. He claims that the concept has been redefined from what he calls 'aesthetic creativity' to "something integral to the process of management" and "a brand value" (23). It entails relocation of the term from creative specialists and departments to a broader range of strategic business services.

In South Korea, however, the situation is somewhat different. Advertising industry has been rather slow to react to the new media, and the commission system remains the dominant form of agency reimbursement. Although South Korean agencies are keen to follow the latest trend in practicing creativity, raising creative standards in the traditional sense remains an important agenda in doing globalization. In fact, these two appear practically contemporary in the Korean context rather than belong to different developmental stages suggested by Bilton (ibid). To an extent, globalization in South Korean advertising has been instrumental to a full-blown 'creative specialization' which had eluded the advertising industry of the country until quite recently. In this respect, this thesis would focus upon the narrow concept of creativity concerned with production of cultural text rather than the new broader conception of it.

There appear two ways in which globalization is related to creativity in South Korean advertising: on the one hand, in the enactment of the discourse of advertising

appropriated from afar, advertising is reconstituted as a creative business and thereby creativity is relocated to its heart; on the other hand, globalization shapes creativity into a number of particular and recognizable styles by informing local actors what constitute the creative and how it is achieved. In these respects, this thesis set out to show that: firstly, performing creativity is a modality of practicing globalization – defined here by actors as strengthening international competitiveness – in South Korean advertising; secondly, it does not simply materialize what is said, but involves production of new creative subjects and various forms of 'trial of strength' between differently positioned actors regarding how creativity is defined and used; thirdly, via numerous and ongoing mediations and translations by various actors, creativity emerges in a few stylized forms. In this thesis, there appear two main practices – namely, 'big model advertising' and referencing – through which creativity in South Korean advertising is materialized. By showing these, I would argue that what are deemed creative are certain visual styles named as such by the actors in a particular time and place rather than something 'genuinely' novel, innovative or original.

Based upon various 'production of culture' perspectives, previous studies on creativity in advertising have shown how it emerges as an effect of various structures and practices such as ad firm organizations, institutional governance and regulations, technological changes and locational practices (Nixon, 1997b; 2002; Grabher, 2001; 2002; Cronin, 2004a; 2004b; Thiel, 2005a; 2005b ; Pratt, 2006; O'Barr, 2007). On the other hand, globalization of advertising literature has focused on topics such as transnationalization of advertising business and its impacts upon local cultures, economies and politics (Anderson, 1984; Sinclair, 1987; 2007; 2008; Leslie, 1995; Frith, 1996; Frith and Frith, 1989; Mattelart, 1991; Kim Ko, 1994; Po, 2006); about the strategic deployment of culture in global advertising centred on the dichotomy of standardization versus localization (Frazer, 1989; Mueller, 2004; Rugman and Verbeke, 2004; de Mooij, 2005); or about politics of representation and mediation mostly if not exclusively focused on local or national identity (Moeran, 1996b; 2003; Miller, 1997; Mazzarella, 2003a; 2003b). Whereas most literature on creativity is situated in the contexts of a few northern countries including the United States, the United Kingdom and Japan, studies on globalization of advertising, a lot of them touch on non-northern countries, are seldom concerned with the question of creativity.

For this reason, I graft these two approaches and attempt to give an account of creativity in advertising creativity in a non-northern context in relation to globalization. In order to do this, however, it is necessary to specify the meaning of globalization. As

mentioned earlier, globalization in South Korean advertising is usually translated into the language and practice of international competitiveness. In business and policy discourses, globalization is frequently associated with competitiveness since it is imagined as a process of liberalization and integration of the world markets which increases global competition (Krugman, 1994; Sklair, 2001). The same imaginary is commonly mobilized by the proponents of globalization in South Korean advertising as a 'structural' ground for strengthening competitiveness (Song Yong-seop, 1996; Kim Sang-hoon, 2003). However, the issue is not straightforward. Firstly, most South Korean ad firms concentrate only on local business. There are very few South Korean ad firms that are capable of and/or willing to compete in the global market. Secondly, local competition follows a somewhat different logic from purported global competition. What is considered 'competitive' often does not work as an advantage in the South Korean market. In these respects, the discourses of competitiveness in the context of South Korean advertising can be seen as an effect of what Thrift (2005) called 'the cultural circuit of capitalism' (5-6), a mechanism for producing and circulating global business truths rather than locally specific knowledge constructed on local experiences.

However, the discourses of globalization nevertheless produce certain effects. On the one hand, they generate urgency to tackle competitiveness issues and co-opt 'best practices'. On the other hand, however, 'best practices' are selected, translated and distributed according to subject positions. The selective and distributed translation of 'best practices' produces resistances, struggles and compromises between actors which mediate these practices. In this course, globalization in South Korean advertising is constructed as a contingent local-specific assemblage. According to Olds and Thrift (2005), the concept of assemblage denotes:

> "functions" that bring into play particular populations, territories, affects, events –
> "with"" […] Assemblages differ from structures in that they consist of cofunctioning
> "symbiotic" elements, which may be quite unalike (but have "agreements of
> convenience") and coevolve with other assemblages, mutating into something else,
> which both parties have built" (Olds and Thrift, 2005: 271)

Olds and Thrift's Deleuzian concept is a little different from *agencement* of Actor-Network Theory (hereafter ANT). Callon (2007) defines it as "arrangements endowed with the capacity of acting in different ways depending on their configuration" (320). For ANT, however, *agencements* are an effect of power relations or 'trial of strength' (Latour, 1988) than functions of the collective. It gives ANT's assemblages a more

'micro-oriented' characteristic as an assemblage is a product of incessant struggles between actors for translation and enrolment. However, what is important in this thesis' context is that the concept of assemblage enables us to see a collective as a process of being assembled in a situated, transient and diverse fashion from heterogeneous raw materials including discursive and material components. In this respect, the concept allows us to capture 'globalisation in practice' (Law and Mol, 2008) which is, quoting Callon, a "series of untimely overflowing, of sociotechnical *agencements* that have been caught out, unable to discipline and frame the entities that they assemble" (ibid, 323).

In terms of competitiveness, the creative has been a problematic area in South Korean advertising. Despite being one of world's ten largest advertising markets,[1] South Korean advertising is not usually known for its creative excellence. Satoshi (2004) criticizes that South Korean advertising is formulaic, and Kim Dong-gyu (2009) points out country's poor track record at major international festivals. Many South Korean advertising scholars and practitioners have identified it as a competitiveness issue and proposed various diagnoses to address it (Song Yong-seop, 1996; Han Sang-pil, 1997; Yoo Chang-jo et al., 2001; Jung Jae-myeong, 2002). The problematization of South Korean advertising's 'lack of creativity' is, however, an effect of performing globalization. It presupposes the condition of cross-border connections and flows of information, and certain practices such as inscription of 'global' norms and criteria institutionalized in international festivals and international creative journals, comparison of foreign adverts and local ones according to those criteria, and identification of differences and downgrading of local practices. It necessitates a series of normalizing practices such as benchmarking of 'world class' ads and emulation of 'best practices'.

However, this has not been a simple process due to uneven distribution of creative agency and different configurations of networks that constitute the advertising industry. Ad agencies pursue competitiveness in order to enhance their business performances. However, they need first to define what constitute competitiveness. When it comes to the creative, it is very difficult to define competitiveness since it is subjective and unquantifiable. One convenient solution for them to this problem is to follow the already established standards such as international festivals which provide them with an "objective barometer of creative level" (Kim Dong-gyu, 2009: 54). Ad firms organize

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[1] South Korea was the ninth largest advertising market in the world in 2004 (Ad Age FactPack, 2006). The country was out of top ten in 2010, but not by a great margin. Canada was the tenth largest with expenditure of USD 9,148 million (Zenith Optimedia, 2010 cited in KOCCA, 2010: 28). Advertising expenditure in South Korea that year was approximately USD 8,000 million (Advertising Trends, 2010: 24).

study trips to international festivals, distribute creative journals to employees and build creative databases to facilitate co-option of 'best practices'. As many scholars have pointed out, however, international festivals do not necessarily reward efficacy but stylistic and aesthetic novelty (Soar, 2000: 429: Nixon, 2002: 88-89; Pratt, 2006: 1892-1894). Therefore, ad firms need to find a way to establish a link between novel styles and commercial efficacy in order to legitimize the practice. Clients, on the other hand, do not usually valorize international festivals and values and styles they promote not because they consider festival-style ads are ineffective but because they are unfamiliar with them therefore unsure about their efficacies.

What is more, the job of monitoring and following global creative trends is allocated to creatives, which produces spatially demarcated subject effects. It generates aspirations and desires to change existing stylistic conventions from "the bombastic, declaratory, or literal style […] [to] unusual and subtle visual presentations" (Shapiro et al., 1992: 191). At the same time, however, it creates tensions within the creative self as well as between creatives and other actors. On the one hand, it causes creatives discomfort as they have not gained sufficient know-how and developed 'feels' to perform in unfamiliar aesthetics and styles. On the other hand, they are discouraged from breaking with local conventions by other actors who are weaved in the same network with them but less exposed to 'world class' ads. It necessitates ongoing translation of agencies or 'trial of strength' between actors. In order to enact a 'global' style or unconventional aesthetics, a creative needs to succeed in persuading his/her co-workers or team members, creative director and the client (often through persuading account executive) as well as in negotiating with technologies, technicians and institutional regulations. It invariably entails compromises in which no party has complete control of not only textual contents but also work processes. As Lépinay (2007) puts it, "an aspect of these compromises is the long chain of mediations that need to be established in order to create a world" (88). In this way, 'global' styles and aesthetics go through an intricate web in which elements of local conventions are mobilized, attached to them and inflect them to produce not only new styles but also new ways of creating them.

This process is located in organizational forms which produce different forms of mediation. In terms of organizational forms, the most significant classification in South Korean advertising is in-house and independent agencies. Since the early 1980s, large in-house agencies owned and controlled by large South Korean conglomerates or *chaebol* have dominated the local advertising market (Kang Myung-hun, 1996a; 1996b;

Jwa Sung-hee, 2002). Fifteen largest in-house agencies reportedly control about 70 percent of the domestic market in terms of advertising expenditure (Financial News, June 16, 2010). In-house agencies' domination of the market makes one of two defining characteristics of South Korean advertising – the other one being the presence of Korean Broadcasting Advertising Corporation (hereafter KOBACO), the state-run broadcast media agency, which produced South Korea the most protected advertising market in the world (Mattelart, 1991: 46). Independent agencies, on the other hand, indicate ad firms that are not owned and controlled by these conglomerates, hence outside the dominant rules of the game. From this definition, agencies that belong to foreign-based global communications groups – the Group in Grabher's term (2001; 2002) – are classified as independents. Every one of large independent agencies is foreign-owned.

It should be noted here that both of these agencies are full-service agencies focusing on television advertising. The meaning of the term 'independent' is mutable depending on contexts. It could mean small and medium sized 'owner-operated' agencies unaffiliated to an advertising group or sole function agencies operate outside a full-service agency (Grabher, 2001; Pratt, 2006). In the context of this thesis, however, in-house and independent refer to a difference within the category of full-service agency. Since the early 1990s, the in-flow of foreign advertising agencies, the emergence of the new media and the spread of the globalization discourses brought to the advertising industry diversification of advertising agencies and the increase in specialist ad firms such as media agencies, creative boutiques, Internet advertising agencies and product placement agencies. Although specialist agencies have carved out a small niche to serve a minority of advertisers, they have found it difficult to make a breakthrough beyond that. This is due to a combination of reasons – the aforementioned domination of large in-house agencies and KOBACO's monopoly of broadcast advertising and implementation of commission as the only legal remuneration system for broadcast advertising. As advertising expenditures are concentrated on television advertising and KOBACO monopolizes that market, private specialist agencies are difficult to flourish handling only minor media such as the Internet, cable and satellite television, and outdoor advertising. It makes it preferable for country's largest advertisers to perform advertising in-house, and enjoy the convenience of 'one stop shop' provided by full-service agencies.

In-house and independent, the two different forms of ownership and control cut across and overlap with other characteristics of agencies such as nationality (foreign-

owned or South Korean-owned) and size (large or medium- and small-sized). Since most of large accounts are internally traded between conglomerates and their in-house agencies, it is difficult for independent ad firms to grow in South Korea. Although there is a small number of successful ones, independent agencies are mostly made up of small- and medium-sized businesses competing for the remaining 30 per cent of the market with virtually no chance of expanding their businesses to overseas markets. It makes them push harder for strengthening competitiveness. In particular, they concentrate their efforts on improving creative quality as, for most of them, it is considered as the only feasible competitive advantage over much bigger and well-connected in-house agencies. However, it has often proved not to be a very effectual strategy since competition is not usually framed to reward creative quality. Blood, business or personal ties are often more decisive factors in landing a deal. Furthermore, strengthening creative competitiveness is accompanied by performing creative agency which could strain client-agency relationship by refusing to follow the established pattern of the relationship. It appears a double-bind situation in which independent agencies attempt to improve creative quality in order to compete but that does not necessarily work as an advantage in the market. As the number of ad firms increases and competition intensifies, however, more and more independent ad firms nevertheless focus on the creative not only improving creative quality but also incessantly promoting their supposed competitive advantage in it. It makes an aggregate effect of reframing competition in which advertisers are gradually translated to valorize creative quality.

In-house agencies, on the other hand, have tried to protect their interests by maintaining the existing frame of competition but simultaneously attempted to avoid losing the market by incorporating elements of new creative trends. However, it is more complicated than that since "faculties of adaptation and change [are] nevertheless framed by references to well-established beliefs and norms that were not questioned" (Callon, 2007: 325). They have been able to dominate the market for past 30 years without being very 'creative', and are unlikely to lose their positions as long as they remain linked to their parent companies. In this respect, they have no incentive to change their ways. What is more, trying to be 'creative' could entail unsettling of existing order. Although they take the form of standalone companies, in-house agencies are still perceived and treated as an internal function rather than a self-sufficient business. They are aligned to the Groups subject to rules and disciplines of conglomerates prioritizing corporate order and harmony, and suppressing internal tensions and individualism. Therefore, a change in creative practice could affect not

only organization of the ad firm but also client-agency relationship and Group hierarchy. On the other hand, however, the increasingly creative-oriented independent agencies make their ads look boring and unattractive. The growing emphasis on creativity in advertising discourses and the widespread criticism of in-house agencies' lack of it challenge their creative practices.

In-house agencies respond to the challenges by appropriating 'best practices' to improve their creative quality. For them, however, creative competitiveness is less important than maintaining order, the familiar practices for all parties involved. Therefore, 'best practices' often face resistances and create tensions. As actors are stubborn not to allow the world accompany them to change their exsiting world or find ways to bypass those changes, transformative effects of these practices are frequently 'de-realized'. It does not mean, however, that they permanently repeat the same old advertising techniques. Rather, they adopt the strategy of taking a conventional style, developed for a long time between ad firm and client, and giving a little polish to it – higher production value and/or a narrative structure. It is achieved by the mechanism of hierarchy in which junior creative staffs, who are not fully inscribed with conventions, are routinely excluded from decision making. In this way, they are able to avoid disputes with clients as well as disagreements between employees while co-opting some of new developments in creative advertising.

1.2. Research Design and Fieldwork

For this study, I employed a combination of in-depth interviews and documentary research as my research method. Interviews were conducted in Seoul, South Korea during the period August-October 2005. A total of 28 interviewees were selected from three different advertising agencies, namely Cheil, Diamond Ad, and Welcomm (see Table 1-1). The agencies were each represented by ten interviewees with the exception of Diamond Ad from which eight interviewees were selected. In May 2006, however, one more interview was conducted at the Cheil UK headquarters in Surrey specifically to elicit information on particulars of the company's overseas business operation. This late addition brings the number of interviewees to 29.

The main reason for selecting these firms was that they were considered to exemplify three different types of major advertising agencies hence three different positions of performing globalization in South Korea, distinguished by ownership and nationality. Cheil is a South Korean-owned in-house agency. The firm is by far the largest and one of the oldest ad agences in the country owned by the largest conglomerate Samsung Group (hereafter Samsung). The company is the only one in this study to actively engage in overseas business. Diamond Ad started as the in-house agency of Hyundai Group (hereafter Hyundai) but became independent when Hyundai sold the firm to London-based Cordiant Communications Group (hereafter CCG) in 1999. However, the firm is now defunct merged with Ogilvy & Mather Korea and became Diamond Ogilvy Group in 2006. Welcomm has been the most successful independent agency in South Korea since its establishment in 1987. Although a joint-venture with Paris-based Publicis Groupe (hereafter Publicis), the firm enjoys a great deal of autonomy in management with minimal interference from Publicis.

The majority of interviewees were sampled from creatives but a few company executives and account executives were included to contextualize creatives' views or to put them in a perspective. However, those in media, market research and administration departments were excluded since pilot research suggested that their involvement in creative advertising was indirect or marginal. There are a number of reasons for this. Firstly, as mentioned earlier, advertising in South Korea is concentrated on television advertising, and broadcast advertising is controlled by KOBACO. It leaves little room for creative media planning. Secondly, the role of research in advertising has always attracted skeptical views (Schudson, 1984; Nava, 1997; Miller, 1997; Cronin, 2004a).

My research showed the same conclusion as previous studies that research is used primarily as a technique to persuade clients and rarely incorporated in creative. It is largely due to the lack of establishment of the role of account planning. Although account planning has been introduced and practiced at a few ad firms, it failed to take off for a variety of reasons including the commission-only pay system, duplication of roles with account executives and the lack of specialized manpower (Lee Kyung-yeol, 2000). As a result, the sample of interviewees was made up of three company executives (one chief executive officer, one vice president and one executive director), four account executives and 21 creatives (five creative directors, eight copywriters, five art directors and three producers). It clearly indicates that this study is not a full-blown account of the workings of South Korean advertising. Instead, it focuses upon relationships and interplays between particular groups of actors within the industry in their practices of globalization.

There are some specific initial observations to be made regarding the sample of interviewees. Firstly, no clients were interviewed even though they play a crucial part in the way advertising is performed, and in the way the industry practices globalization. It is mainly owing to the fact that their involvement in the business of creative is indirect and mediated. As a matter of fact, creatives and clients rarely meet each other. It is account executives, the 'client in the agency', who handle clients and carry their voices to creative process. And the management deploys various technologies – e.g. performance assessment – to maintain the asymmetrical relationship with them. Therefore, it could be said that it is not clients' actual engagement but its discursive construction that shapes and makes a difference in their creative performance. In this respect, clients in this study are, in most cases, not embodied subjects, but a set of narratives which produces subject effects.

Secondly, there are two non-South Korean interviewees – one American and one Korean-American – deliberately selected for a couple of reasons. First of all, employment of foreign staff – including Korean-Americans – was in vogue in the industry around 2000 as an emblematic globalization practice. For this reason, their presence in the industry itself could be seen as a statement of South Korean advertising industry's newly found global aspiration. However, little is known about what roles these employees are made to play, and how they were integrated into the strongly exclusive business culture of South Korean corporations. By including these people, I intended to hear their side of the story regarding the ways in which companies strategically position them, and make use of them. I also expected them to provide a

different context into which South Korean interviewees' narratives are to put and be situated.

The aim of the interviews was to produce narratives on globalization as situated discursive and material practices performed by various actors in the South Korean advertising industry. For this purpose, I collected information on the changing occupational identity and performance of creative with regards to globalization; their views and understandings of globalization; their assessments of South Korean and foreign advertising in terms of creative quality; and their perception of other actors in the industry and their behaviours that affect creative performance. In collecting these data, I focused upon specificities of practices which transform their performances in their materialization. This is vital information which is often hidden from the public view because it is either very personal or different from the official industry discourse. To obtain this kind of information, I eschewed group interview sessions and opted for one-on-one conversations in order to prevent interviewees from repeating official discourses in the presence of others and to provide them with a confidential and more comfortable setting in which to speak their minds.

Interview schedules were loosely structured and often improvised on the spot to maintain the flow and continuity of conversation. By letting the interviewee immerse himself/herself in conversation, I intended to create a rapport in which thoughts and views were candidly expressed, and from which I could obtain information rich in detail. While it was therefore unavoidable that questions varied from one interview to another, they were nevertheless carefully focused to elicit following information: firstly, personal information including age, place of birth and upbringing, educational background and career trajectory; secondly, occupational identity, including their motives for their career choice, views about their occupation, advertising, foreign and South Korean advertising, and their criteria for good and bad advertising; thirdly, their views on business practices and the corporate structure, including the corporate hierarchy, the relationships between account executives and creatives, between the management and employees, and the management and organization of the creative workforce; fourthly, client-agency relationships, including power and autonomy, procedures and practices of carrying out projects, and the differences between South Korean and foreign clients' attitudes and advertising practices; and finally, their views on the regulations governing advertising expression, and other policies that affect creative performance.

In interviews, I employed a voice recorder to capture not only statements but also

tone of interviewees' voices, the language they used, intervals between statements and between questions and answers as these things also form crucial part of signification. The recordings were then made into verbatim transcription in order to reproduce subtle meanings exchanged during interviews as faithfully as possible. In transcription, I used dots and brackets to include non-verbal expressions like gesture, facial expression, silence, hesitation, loudness of voice and clothes they were wearing and other peculiarities which I took note during interviews alongside description of the spaces they worked and/or the interview took place. About half of the interviews took place in the office but ten were held in the lobby or conference room, two at a coffee shop and one outdoors – all respondents' choices. These spatial settings showed close relationship with respondent's company, standing and attitude. Senior staffs preferred the office and created a relaxed atmosphere during interview while junior staffs interviewed in the office sometimes appeared anxious – glancing about and lowering voices when talking about topics he/she felt sensitive. At Welcomm, the creative-oriented independent agency, not a single interview was performed in the office as they refused to show it to me an outsider. These data constitute important contextual information by which respondents' statements are illuminated.

Compared to existing literature, it appears that there are cultural differences in advertising practitioners' presentation of themselves against academic interviewers mediated in particular interview situations and relationships between individual interviewer and interviewees. In London, Sean Nixon (2003) reports his interviewees' concern to "defend themselves and their work (their jobs) from a denigrating view of advertising that they appeared to read off from my status as an academic researcher" (11). The relationship here appears to imply unequal cultural and, possibly, social standings that might produce awe in interviewees against the interviewer. In Bombay, however, Mazzarella (2003b) notes his frustration at interviewees' professional impression management, calculated reactions and superficial recitation of official discourses. It is not apparent here whether there is a sense of class difference in this relationship. What it shows is the distance between the interviewer and interviewees or barrier between insiders and an outsider. In my research, a different pattern emerged. Respondents appeared surprisingly candid, open and critical about the business. They were eager to share their thoughts and experiences with the interviewer. There seemed a different kind of self-presentation at work in their reactions. I interpret this as an act of separation. The dividing line was the global and the local expressed in statements such as "it does not work that way in South Korea" or "foreign clients respect agencies but

South Korean clients don't". By doing this, interviewees mobilized their embedded normative scalar order and tried to associate themselves with the 'global', the superior, and dissociate themselves from the local, the inferior. Implicated in this dynamic was perhaps the fact that I was from London. It might have prompted their strategy to form a bond between us on the ground of our supposedly shared metropolitan identity.

For analyzing data, I employed inductive coding (Strauss, 1987; Strauss and Corbin, 1990). First, transcripts were divided by agencies and jobs. They were then reviewed and categorized according to theme. Each paragraph was labeled and listed. After generating coded data, they were sorted by theme. Those coded files become the basis for analysis and interpretataion. This strategy enabled me to look at the range of answers across the cases and to use them systematically rather than 'cherrypicking' a few conforming to my ideas. In analysis, I took a descriptive research strategy rather than seeking to establish structural correlations. Central to my concern was to show how imaginaries of globalization were translated into practices and these practices were mediated by actors in their everyday routine. Therefore, it was important to attend to respondents' views, thoughts, beliefs and meanings about globalization as well as their assessments of events mobilized in their actions and produce certain effects. These are, however, not fixed but ambivalent, diverse and mutable contingent on situations. In order to capture this complexity, it is necessary to take a descriptive approach perceptive to specificities of cases.

There are a few ethical concerns to be noted. About collecting data, I employed snowball sampling to recruit respondents. I obtained contacts from my interviewees who were willing to help. Interviews were performed after I contacted potential interviewees, gave them explanation of the research purpose, and got permission to interview them. Before the interview commenced, I asked permission to record the session and promised to anonymize the interviewee and not to use off-the-record materials. In reporting, I employed pseudonyms to protect the identities of interviewees. With the exception of the aforementioned American interviewee, all interviewees are given Korean names. Male interviewees are coded –joon and female –jin at the end of their names so that English readers could easily identify his/her sex. Following Korean practice, however, I call their full names with surnames first, which is the correct way of putting them. In addition to using pseudonyms, I also tried not to reveal their identities by giving away too much background information. Unless it is necessary, any piece of information that might expose interviewee's identity is carefully concealed.

As for the company names, I did not attempt to anonymize them. I did not obtain written permission from any of the ad firms I researched. However, I was not even once asked to sign any document to the effect that I would keep them anonymous either. During research, none of my informants including those in the highest position in the company asked me to keep the company name secret. In fact, they appeared pretty unconcerned about the issue. I took it as their tacit allowance for my using their company names in my thesis and duly followed.

To complement the personal nature of the interviews, I undertook documentary research to collect structural information about the industry to contextualize and underpin interview findings. For the documentary research, I collected data regarding advertising billings, revenues and expenditure; the number of employees and the fluctuation of employment; ownership and control of each agency; and changes in agency and advertiser standings. There is a good number of trade journals and annual industry reports published in South Korea to serve this purpose including Advertising Year Book published by Cheil, Advertising Trends, the trade journal published by the Korean Federation of Advertising Associations (hereafter KFAA), Advertising Information, the publication of KOBACO. Apart from these sources, I also used newspapers, magazines, agencies' in-house publications, and Internet websites of agencies and advertising trade organizations as source material.

(Table 1-1) Demography of Interviewees

Agency	Name	gender	Age	Job Title and Duty
Cheil Communications	John Gregory	male	49	Senior vice president and global creative director
	Cho Jung-joon	male	45	Creative director
	Kim Young-joon	male	32	Copywriter
	Lee Min-joon	male	38	Copywriter
	Park Sung-joon	male	34	Copywriter
	Kim So-jin	female	35	Copywriter
	Choi Kun-joon	male	37	Art director
	Kim Young-jin	female	30	Art director
	Hong In-joon	male	42	Account planner
	Hwang Ho-joon	male	44	Account executive
Diamond Ad	Lee Yong-joon	male	57	Chief executive
	Kim Yu-jin	female	40	Executive director
	Yoon Hee-joon	male	45	Executive creative director
	Park Kyung-jin	female	30	Copywriter
	Kim Hyung-joon	male	34	Art director
	Jeong Hyun-joon	male	29	Assistant art planner*
	Kim Kwang-joon	male	44	Account executive
	Choi Young-jin	female	29	Account executive
Welcomm Publicis Worldwide	Kang Jae-joon	male	36	Creative director
	Kim Moon-joon	male	38	Creative director
	Im Dae-joon	male	40	Creative director
	Kang Sun-joon	male	35	Copywriter
	Jung Seo-joon	male	38	Copywriter
	Hwang Ah-jin	female	29	Copywriter
	Lee Hwa-joon	male	33	Copywriter
	Seo Woo-jin	male	34	Producer
	Kang Tae-joon	male	39	Producer
	Kim Dong-joon	male	38	Producer
	Kwon Hee-jin	female	34	Campaign coordinator**

* Art planner has the same responsibilities as an art director

** Campaign coordinator indicates largely the same responsibilities as an account executive

1.3. Organization of Thesis

The organization of this thesis is as follows: In Chapter 2, I critically assess previous literature on globalization, advertising, and creativity to delineate the theoretical framework of this study. In section 2.1, I classify previous accounts of globalization into structuralist approach, culturalist approach, performativist approach, and critically assess them. I then lay the groundwork for addressing globalization as performativity drawing on works of actor-network theory. In section 2.2, I examine literature on the new economy, the cultural industry and advertising; address them as globalizing narratives; and foreground the analysis of the ways in which they produce creative subjects.

In Chapter 3, I give an overview of the South Korean advertising industry to provide a discursive and structural context for analysis in the following chapters. In section 3.1, I review historical development of South Korean advertising from early development focusing on U.S. and Japanese influences, the establishment of KOBACO and the domination of in-house agencies in the 1980s, to globalization and market liberalization of today. In section 3.2, I outline the South Korean advertising industry focusing on its structural traits such as market structure, business relationship and media structure. In section 3.3, I give a brief overview of three advertising agencies analyzed in this study.

From Chapter 4 onwards, I discuss the ways in which different actors perceive and interpret globalization in different ways, and the ways in which these different perceptions and interpretations generate different practices to produce a particular form of globalization. To be more specific, practice of globalization here is centred on the performance of creativity by way of narratives of the new economy and the creative industry. In Chapter 4, the discussion begins with the advertising creatives, who are posited in this study as the nucleus of globalization practice, along with their cultural dispositions and occupational identity. In section 4.1, I focus on the formation of their creative identity not only through their upbringing and formal education, but also through their exposure and connections to narratives of creative advertising in their quotidian occupational practices. In section 4.2, I place them in the context of the organizational settings of advertising agencies and the changing business environment after the Asian financial crisis, which is often considered as the exemplar of globalization. Here, I explore the ways in which their creative identity is performed and transformed in these 'restrictive' contexts. In section 4.3, I discuss the way in which

their creative identity is reconfigured and contextualized in the industry's practice of globalization. The focus of discussion is the lack of creative management which characterizes the industry's selective appropriation of the global and manifests creatives' power position in the field. Here I examine the way in which selective appropriation of the global is practiced in contesting values and assumptions regarding the business, and the way in which creative management is adapted to the existing institutional arrangements when it is applied.

In Chapter 5, I analyze the ways in which globalization is approached and practiced at the corporate level; and the different ways in which each firm's practice of globalization conditions its performance of creative advertising. In section 5.1, I examine the globalization strategy of Cheil which is characterized by the aggressive pursuit of territorial expansion as well as the appropriation of advanced business practices. Here, I discuss the way in which the company sets its priorities in its globalization practice; and the way in which creative advertising is shaped in this process. In section 5.2, I discuss the case of Diamond Ad, whose approach to globalization is practiced in a passive way as an outcome of the foreign takeover. Here, I explore the ways in which the foreign management and South Korean employees engage in struggle over the definition of globalization; and the ways in which creative advertising is performed in this struggle. In section 5.3, I examine Welcomm's approach to globalization which is focused on achieving 'creative excellence' through rigorous adoption and emulation of 'advanced practices'. However, these are nevertheless situated practices. In this respect, I explore the ways in which the company selectively adopts and applies 'advanced practices'; and the ways in which these are performed in a locally situated fashion.

In Chapter 6, I introduce clients into the analysis to see how practice of globalization changes with this addition. I focus upon the client-agency relationship at a corporate level as well as at an individual level, as it is often the case that relationship dynamics between corporate actors often overflow into their personal relationships. In section 6.1, I discuss the peculiar relationship of the *gab-ul*, and the ways in which this relationship is produced through practices; and the ways in which it shapes agencies' practices of globalization. In section 6.2, I explore clients' attempts to appropriate the global or 'advanced practices' in their parts of the advertising business. I examine the ways in which they perceive and approach 'advanced practices', making selections in their appropriation, and applying or 'localizing' them in their businesses. I also analyze the ways in which their globalization efforts are mediated by other actors and produce

particular consequences. In section 6.3, I discuss recent developments in clients' globalization practice which is abandoning 'advanced practices' and returning to old ways, most notably in the form of in-house advertising. I explore the reasons for this move and its significance in creative advertising and globalization practice.

In Chapter 7, I deal with the aesthetics and styles of South Korean advertising which I consider as a symbolic battlefield, and which embody embedded contesting narratives of actors, the power struggles between them, and the nature of their disparate globalization practices. In section 7.1, I explore what is called 'big model advertising' which is commonly regarded as the quintessential local style of advertising. I examine the ways in which the style is perceived by different actors and the ways in which it metamorphoses in the industry's relentless adoption of the aesthetics and styles of foreign advertising. In section 7.2, I discuss the practice of referencing, which is sometimes regarded as a euphemism for plagiarism. I focus on the ways in which it generates controversy and produces various positions regarding originality and creativity in advertising. I also analyze its functions in the industry's practice of globalization. In section 7.3, I discuss conservatism in advertising expression, or the ways in which established local aesthetic, stylistic and moral standards continue to work in the adoption of the global or 'advanced practices'. I examine the ways in which each group of actors mutually cancel out and neutralize each other to maintain the existing ways, and the ways in which creativity is actualized in this process.

Chapter 2 Globalization, Advertising and Creativity

2.1 Globalization as Performativity

Globalization: Structuralist Approach

Globalization debate has been no doubt one of the defining debates in social sciences for past two decades. Now it seems to have become a tired subject which has "reached a concept 'life-cycle' stage where it risks becoming passé" (Jones, 2010: 1). However, it does not mean the issues raised in the debate have been settled. "There is no agreement about whether globalization is happening or what 'globalization' means" claim Collier and Ong (2005; 3). The common experience of students of globalization is confusion and frustration. There is no shortage of books and articles that remind that. The main reason for this is the infinite variety of practices and processes fall under this category. National and local governments, intergovernmental organizations, transnational corporations, investment banks, non-governmental organizations, the global media, migrants, tourists, Internet users, and even epidemics like swine flu and natural environment such as ozone layer all engage in globalization in one form or another. What is more, this diverse and complex transformation is conceptualized and storied in a myriad of ways from every possible academic discipline and perspective as well as the popular media (Pieterse, 2003: 66). As all these phenomena, often fragmentary or overlapping, produce a complex whole that defies conventional causal logic, Appadurai (1996) proposed to understand it in terms of fractal dynamics or from a perspective of chaos theory (see also Urry, 2003).

In earlier debates, however, globalization appeared a rather simple phenomenon. Theodore Levitt's influential article, 'Globalization of markets' (1984), for example, merely claimed integration of world's markets. Although it also presented a 'cultural' statement that consumer tastes and aspirations were homogenizing throughout the world, globalization was basically considered as a market phenomenon. Even in acadmia, globalization was often constructed as a simplistic epochal discourse expanding concepts and categories of (Western) nation-state such as modernity, postmodernity and capitalism (Giddens, 1990; Perlmutter, 1991; Albrow, 1996; Bauman, 1998; Beck, 2000). As the debate got heated, however, it was quickly transformed from a descriptive, speculative concept to a social fact. That most of these discourses employed a

structuralist account might have also helped in its establishment as an objective truth. Premised on Cartesian subject-object dualism, structuralist accounts produce globalization as an external object to be known by an observing subject. It is then periodized, categorized and its dynamics and effects analyzed. In this process, a truth effect is generated. Some of the iconic metaphors and imaginaries of globalization were produced in this way such as 'time-space compression' (Harvey, 1989), 'time-space distantiation' (Giddens, 1990), 'the borderless world' (Ohmae, 1992), 'spaces of flow' (Castells, 1989), 'glocalization' (Robertson, 1995) and 'McDonaldization' (Ritzer, 1993).

As debate continued, theories became more sophisticated and reflexive. The famous classification of 'schools' of globalization thinking by Held et al. (1999) best represents this development. However, it also shows that the dominant trends in the academic discourses of globalization at the time all remained structuralist in that they treat it as an extraneous, autonomous process. In contrast, Hay and Marsh's (2000) 'wave thesis' (2000) suggested a path to an anti-structuralist theorization of globalization. According to them, globalization theories have come in waves. They divided these waves roughly by chronology as well as epistemology. The first wave was so-called business globalization theories. These theories are one of the main ingredients of Thrift's (2005) cultural circuit of capitalism produced by business and management scholars, disseminated by the media, consulting firms, and business schools, and consumed by businesspeople, politicians, government bureaucrats and general public. Through this mechanism, business globalization theories become the mainstream discourses of globalization in society. The core of these theories is what is called the 'TINA (There is no alternative)' argument best exemplified by Bill Clinton's Vietnam National University address.

> Globalization is not something we can hold off or turn off. It is the economic equivalent of a force of nature like wind or water […] There is no point in denying the existence of wind or water, or trying to make them go away. The same is true for globalization. We can work to maximize its benefits and minimize its risks, but we cannot ignore it and it is not going away (Clinton, 2000).

Here, globalization is undistinguished from economic globalization. In this respect, it has changed little from Levitt's early stipulation. These theories display a very strong structuralist tendency. Yeung (2002) identifies three characteristics of discursive strategy inscribed in these theories. Firstly, globalization is constructed as an

exogenous phenomenon. By doing this, they simultaneously construct the local as an ontologically separated unit from the global. It means that globalization becomes a force beyond the control of local actors. It leaves local actors just one choice – to adapt to it or fight against it. However, it raises a question where the location of globalization is if it is separated from the local. This detachment from places makes globalization an abstract and disembodied process (Castells, 1989; Massey, 1994). Secondly, globalization is made natural. It implies that the market is a natural phenomenon thus global integration of markets a natural growth that cannot be tempered with. Thirdly, globalization is presented as universal. Identifying the market with the universal produces the meaning that the market is beneficial to all. Although these points are easily dismissed as ideologies (Hay and Marsh, 2000: 4; Urry, 2003: 5-6), they remain powerful as performative discourses by occupying the position of truth.

The second wave is constituted of theories critical to the first wave. It more or less overlaps with Held et al.'s 'sceptics' who deny the notion of globalization based on rigorous empirical examination (Hirst and Thompson, 1996; Wood, 1998; Mann, 2001). They criticize hyperbolic claims and crude handling of evidence by first wave theorists and argue that there is no evidence of emerging global economy and the decline of nation states. They contributed a great deal to sophistication of globalization studies by applying systematic empirical research to the topic. However, they still share structuralist assumptions which postulate globalization as an objective process or state. With this, remove actors from the process thereby are unable to handle its formation.

Hay and Marsh's third wave indicates an 'anti-essentialist turn' in globalization theory. It reflects increasing criticism of previous theories' essentialist tendencies. Larner and Le Heron (2002b) claimed, in previous theories, "a complex and contradictory set of processes was represented as a relatively coherent and universalising process that was both monolithic and disembodied" (756). Cameron and Palan (2004) pointed out globalization theories' predominant reliance on what Pickering (1994) called 'representational idiom' which "takes it for granted that the defining characteristic of science is its production of representations of nature, facts and theories" (413). They argued that it made theorists leave out constitutive power of imaginaries, discourses and meanings. Hay and Marsh (2000) criticized previous theories had explanans and explanandum mixed up as globalization was usually deployed to explain rather than be explained. So they focused on how globalization comes about rather than what effects it makes on our lives. By doing this, they moved the locus of globalization from macro to micro, put agency in it and reframed it as embodied, situated processes.

This thesis follows this direction focusing on micro presses of complex and contingent constitution of globalization as local assemblages.

Culturalist Approach

Whereas the mainstream discourses of globalization are almost exclusively concerned with economic globalization, cultural theorists) approached it from a different angle (Hannerz, 1990; 1992; 1994; Hall, 1991; Featherstone, 1995; Pieterse, 1995; 2003; Kraidy, 2004. They took the issue of sameness and difference and made it into a central question with the conceptual couplet of the global and local in globalization debate. The key to this development was the 'discovery' of the local which proved the resilience and vitality of the particular in the era of 'the triumph of the universal' (Featherstone and Lash, 1995: 2). In a sense, it could be argued that the latter focus upon 'micro processes' in which actors come to term with the macro process of globalization. It means that actors here are local actors who are facing the overwhelming forces of globalization. Theories are developed along the lines of the ways in which interactive relations between the global and the local are forged through local strategies and practices. The key concept in this theory is hybridization which could be defined as the emergence of new cultural forms resulting from the mixing or articulation of cultures of different origins. The term is by now fully registered in the popular lexicon and often regarded as the epitome of global culture (Pieterse, 2003; Kraidy, 2005).

While concentrating on action, however, these theories tend to take for granted the structuralist assumption of globalization as an unmediated extraneous entity. Globalization here is yet again an alien force imposed from above rather than generated from within. Local actions are therefore limited to 'taking apart, tampering and tinkering with [intruding global cultural forms]' (Hannerz, 1991: 124). This view of hybridization is implicitly based on cultural essentialism and a fixed conception of the global and the local; what is central to this claim is the question of the origin which defines the hybridity of a cultural object. As numerous studies (e.g. Berger and Huntington, 2002; Pieters, 2003; Watson, 2004; Wise, 2008) suggest, however, it is problematic to locate the origin of a culture not only because no culture is pure and authentic but also because it is increasingly difficult to establish a distinction between the global and the local.

Despite these shortcomings, however, these theories' shift in focus from structure

to action and in site from the global to the local appears to be a step in the right direction. It not only suggests a more empirically feasible way to investigate the subject matter without resorting to speculation, but also addresses agents not as passive intermediaries but as mediators who translate and transform things and make differences to the process. However, an even bigger step forward in these respects is found in cross-cultural consumption studies (Miller, 1995; 1997; Wilk, 1995; Howes, 1996a). What these studies attempt to show is the various ways in which local consumers actively and creatively subvert meanings and the uses of goods that global manufacturers/marketers set and convey. It is claimed that local consumers use their culture to de-contextualize and re-contextualize foreign goods and eventually 'colonize' them (see Bredin, 1996; Classen, 1996; Philibert and Jourdan, 1996). What is particularly interesting here is that their focusing upon the use of culture rather than on its intrinsic origin allows these theories to take a non-essentialist approach to the global-local distinction and the authenticity of local culture. Here, it is actors rather than theorists who make distinctions between the global and the local, and their claims as to the authenticity of their cultures that are not necessarily based on 'truth'. With this change in approach, cultural essentialism, which is still going strong in lay discourse and practice, makes a return to theoretical discussion not as objective truth but as performativity.

The global-local opposition is also commonly used in globalization of advertising literature. These studies often take their starting point from the seminal work by Michael Anderson (1984). Based on a cultural imperialsm perspective, Anderson argued advertising is an important means to rich and powerful center countries's domination of peripheries (see also Mattelart, 1991; Frith, 1996). According to him, due to inequalities in resources, rich countries' advertising industries are able to penetrate into, and maintain a hold over weaker periphery nations, and exert influence over their cultures leading to Westernization or Americanization (45). Since then many scholars tried to dispute the claim and tried to show complex processes in which local cultures, identities and advertising industries not only survive but also develop to produce differences rather than sameness of global culture (Wells, 1994; Jory, 1999; Po, 2006; Sinclair, 2007; 2008; 2009). However, these accounts often rely on an essentialist assumption in which local differences are considered given.

More sophisticated accounts can be found in anthropological works by Miller (1997), Moeran (2003) and Mazzarella (2003a; 2003b). What these scholars show is how local actors construct local cultures and identities through strategical actions in

particular situations. Miller describes how Trinidadian local ad firms invent 'distinctively; Trinidadian culture in the context of their struggle to raise their standing against foreign-based global advertising agencies. In Moeran's analysis of Japanese advertising, on the other hand, Japanese advertising agencies create and use 'uniquely Japanese' images not only to protect the local market but also to infiltrate into foreign markets. Mazzarella shows compex ways in which certain standardized representations of Indianness are produced from the imperative of selling goods in communication and decision-making processes between local agencies and multinational advertisers. All these studies indicate constructedness of sameness and difference which is situated in time and place. It cannot be reduced to the macro dynamics of homogenization and hybridization but needs to be addressed as processes of translation and mediation which produce particular outcomes of practice of globalization.

Performativist Approach

Hay and Marsh's questions we saw earlier demand an imagination of globalization as constructed, embodied and situated. It transposes it from a social fact into a set of practices. It brings a few important changes to theory of globalization: firstly, the global-local opposition loses its significance. If globalization is practice and all practices are situated, all globalization practices become localized practices; secondly, globalization emerges as particular and multiple (Franklin et al., 2000). If globalization practice is local practice, the number of globalization practices becomes as many as the number of the local; thirdly, the 'global' is reintroduced not as an objective reality but as multiple imaginaries. Global imaginaries function as scripts enacted by actors in their enaction of globalization.

Austin (1962) claimed that all utterances are performative. The notion of performativity was inherited to numerous scholars and extended beyond the realm of language. Butler (1990), for example, considered gender not a natural attribute but an effect constructed by performative iteration of gender norms. Pickering (1994; 1995) proposed that science does not represent the material world but performance of research programmes with his classification of representational idiom and performative idiom. In the same vein, Callon (1998) showed how economic actors' performances of economic theories and models materialize what they perform. Although performativist approach provides an exciting new direction for globalization studies, there are some crucial differences between these theories. For example, Callon's scathing attack on Butler's discourse-centred approach is worth noting. Citing Mol (2002), Callon criticize Butler

for her adherence to the social and ignoring the natural in construction of gender (Callon, 2007: 328-30). From his view, Butler's discourse-centred concept is partial and autistic.

There are not many existing studies that take this approach to globalization. However, they contributed a great deal to extending understanding of globalization by providing sophisticated and empirically grounded accounts of how it is materialized and locally produced. Franklin et al. (2000) posit that the 'global' is not domain but a project that "cannot be assumed to pre-exist in a form that is simply reproduced worldwide" (5). They define globalization as a discursive condition in which the constitutive power of the global re-naturalizes subjects and thereby re-produces "worlds, bodies, selves and futures" (7). Based upon this premise, they show how nature and culture are performatively constructed in globalization projects. Savage et al. (Savage et al., 2005), on the other hand, demonstrate that the importance of places and people's sense of belonging persists in the era of globalization. However, they claim that belonging today is not an outcome of long-term face-to-face contact but of people's imagination of the place. This imagination is produced from practice of comparison with other localities. With this finding, they show how residents construct localities with discursive and material practices.

Cameron and Palan (2004) consider globalization theories as performative narratives rather than representation of reality, and show how these narratives produce the world in certain ways by rearranging pasts and pre-empting futures. For this purpose they attend to business globalization theories, the official 'truth' of globalization. They analyze common narrative structures and devices, and show how these stories generate 'theory effects'. Larner and Le Heron (2002a; 2002b) pursue a situated account of globalization in what they call a 'periphery' context of New Zealand. They discuss how the technical device of benchmarking fixes and materializes global flows, and how these flows produce local spaces and subjects. They argue that benchmarking is not neutral but constructs globalization of New Zealand in a particular fashion by homogenizing differences and selectively actualizing global flows.

Although all these accounts are notable for their attendance to performativity and situatedness of globalization, some of them (Franklin et al. and Cameron and Palan) appear to overestimate the power of discourse and insufficiently address materiality of performativity. In both cases, it is as if discourses prescribe and dictate the reality without any translation and mediation. In this respect, ANT provides a very useful insight. Firstly, the famous notions of the hybrid universe and the symmetry principle

(Latour, 1993) enable us to give subject and object, discourse and materiality equal rights to construct the world. Secondly, ANT locates the place of performance in transient and localized *agencement*. Hardie and MacKenzie (2006) note:

> The notion of *agencement* […] involves a deliberate word-play. *Agencer* is to arrange or to fit together: in one sense, *un agencement* is thus an assemblage, arrangement, configuration or lay-out. The referent in everyday speech is often down-to-earth and material, such as the parts of a machine; indeed, in ordinary parlance, *les agencements* are fixtures and fittings, and to be *bien agencé* is to be well-equipped (Collin, Knox, Ledésert, and Ledésert 1982).

For Callon (2005), *agencement* is socio-technical arrangement equipped with agency. It is not singular or fixed. It is diverse according to its elements and their arrangements. A collective is made up of actors interconnected in a diversity of *agencements* or networks. Each actor is endowed with different agency and co-performance of actors produce mediation. According to Latour (2005), mediators are different from intermediaries. Intermediaries transmit whereas mediators "transform, translate, distort, and modify the meaning or the elements they are supposed to carry" (39). This concept allows us to interpret situated performance as mediation, that is, transformation performed by a network of actors in particular configuration. In this sense, it provides a valuable conceptual tool to follow the way in which certain globalization practices produce certain effects in a particular time and place.

2.2 Advertising and Creativity

Globalizing Creativity

One of the striking features of the 'new economy' is its culturalization of economy and creativity worship (see Leadbeater, 1999; Florida, 2002; Flew, 2005). As Angela McRobbie (2002) puts it, 'creativity' has recently come to represent the most desired of human qualities (109). It is widely claimed that globalization simultaneously constitutes one of the main conditions and driving forces of the new economy (Lash & Urry, 1994; Castells, 2001; Fraser & Oppenheim, 1997; Locke et al, 2001). Globalization opened up space for mobile, superfast, hypercompetitive economy with the aid of information technology and worldwide deregulation of markets (Soete, 2001: 22). In global economy, innovation is an imperative as product and technology cycles become increasingly shorter and consumer differentiation proceeds ever more rapidly. In this circumstance, it is development rather than production that holds the key to success (Reich, 2001). Therefore, values are created from knowledge, information and human creativity which drive innovation (Thrift, 2005: 133). As Castells (1996) puts it, "action of knowledge upon knowledge itself" (17) becomes the new basis to increased productivity. Traditional factory production is too ponderous and bureaucratic hierarchy too rigid for this economy. Companies are instructed to slim down and be flexible. Work is organized on a temporary project basis and labour individualized and polarized. This economy requires 'self-programmable' workers (Castells, 2001) who are highly skilled and flexible enough to meet various demands. De-skilled or unskilled labour are made to stay on the fringe or discarded.

What emerges in this context is what is called the 'creative class' (Florida, 2002), the darlings of the new economy. According to Florida, the creative class are made up of people engage in broad spectrum of occupations whose "economic function is to create new ideas, new technology and/or creative content" (8). For him, the creative class is not only a valuable corporate asset but the main driving force for regional development in the new economy because of their ability to bring in higher rates of innovation and high-wage economic growth. In the same vein, Reich (1991) emphasizes that 'symbolic analysts' such as engineers, attorneys, scientists, professors, executives, journalists, consultants and other 'mind workers' who engage in processing information and symbols for a living will occupy a privileged position in 21st century global economy.

However, the concept of 'creativity' in this context appears very specific. It refers

to an ability to identify and solve business problems, and implement innovations (Reich, 1991). It is not quite the same thing as the conventional notion of creativity which is associated to "artistic aura or humanist worth" (Negus, 1999: 25). It raises a question regarding the relationship between the new economy and creative industries. What ties them together is the common stress on creativity (Leadbeater, 1999; Flew, 2005). However, creative industries, specifically those engage in cultural productions, are more often associated to a conventional use of the term. What is more, creativity in this context is commonly portrayed as contradictory to commercial motives. The latter is considered constraining and corrupting the former rather than encouraging it (Negus, 2002: 115). It means that, contrary to common claim, the meaning of creativity in new economy discourses does not have much bearing on what is used in creative industries.

What looms large here is that it is undifferentiated and unspecified term 'creativity' that connects the new economy and creative industries. Healy (2002) suggests that the term is actually 'hijacked' by businesses. According to him, the vocabulary of the new economy is tailor-made for the cultural project in the United States in the 1990s which tried to redefine the cultural sector for a policy purpose. Here, the concept of creativity is claimed to have a broad meaning which "encompasses innovation, entrepreneurship and expression" (Collaborative Economics 2001: 4; cited from Healy, 2002: 91). What it indicates is that creativity has become "the most desired of human qualities (McRobbie, 2002: 109). Despite using different concepts, sharing the same term appears to produce the overall ethos of creativity worship. Whatever it means, people want to become creative, think they are creative, and want to live a creative lifestyle. Companies do not stop at hiring creative people but attempt to have a creative image through creative advertising. As Castells (2001) claims, the new economy is based on "the culture of innovation, the culture of risk, the culture of expectations, and ultimately, on the culture of hope in the future" (112). In this respect, it could be argued that the primary importance of creative industries for the new economy is providing a model of inspiration as the embodiment of creativity rather than their powers to actually drive economy forwards. .

Managing Creativity

According to Winston Fletcher, a renowned British advertising figure, creative people "tend to be insecure, egotistical, stubborn, rebellious, poor timekeeping perfectionists who seek fame" (Davis & Scase, 2000: 19). Similarly, Sean Nixon finds that creatives tend to associate their attributes to those of the creative artist which he

describes as dependent, insecure, expressive, over-emotional and prone to infantile egotism (2003: 100). However, these qualities could be seen as performative rather than descriptive in that they indicate qualifiers of creative personality. These are glorified attributes that self-styled creative types learn to/want to adopt and mould their identities around. It has been pointed out that the quintessential creative identity is that of the bohemians who are outsiders apart from conventional society and untroubled by its disapproval (Florida, 2002; Nixon, 2003; Eikhof & Haunschild, 2006). They are champions of unbridled individual freedom frequently at the cost of self-induced poverty. They position themselves as the polar opposite of the people of commerce who they view as deeply materialistic and conventional in social values and despise art, beauty, and anything cultural or non-material.

However, the flip side of creative people's pursuit of individual freedom is strong self-discipline in the pursuit of their causes. In her study of young 'freelance, franchised or casualized labour' in creative industries, McRobbie's (2002) notes that they enter into work "notwithstanding low pay (sometimes no pay), extraordinarily long working hours, […] and volatile and unpredictable patterns of work" (109). What make them endure all the pain and injustice at work are passion, pleasure at work, and the dream of 'making it'. This work culture is, however, not confined to creative industries and increasingly spreading across the board in the new economy. Thrift (2005) discusses performing management in which the management body is shaped to be hardworking, passionate, adaptable and participative (117-118). The management body in the new economy incarnates various narratives and practices that produce them as committed, emotionally engaged and 'soulful' regarding their job. In this way, they are made to believe that job is not just about money but about pleasure, passion, self-fulfilment and sense of achievement. To put simply, job becomes their personal concern. Quoting Salaman (1997), du Gay and Pryke (2002) sums up managing culture in 'increasingly globalized, knowledge-based economy' that "a foremost necessity is to […] make new meaning for people at work, thus unleashing their creativity and enterprise" (1).

If managing culture in general became increasingly similar to that of creative industries, what then is creative management like? The category of creative industries is very broad which contains a wide variety of industries (see Caves, 2000: Howkins, 2001; Florida, 2002; Hartley, 2005). Therefore it is impossible to generalize technical specificities of creative industry management. However, management is, in a nutshell, a technology of government of the self. It is an activity that optimizes the self for the task of goal attainment. Davis and Scase (2000) characterize creative employees as valuing

personal autonomy, behaving in nonconformist ways, and thriving on indeterminacy (viii). Based on these descriptions, they claim that, in order to make creative employees to perform, employers need to eschew control and allow them room for innovation and experimentation. Sean Nixon's (2003) study of London-based advertising agencies shows a more vivid picture in this regard. Here, the whole company, from top to bottom, appears to buy into the notion of creative person. The management not only tolerate eccentricities and excesses but also explicitly and tacitly encourage them. In this condition, performing creative person becomes a norm rather than an exception.

However, it is far from easy to implement these principles, particularly in the context of large bureaucratic organizations of the old economy. This difficulty appears particularly salient in the South Korean advertising industry which is by and large under control of large manufacturing industries. Even though everyone involved might agree on a general principle that fostering and encouraging creativity is central to competitiveness of advertising business, it still leaves questions unsolved regarding how to reconcile different worldviews or what Keith Negus describes as differing cultures of hardware production and software production (1997: 93-4). The culture of hardware production is centred on positivistic attributes such as measurability, calculability and predictability whereas the culture of software production unquantifiable elements such as emotion, intuition and imagination. From manufacturers' standpoint, latter characteristics are unreliable or even irrelevant parameters to base their business decisions upon. It is their cultural disposition deeply-inscribed in their bodies to seek assurance and comfort from figures and numbers. In this context, agencies try to stay within the boundary of the tried-and-tested rather than going for something new and different. What is more, despite all the hypes regarding intangible assets and brand equity, manufacturers tend to prioritize quantity over quality and short-term sales boost over long-term brand building. What they expect from advertising is immediate and tangible return on their investment. In this circumstance, creativity remains to be regarded dangerous and potentially harmful. Therefore, controlling and channelling creativity remain paramount concerns in creative management rather than breeding and stimulating it.

Advertising as a Creative Industry

Lash and Urry (1994) define advertising as 'commercial communications'. According to them, 'commercial connotes "industry" and […] communications connotes "culture"' (139). Therefore, the advertising industry is a culture industry that

produces 'supremely visual cultural artefacts' (138). It is a surprisingly simplistic definition. It might be the case that Lash and Urry try to 'correct' the long-held view that advertising is nothing more than a commercial enterprise. However, their definition makes advertising indistinguishable from, say, film, popular music, theatre and so forth. Advertising might indeed be a culture or creative industry. However, what they forgot was that it is a client-oriented rather than market-oriented industry. It produces cultural artefacts for businesses as a means of selling goods (or services). No matter how aesthetically sophisticated it may have become, advertising has never been an end in itself and never will be – except on those occasions where advertising texts are artificially separated from their commercial functions such as advertising festivals, creative journals, and television shows like 'World's Funniest Ads'. In comparison, some market-oriented cultural products have been elevated to a middle-brow status, and increasingly considered as 'proper' and 'serious' cultural forms.

This difference has an important implication in cultural policy. For example, Korea Ministry of Culture and Tourism's 2003 Cultural industries White Paper recognizes advertising as a cultural industry. Previously, however, it had been classified as a service industry. This classification excluded the advertising industry from becoming a beneficiary of cultural policy. In fact, advertising has been more a subject of regulation than of support. The White Paper admits that the government has failed to recognize advertising as an important industry for the country's development (299). However, it appears that the government is still indecisive about supporting the industry as most of the industry's demands are filed under 'under consideration'. They are indeed not easy decisions to make as the core of the industry's demands are not the usual cultural policy measures like protection, subsidy and promotion but deregulation of advertising space and time. The hesitation of the government with regard to this demand shows that it retains the view that, although the advertising industry is classified as a cultural industry, the culture it produces and disseminates is 'harmful', and does not necessarily correspond to the public interest. In other words, advertising is not proper culture.

The view is resonant in Hesmondhalgh (2002) who classifies it in a 'special category' of the cultural industry. In his discussion of advertising practitioners, Hesmondhalgh argues that advertising practitioners are a 'very particular case' among 'symbolic creatives' as they are 'the most highly-paid' and 'prestigious' creatives. He claims, 'advertising creatives were probably more tightly controlled in terms of being judged on financial outcomes than most creative personnel in other cultural industries'

(161). The point of the argument is that creative personnel in other cultural industries are sometimes judged on creative or artistic merits whereas advertising creatives are not. However, it is not certain whether advertising creatives are 'the most highly-paid', particularly when those at numerous small independent agencies are taken into account. It is even more curious why the job is considered 'prestigious' as its cultural capital is on the 'very low' side. What is more, advertising's financial outcome or benefit has been always a contentious subject both in and out the industry as it is very difficult to verify the effectiveness of a campaign (see Schudson, 1984; Nava, 1997; Miller, 1997). However, what is most telling about Hesmondhalgh's account of the advertising industry is that this is sum total of his discussion of the industry in his 300-odd-page tome on cultural industries.

In these respects, it is apparent that advertising occupies a very peculiar position. It is not recognized as proper culture, not as a proper cultural industry, and not even as a proper business. It is an all-round fringe player. From this angle, the push for creative advertising and eagerness for self-celebration are fully understandable. It is the advertising industry's way of enhancing its cultural status and proving its worth to the outside world. They have a huge stake in creative advertising as it allows them to move on from a service industry to a full-blown creative industry. Creative advertising is often identified with 'innovative and provocative image-led advertising' (Nixon, 1997b: 194). Its early advocates such as Bartle Bogle Hegarty (BBH) in the UK and Wieden+Kennedy in the US put a strong emphasis on 'creativity' in part to signal their distance from the large multinational agencies that were frequently associated with boring and unimaginative advertising (194-195). As expressed in the expression 'second creative revolution', its effects have been explosive and far-fetched. Particularly after the worldwide successes of early adopters like Nike and Levi's, it quickly gained popularity among businesses and legitimacy among advertising people all over the world.

As the terms 'innovative' and 'provocative' suggest, however, there are two major issues involved in the practice, that is, creative autonomy and risk. Creative advertising is, to put it briefly, advertising that avoids looking like advertising in a conventional sense or one that is not explicit about its intent of selling goods. For average clients whose idea of advertising is a straightforward sales pitch, it could come across as incomprehensible or even offensive. What is more, creative advertising's requirement of creative autonomy means that a large degree of the clients' control and involvement in their advertising is taken away from them. In this respect, it is certainly not the kind of

practice that clients would eagerly accept unless they had established its substantial benefit. Nixon specifies – along with the new development in marketing techniques in consumer research, account planning and market segmentation – the change in the relative mix of clients as a major factor in giving rise to creative advertising (197). To be actualized, creative advertising requires clients who are sympathetic to a novel approach to advertising and willing to take risks for that.

What it means is that creative advertising needs a change in business ethos throughout the whole economy as well as development in marketing communications techniques. In this respect, it is the former that makes the context for creative advertising in South Korea different from their North American and European counterparts. In Northern countries, creative advertising is said to be a product of changes in economic climate. However, it is not necessarily the case in South Korea where *chaebol*'s grip on the country's economy remained virtually unchanged both before and after the adoption of creative advertising. *Chaebol*, who constitute the majority of major clients in the country's advertising market, are essentially conservative manufacturing industrialists. This means that the ad agencies that try to practice creative advertising need to deal with clients who are very risk-averse, domineering, and not so keen to embrace it. Therefore, the process involves endless negotiations, frequent frustration and ongoing translation of each other. In this respect, it is necessary here to have an overview of South Korean advertising before embarking on a discussion of situated practices of 'Northern' discourses of globalization, the new economy and creative advertising in South Korea.

Advertising as Practice

Advertising is neither commerce nor culture but 'culture used for a commercial purpose' or 'a conflation of commerce and culture'. Previous studies have mostly focused on only one of these aspects. Earlier studies underlined its commercial aspect (Leavis and Thompson, 1977; Packard, 1957; Galbraith, 1958; Ewen, 1976; Williams, 1980) while recent studies focus on the cultural (Nava, 1992; Lash and Urry, 1994). However, more interesting topics are to be found in the places or points where commerce and culture meet and interplay. Bourdieu (1993) puts it that cultural production does not take place in a vacuum but in concrete social situations governed by a set of objective social relations. Becker (1982) shows that production of culture is a collective activity in which people involved cooperatively contribute to production of an artwork. As a commercial cultural production, advertising is shaped and affected by the

network of relations that are both commercial and cultural. It is primarily a commercial enterprise. Therefore commerce takes precedence over culture. However, the way they negotiate and combine these two aspects is case-specific. It depends on the types of actors involved, the perceived marketing situation and the dominant trend of the time. In this course, advertisements emerge as the embodiment of these relations and processes.

It has been quite a while since scholars started to pay attention to the networked and situated nature of advertising. In his pioneering work, Advertising, the Uneasy Persuasion, Schudson (1984) explores the meaning of advertising in terms of relations between advertising agencies, clients and consumers. By focusing on the different interests of the parties involved and the processes of their negotiations, his study demystifies 'armchair' analyses of advertising that consider it as a watertight control and manipulation device. Moeran (1996a) puts advertising within the context of the tripartite relationship between account, creative and media departments, and the parallel relationship between the client, the agency and the media within an advertising agency. With this positioning, he brings marketing considerations out from behind the surface images of advertisements (see also Nixon, 1997b). Miller (1997) discusses localization of advertising campaigns from the point of view of local advertising practitioners in which localization is pursued as an attempt to raise the status of the local agency against its global headquarters. Nixon (2003) relates advertising to the occupational culture of advertising agencies and the identities of advertising practitioners. He grounds the pursuit of creative advertising on the bohemian identity of creatives and the culture of agencies that encourages such identity.

However, none of these studies fully pursues relations between the production and products of advertising. It has been suggested that looking into the production side of advertising is important for understanding codes used in advertisements, as it would shed light on the aspect of the business usually bracketed in textual analysis (Nixon, 1997b; 2003; Cronin, 2004). In this respect, Nixon proposes a few areas of research regarding the cultural dispositions of advertising practitioners: the role of informal knowledge, cultural resources, cultural language and representation practices in circulation in the wider culture, and cultural identification of advertising practitioners (1997: 210). Although Nixon provides useful guidelines for the study of advertising, his suggestions appear to be situated in 1990s Britain where creative advertising was on the rise and attracting a lot of attention. His emphasis on the cultural dispositions of advertising practitioners presupposes creative autonomy in which advertising practitioners are allowed to express their cultural dispositions without facing strong

challenge or resistance from other actors involved. However, ads are constructed through a series of complex negotiations and mediations between networked actors. The level of creative autonomy allowed to advertising practitioners is thus dependent on the nature of this relationship. Therefore it is important to pay attention to this relationship which shapes and guides the way advertising practitioners' cultural dispositions are expressed.

However, advertising practitioners' cultural dispositions are still a good place to start an inquiry. Many studies employ Bourdieu's (1984) concept of cultural intermediaries to explore this topic (Featherstone, 1991; Lash and Urry, 1994; Lury, 1996; du Gay, 1997; Nixon, 2003; Cronin, 2004). The advantage of this concept is that it allows the analyst to relate the occupation to cultural dispositions of class. The problem, however, is that Bourdieu's definition of cultural intermediaries is rather too broad and inconsistent (see Nixon, 2003). It includes 'the vendors of symbolic goods and services, the directors and the executives of firms in tourism and journalism, publishing and the cinema, fashion and advertising, decoration and property development' (1984: 310-311). The concept conflates those who sell cultural goods and those who produce them, or those who present cultural artifacts and those who create them, as if the distinction between these occupations is not important. However, it is important when it comes to exploring the cultural dispositions of advertising practitioners, as creatives and account executives display two very different dispositions. What is more, similar to Moeran's account of Japan, South Korean society is not usually characterized as being structured by classes (1996a: 289). It does not mean that South Korea has no class system but that South Koreans are generally not familiar with the notion of class. What is considered more important is educational capital as the country has developed a strong meritocratic regime based on education (Jeong In-sook and Armer, 1994). In these respects, it appears that the concept of cultural intermediary does not have much currency when examining South Korean advertising practitioners.

Advertising practitioners perform their work within the organizational setting of an advertising agency. Its corporate culture – which is constitutive of perceptions about its size, its position in the industry, the relationship between the management and employees, between different departments, and between colleagues – is involved in the production of the individual advertising practitioner's occupational identity and thereby affects his/her performance. In addition, values and practices widely accepted in the industry also play an important part in shaping an individual's views and beliefs about the occupation. These are all case-specific and contingent even though organization of

advertising agencies is more or less the same everywhere. Differences in corporate culture and industry practice provide different contexts for struggles and negotiations between the actors involved. For instance, Nixon (2003) delineates occupational culture in London agencies as masculine and bohemian (see also Cronin, 2004). He ascribes these characteristics to the shared conception or myth of creativity that creativity comes from the creative individual who is bohemian, eccentric, whimsical, and infantile egotist. In Moeran's (1996a) study, however, there is no room for indulging in creative identity in Japanese agencies. Creative work is considered as a collective work which does not prioritize the creative individual. There are also different perceptions in creative and account departments. In Tokyo, the account department is considered as the money-makers whereas creative department the money-spenders. In London, creatives are perceived as producers who feed the whole company with their work.

Although most activities of advertising are performed by advertising agencies, it cannot be done without clients. In fact, the whole business of advertising cannot exist without them. As Schudson (1984) put it, the aim of advertising is to make the investors happy rather than the consumers. To a certain extent, that is true. However, there would be no argument between them if this were entirely the case. The fact is that they routinely collide with each other. Disputes and disagreements often define their relationship. Agencies certainly want to make their clients happy, but they have their own idea of making clients happy which does not necessarily correspond to the client's wishes. One of the focal points in their struggle is the client's conservatism versus the agency's creativity (Cronin, 2004). At the root of clients' conservatism is 'anxiety and uncertainty' (Warde and Lury, 1997: 89) or 'fear and contradiction' (Miller, 1997: 217). No matter what the advertising industry says to convince clients of the benefits of advertising, advertising for them is primarily a cost. Nevertheless, they go out and spend a large sum of money on it largely because they are driven by fear and anxiety. They are afraid of inflicting losses, of falling behind in competition, of losing market shares, and so on if they did not advertise. Even if they do advertise, however, their anxiety does not subside because they become fearful of upsetting consumers by sending the wrong messages, wasting money on ineffectual advertising and so on. In this context, they prefer to avoid risks and choose safer options. On the other hand, ad agencies are eager to prove their worth to clients, and thus competitively introduce new methods, techniques and novel advertising, which could be at odds with clients' conservatism. In these respects, it could be argued that the client's conservatism versus the agency's creativity constitutes a context for the construction of advertising. In the

end, however, it is also case-specific and dependent on what kind of clients and what kind of agencies are working together. There are quite a few clients who take an adventurous approach to their advertising campaigns, and agencies that have more conservative attitudes towards their job.

Chapter 3 Mapping the Locus: The South Korean Advertising Industry

3.1. Historical Development of the South Korean Advertising Industry

The Formative Years: Japanese and US Influences 1896-1980

Development of Korean advertising has been under the intertwining influences of the United States and Japan, which reflects country's tumultuous geopolitical history. Korean advertising was heavily influenced by Japanese advertising during the colonial period of 1910-1945. After World War II, US influences became stronger on the newly independent South Korea. However, these influences cannot be separated neatly in chronological packages as they have often been simultaneous. To an extent, though, it is still possible to discern these two influences on different areas. Broadly speaking, Japanese influences are strong on business organization, business transaction and creative expression particularly in newspaper and radio advertising. US influences, on the other hand, are conspicuous in communications strategy, market research and television advertising. These are traces of different times and the ways in which Korea's contacts with two advertising industries were made. These influences have been juxtaposed, clashed, and rearranged to form a distinctive advertising industry.

The first modern advert appeared in 1886 by German trading company Edward Meyer & Co. in Hanseong Jubo, Korea's first modern newspaper published by the royal government. However, advertising at the time was not regarded as a business practice but as part of enlightenment (Shin In-seop & Seo Beom-seok, 1998: 30). It was the launch of The Independent, the first civilian-run bi-daily newspaper printed in Korean and English, in 1896 when advertising was first employed as a commercial activity. Philip Jaisohn, the US-educated Korean-American politician and founder of the newspaper, applied the business practice he learned in the United States. The paper introduced the standard price and proportional discount policy which would become a precedent for other newspapers to follow. However, the paper failed to make a profit as advertising accounted for only eleven per cent of its revenue (Shin Yong-ha, 1975: 345). In 1906, the Japanese advertising agency Denpotsushinsha, the forebear of Dentsu, opened its Seoul office to serve Japanese advertisers. It became the first advertising

agency in Korea. By 1910, the number of Korean newspapers and advertisers increased and advertising was steadily becoming an established practice.

The annexation of Korea to Japan, however, radically changed the course of the development. The most significant and lasting impact of the annexation was the replacement of the US-influenced practice of the pre-colonial era by Japanese practice. One of the most prominent was the media space selling. The main difference between US and Japanese practices was that Japanese practice was basically a behind-closed-door transaction. They did have a price list but it was routinely ignored in practice. The real price was decided usually as a result of bargaining between the media and advertiser, and the agreed rate was kept secret between them (Shin In-seop, 1993: 29-30).2South Korean newspapers still apply a special rate to advertisers of pharmaceutical medicines and books since they have been the oldest advertisers and have received preferential treatment since very early days. Another Japanese practice, kento or detpo, that is unsolicited advertising, was also widely practised even long after Korea's liberation from Japan. In this practice, largely due to the pressing need to fill the space, newspapers published adverts using existing copperplates without the permission of the advertisers and asked them to pay afterwards (Choi Joon, 1977: 317).

Apart from media space selling, there were also many other advertising-related practices introduced and established during the colonial period. In 1926, for instance, DongA, the Korean newspaper, held the first advertising design competition aimed at promotion of the art of effective advertising (DongA, 3 Nov. 1926). In 1937, Chosun, another Korean newspaper, sponsored the first series of public lectures on advertising in front of the packed audience. All speakers were invited from Japan. In 1932, Shin DongA, the DongA's offshoot magazine, published an article on advertising strategy. The article introduced advertising strategies including consumer research, media planning, effective copywriting, budget management and effectiveness study in a step-by-step fashion (Shin DongA, June, 1932). However, Shin In-seop (1993) expressed a doubt whether those strategies were applied in practice since that was not the case even in Japan at the time (85). In 1938, DongA held a student commercial art competition in which participants designed adverts for designated advertisers.

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2 The practice was established in Japan during the early modern period of the 1870s as a result of the oversupply of newspapers and the subsequent price cutting race among them. The practice, commonly called *mochitanka* or secret pricing, was so firmly established that it had continued to prevail until the 1960s, and, in South Korea, continues to today (Shin In-seop, 1993; Shin Gi-hyeok, 2003).

In terms of advertising design, Japanese advertising made a great impact from new techniques such as teaser, testimonial and corporate PR to typefaces, layouts and drawings. These are all developed in the United States but transferred to Korea via Japan. In particular, the line drawing-based approach of the legendary illustrator Toshiro Kataoka has been hugely influential on Korean advertising designers. Since Korean newspapers were packed with Japanese adverts, development in Japanese advertising was conveyed virtually untouched to Korean newspapers. Korean newspapers typically received paper moulds from Japanese advertisers, translated words into Korean and changed costumes from Japanese to Korean. Quite a few famous Korean writers and artists were employed for this operation to make them look genuinely local. In the course of it, Korean advertisers and advertising practitioners learned and experienced new advertising skills that laid the groundwork for future development of South Korean advertising.

US influence regained its strength after World War II. One of the most noteworthy developments in this regard was the emergence of broadcast advertising. Interestingly, the first commercial broadcasting media in South Korea was not radio but television. The US-based broadcasting company Radio Corporation of America (RCA) and its Korean distributor Korea Office Radio Corporation of America Distributor (KORCAD) launched KORCAD-TV, or HLKZ-TV named after its call sign, in 1956 (Kim Ko Kwang-mi, 1994; Park Yong-kyu, 2006). The management of the station was modelled after US commercial stations. The station employed an income structure based on advertising and sponsorship, introduced mixed programming schedule which targeted largest possible number of viewers, and adopted US-style programme formats such as news, quiz shows and variety shows (Park Ki-sung, 1985: 334). Although it barely survived one year due to punishing financial difficulties, it left some lasting impacts on television broadcasting in South Korea including adoption of US-style programming and the US-developed National Television Standards Committee (NTSC) System (Chae Baek, 1986: 159) as well as the introduction of US-style advertising practices.

KORCAD-TV was sold to newspaper publisher Hankook Ilbo in 1957. Hankook Ilbo established its broadcasting offshoot Daehan Broadcasting Corporation (DBC) and named the station DBC-TV or DTV. DTV represents a case in which the US-influenced television media was combined with a Japanese business model. Hankook Ilbo modelled DTV after the Japanese television broadcasting station Nippon TV which was owned by the Japanese newspaper publisher Yomiuri Shimbun. Hankook Ilbo adopted the Yomiuri Shimbun model in which the newspaper company provides news contents

to the affiliated television station and uses it essentially as a promotion vehicle for the newspaper. After the acquisition, Hankook Ilbo set up an advertising department to handle media space/time selling operation for both the newspaper and television. Yoon Dong-hyun, the head of the department, was, however, quite eager to learn and implement US advertising practices. He hired English-speaking staff which was very rare at the time in South Korea. He joined New York-based the International Advertising Association (IAA) and became one of the first South Korean members of the organization. He also published the first South Korean advertising trade journal New Advertising in 1960, and conducted the first survey on advertising quantity and expenditure in 1961. DTV, however, struggled with financing and finally disappeared in 1959 due to fire caused by a leakage of electricity. New Advertising discontinued in 1961 and the survey turned out to be one-off.

Another significant US influence was the emergence of advertising agencies in the 1960s. Michael O'Sammon established the first advertising agency in independent South Korea, IMPACT in 1962 and John C. Stickler, an employee at IMPACT, set up his firm S/K Associates in 1965. The main operation of these firms was to handle foreign multinational accounts in South Korea and to play the role of media representative for South Korean companies. IMPACT's clients included Japan Airlines, Pepsi Cola, and Korea Petrol Co. S/K Associates served Bank of America, Scandinavian Airlines, Thai Airlines, Gukdong Shell, and Chosun Hotel. These firms provided South Korean advertising practitioners first-hand experience of the way in which advertising agency worked. For example, when IMPACT closed down in 1972, most of its South Korean employees were absorbed by Munhwa Broadcasting Corporation (MBC), and became the charter members of Yonhap Advertising, one of the first South Korean-owned advertising agencies established by the station in 1974.

However, the US influence alone does not account for the emergence of ad agencies in South Korea. There was a deep-rooted influence of pre-war Japan also played a part in it. South Korea had officially severed the diplomatic relationship with Japan immediately after the end of World War II. Therefore, Japanese influences at the time were basically those remained from the colonial past. In pre-war Japan, it was typical for news agencies to set up an advertising agency as its auxiliary business.3 The

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[3] Advertising agencies such as Dentsu, for instance, started the news agent business in 1906 and it became popular during the 1920s particularly among major advertising agencies in Tokyo area. The main advantage of this practice was that it enabled advertising agencies to control provincial newspapers. Major newspapers and manufacturers in Tokyo and Osaka considered advertising agencies as nothing more than parasites and preferred direct transactions with each other. In this circumstance, advertising

practice discontinued in Japan in 1936, but inspired Hapdong News Agency's founding of Hapdong Advertising as its advertising branch. What is more, when the South Korean-Japan relationship re-formed in 1965, Hapdong Advertising sought help from Dentsu. They sent their employees to the Japanese ad firm to receive training and modelled its organization after it. As a consequence, account service in South Korean ad agencies was named yollak – contact or liaison, which emphasized sales and client care rather than campaign planning and management (see Moeran, 1996).

Sometimes these two traditions came into conflict as American influence grew stronger, and increasing number of young South Korean advertising practitioners became partial to it. They formed a 'modernist' faction in the advertising industry and began to see Japan-influenced practices outdated and pre-modern. It was dramatically mansifested in their attempt at introducing Audit Bureau of Circulations (ABC). ABC was first mentioned in the 1956 edition of Korea Newspaper Yearbook as a means to promoting 'civilization of the country' (Kim Byung-Do cited in Shin In-Seop & Seo Beom-Seok, 1998: 277). Korea ABC Institute was established in 1967 by a number of advertising workers at newspapers and client companies. While the institute conducted a survey twice in 1968 and in 1970, it wound up soon due to the general disinterest and noncooperation from newspapers. For newspapers, ABC clashed with their Japan-influenced longstanding tradition of secret pricing. It was the same reason why it took a decade to implement ABC in Japan. In South Korea, the first survey since 1970 took place in 1993. Since then there have been only three newspapers out of 73 agreed to participate at the time of this writing.

Contemporary Japanese influences were felt particularly strongly in creative production. Print advertising greatly improved in production quality in 1960s after the

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agencies acquired major clients at all costs and made income from advertising on provincial newspapers which were not highly regarded by Tokyo and Osaka clients. As provincial papers were generally weak in both media and financial power, they depended on advertising agencies for both news and advertising. Advertising agencies provided them news and claimed large cuts in advertising rate in exchange of that. Even if the cut means less than one tenth of the nominal price, provincial newspapers still had to accept the condition since advertising agencies supplied 60-70 per cent of the papers' income. In this respect, it is not surprising that advertising agencies exerted full power over provincial newspapers' businesses and managements. The practice of combination of advertising agency and news agency practically ceased to exist from 1936 when the Japanese government carried out "one nation one news agency" policy and Dentsu subsequently released its news agency. However, it still resonates in today's Japanese advertising industry in that advertising business in Japan is fundamentally centred on media space brokerage. The power of Dentsu comes from the fact that it controls 20 per cent of media space in Japan. The second largest advertising agency Hakuhodo controls the 10 per cent. It is also one of the reasons why Japanese advertising agencies could handle competing clients simultaneously since simple media buying operation does not involve a lot of problems concerning keeping business secrets (Shin In-seop, 1993).

introduction of phototypographic composing machine from Japan. Radio became a popular advertising media with the new technique of jingle. Jingle arrived in South Korea via Japanese radio airwaves received in the southern part of the country. Television advertising also much improved after the first screening of Japanese award-winning television commercials held in 1968 with the support of Dentsu. It made a great impact on South Korean advertising practitioners as it became a routine practice for Seoul-based advertising practitioners to go to Pusan to watch Japanese television during the 1970s. In addition, textbooks widely circulated in the industry during the 1960s and 1970s came mostly from Japan largely due to easy availability and lower language barrier.

From the late 1960s, however, the landing of big US advertisers, notably Coca-Cola, Pepsi Cola and Caltex, made a huge impact on South Korean advertising. Coca-Cola entered South Korea in 1968 and brought some significant changes to the advertising industry. First of all, it put advertising agency at the centre of advertising campaign from planning to execution when it was usually done between advertiser and the media. As there was very few fully-functioning advertising agencies in South Korea, Coca-Cola made its South Korea bottler Doosan Group to set up a new agency. Doosan established Manbosa in 1969 as a joint venture with DongA, and cooperated with McCann-Erickson Hakuhodo, the ad agency for Coca-Cola in Japan. Manbosa later became Oricom, one of the largest ad firms in the country still operating today. Secondly, it introduced the concept of advertising as part of marketing campaign. It showed an example of extracting concept from research, copywriting as expression of advertising idea, execution of campaign according to annual plan, integrated communication, generous investment of capital, and employment of top class talents. This way of conducting an advertising campaign was entirely new to the South Korean advertising world and made a strong impression on country's advertising practitioners (Shin In-Seop & Seo Beom-Seok, 1998: 277).

Coca-Cola's advertising campaign was a great inspiration for South Korean advertising practitioners to accelerate introduction of US advertising practices. At the heart of this activity was the South Korea Chapter of International Advertising Association (IAA) established in 1968. It held the first South Korean screening of Clio Award-winning television commercials in 1970, which became an annual event since then. In 1974, the South Korean television commercial for Caltex won Special Citation Award at Clio Awards for the first time in country's history. Although a small prize, it motivated the South Korean advertising industry to take part in international

competitions at a greater frequency. The IAA South Korea Chapter also published Korean translation of IAA publications including International Advertising Standards and Practices in 1971, and invited several international advertising figures to give speeches to South Korean audiences.

These efforts promoted a new angle to approach advertising in which advertising is not simply a sales tool but also science and work of art with its own values and criteria. Accordingly, advertising practitioners became more self-conscious and eager to raise the standards and status of their job. In 1976, Seoul Copywriters' Club was established for this purpose. It marked the first grouping of advertising creatives and played a major role in establishing the job. The Club published Korean translation of Confession of an Advertising Man by David Ogilvy which became a bible among South Korean advertising practitioners. It also published its bulletin Copy and held its own annual award ceremonies. The media responded these developments by founding a series of advertising awards. By the late 1970s, there were four advertising awards held by major newspapers and broadcasting stations.

The decade also saw the beginning of market research. The first market research firm Yushin Marketing Research & Planning Inc. was established in 1968 by US-educated businessman Ilson W. New. Although there was not much demand for research at the time, its staff later became core members of the South Korea branch of the US-based research firm Audience Studies Inc. (ASI) in 1973. ASI conducted the first media research and audience ratings survey. It also initiated the emergence of a number of domestic research companies such as Lee's PR (LPR), Korea Survey Polls (KSP), and Korea Research during the decade. Among them, Lee's PR carried out the first consumer panel survey and lifestyle research. By 1980, South Korea had seven independent research companies and three research departments at advertising agencies. Although research business was at a rudimentary stage and research expenditure at the end of the decade merely 0.3 per cent of advertising expenditure, it shows that the demand was growing and the South Korean advertising industry was developing into a complete system.

There were, however, also a few local factors that worked to determine the shape of the industry. First of all, there was South Korean advertisers' reluctance to use advertising agencies as they were used to direct transaction with the media. For this reason, independent agencies were not able to stay long in business. It was necessary for an ad firm to be an in-house agency of either a big manufacturer or a media to survive.

It would become the dominant structure of the industry during the 1980s albeit the power balance firmly shifted to manufacturers. Secondly, the South Korean government began to impose a series of tough regulations with the revision of Broadcasting Law in 1974. The law abolished advertising during the programme and stipulated advertising time as no more than 10/100 of the programme time – later reduced to 8/10. It also specified that station breaks must not be in excess of three times per hour and five adverts per break. There was no such regulation before this imposition. In 1976, pre-vetting of advertising contents was introduced, and 1,702 television ads were turned down by 1979. The most common reasons for rejection were encouraging lavish lifestyle, playing loud music, promoting foreign-made goods, vulgar expression, and inappropriate use of language. It shows that the regulation concentrated on the almost anti-consumerist moral sentiment similar to that of socialist countries (see Belk and Zhou, 1987) rather than controlling deceptive and unfair practices. Although the regulation would be gradually relaxed throughout the following decades, it set the tone for the future development in advertising contents which would be highly moral and unprovocative.

The Domination of Local In-house Agencies and Market Opening: 1980-1994

The South Korean advertising industry achieved a remarkable growth during the 1980s with advertising expenditure increased from USD 417 million to USD 1,227 million between 1980 and 1987 (Cheil Communications, 1992: 644). The growth was, however, coincidental to the founding of KOBACO which was instrumental in re-shaping the South Korean advertising market into a concentrated, self-contained, and manufacturer-led one (Kim Ko Kwang-mi, 1996; Shin Gi-hyeok, 2009). Founded in 1980 by the then-new military government, KOBACO was the powerful state-run media agency that has monopolized selling broadcasting time and accredited advertising agencies for broadcast advertising. The rationale for the establishment of KOBACO was based on the concept of public broadcasting. By controlling advertising, KOBACO aimed at protecting broadcasting from corporate interference and building public funds for supporting art and culture. KOBACO's impact on South Korean advertising has been profound and multi-faceted. First of all, it triggered the proliferation of advertising agencies by prohibiting direct transaction between broadcasting stations and advertisers. Secondly, it created an environment for the domination of in-house agencies of large local conglomerates. Enacted and promulgated in 1981, KOBACO Act prescribed that only South Korean ad firms with no less than USD ten million annual sales and thirty clients were eligible for accreditation for broadcast advertising. It effectively blocked

access of foreign agencies and medium and small-sized local independent ad firms to radio and television advertising. In 1981, there were only three ad agencies met such criteria (Shin In-Seop and Seo Beom-Seok, 1998: 420-422). The limited supply of advertising agencies and the high entrance barrier set by KOBACO practically called for wealthy local conglomerates to set up advertising agencies. Thirdly, it commenced state censorship on broadcast advertising. Although regulation of broadcast advertising started in the 1960s, the regulatory body had always been a private organization. With the enactment and promulgation of the Basic Press Law in 1980, however, KOBACO was delegated authority to monitor every advert prior to its broadcasting and make judgments on its broadcastability (Seo Beom-Seok, 1995: 139-141).

Within the closed borders, coupled with country's astonishing economic growth,[4] such large local in-house agencies as KORAD of Haitai Group, Daehong Communications of Lotte Group, Dongbang Communications of Amore Pacific Group, Samhee Communications of Hanhwa Group, Diamond Ad of Hyundai Group, and LG Ad of LG Group all appeared during the period of 1981-1984. In 1988, nine of twelve KOBACO-accredited ad agencies were *chaebol* in-house agencies. These new crop of in-house agencies immediately replaced the market order of the 1970s dominated by the so-called big three ad firms – Manbosa (which would later become Oricom), Yonhap Advertisng, and Cheil. The main difference between the old and new ad firms was that, with the exception of Cheil, the in-house ad agencies of the 1970s were products of foreign multinationals. Manbosa was founded by Coca-Cola's South Korean bottler Doosan Group and Yonhap Advertising was established to succeed IMPACT in order to serve Pepsi Cola. Although not a proper advertising agency, Heesung Industry Inc. was also created within LG Group to handle Caltex. On the contrary, the in-house ad agencies of the 1980s were set up by South Korean large conglomerates for handling their own advertising needs.

As foreign advertising agencies were unable to advertise in the South Korean broadcasting media, they sought alliances with local agencies to gain access to them. Most of their local partners were large in-house agencies: O&M tied-up with KORAD, DDB Needham with Daehong Communications, Lintas with Samhee Communications, BBDO with LG Ad, and Ted Bates with Cheil. The duration of these relationships varies, but it made large South Korean in-house agencies even more powerful as they came to monopolize foreign multinational clients as well as large domestic accounts. It also

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[4] South Korea's GNP per capita during the period of 1980-1987 doubled from USD 1,725 to USD 3,360 and growth rate marked average 7.7 per cent.(Korea Statistical Yearbook, 1987: 465)

facilitated introduction of Western advertising knowledge and practices through increased personal and informational exchange. For example, communications models such as J Walter Thompson's T-Plan, Lintas' Link Plan, FCB's Grid Model, BBDO's How To Think, and DDB Needham's ROI (Relevant, Original, and Impact) were all adopted during this period. Although it is not certain whether or how much they have been employed in ad production, these models still have quickly become common knowledges in the industry and integrated in the client-agency relationship. At the same time, the South Korean advertising industry kept raising its international standing by holding the Asian Advertising Congress in 1984, and Kim Seog-nyeon, the Oricom chairman, received the IAA Man of the Year award. It shows that, while the advertising market was closed, South Korean advertising industry's international relationship was not only active but also diversifying. It grew out of the Japan-centred past and into a global player.

As the South Korean advertising industry's visibility in the international advertising scene was growing, however, the pressure for market opening also increased. Starting from 1984, the year that South Korea held the Asian Advertising Congress, The American Chamber of Commerce in Korea (AmCham) released a series of statements called for US trade representative investigation of the South Korean advertising market. These provoked a heated debate between the South Korean advertising industry and AmCham. The South Korean government decided to open the advertising market in 1987 which ended seven years of market protection. However, the manner of the opening was gradual and completed in 1991. By 1990, the South Korean government allowed foreign investors to hold only minority stakes of less than 50 per cent of advertising firms. By 1996, however, most major foreign agencies were doing business in South Korea including O&M, J Walter Thompson, McCann-Erickson, Leo Burnett, and Euro RSCG. The number of foreign ad agencies and joint-ventures in the country were sixteen and handled billings worth USD 189 million that accounted for just 2.8 per cent of total advertising expenditure.

Despite the South Korean advertising industry's fear before market opening, the figure suggests that the presence of foreign ad firms in the market during the early days of the opening was rather insignificant. It was mainly due to the strength of large in-house agencies which prevented foreign ad firms from acquiring large domestic accounts. Foreign agencies were virtually unable to penetrate the local market and had to be content with localizing global campaigns of foreign transnational clients. For this reason, these companies remained small and were perceived uncompetitive and

unattractive for both clients and job-seekers. In this respect, it could be claimed that market opening did not change the existing structure of the South Korean advertising market in any significant sense. In fact, some of the changes in regulation for the opening actually strengthened and benefited large local in-house agencies. For example, commission rates were raised from 5-8 per cent – depending on media kind and in-house/non-in-house advertising – in 1985 to 7-11 per cent in 1991; lower rate applied to in-house advertising was abolished; and advertising time increased from 8/100 to 10/100 of the programme time (Shin In-Seop and Seo Beom-Seok, 1998: 470-475).

Globalization and Re-localization of the Advertising Industry: 1994-Present

Whereas market opening and deregulation is considered as a typical example of globalization, the term was rarely used to describe it in the case of the South Korean advertising market at the time simply because it was not widely available. Instead, it was called 'market opening' or 'market liberalization' (Kim Ko Kwang-mi, 1996; Shin In-seop and Seo Beom-seok, 1998). It is more than a matter of expression but entails different forms of performativity. Market opening or liberalization was framed entirely as trade disputes between two countries, whereas globalization was imagined as creating or coming to terms with a new world order which involves a series of scalar practices including actors' repositioning themselves onto the scale of the 'global,' redrawing their geographical boundaries of action, and embodying and practicing 'global' values and criteria. The process of globalization in this sense in South Korean advertising can be divided into two historical phases according to the different ways it was imagined.

The first phase started in 1994 when the South Korean government declared globalization as the state strategy of the highest priority (Ungson et al., 1997; Kim 2000). As the government pushed the agenda, the term was not only made available but multiplied and flourished in the country. It produced a plethora of practices designed to enact developmental nationalist aspirations which formed the core of the globalization project at this stage. It affected the advertising industry and generated numerous narratives and practices centering on the discourse of international competitiveness. It was translated into such practices as forming alliances with foreign ad firms, organizing overseas study tours for employees, organizing and participating in international events, running intra-corporate retraining programmes, and introducing elements of competition by means of an incentive reward system and 'competitive presentation' or pitching (Yang Young-jong, 1992; Wang Heung-seon, 1995; Song Yong-seop, 1996; Kim Sang-hoon, 2003). As we have seen earlier, most of these practices have been done

throughout the history with or without the term. However, the discourse of globalization produced an effect of forgetting and refiguration, and actors engaged in these practices as if they have never done them before. Ultimately, however, all these were perfunctory since the vertical integration and local market-oriented business operation remained the same. Therefore, being 'competitive' did not necessarily mean attracting more or bigger accounts. Apart from 'competitive presentation,' which was implemented by advertisers, newly introduced practices were strategically placed outside the core business areas of producing ads and handling clients and the media.

The second phase started with the Asian financial crisis of 1997. It was the time when globalization lost its optimism and was re-imagined as a brutal reality beyond their control. Although it affected everyone in the country, its impact on the advertising industry was particularly drastic. During the period of 1997-1998, South Korean corporations cut advertising expenditure from USD 5,377 million to USD 3,485 million. Accordingly, the advertising industry recorded a minus growth of 35.3 per cent and lost 26 per cent of employees (Cheil, Advertising Yearbook 1998; 1999). Within five years, the majority of country's largest ad firms fell into the hands of foreign transnational communications groups as most local conglomerates sold off their in-house agencies in an attempt to slim down their businesses. In 1998, TBWA took over 70 per cent stake of Tae-kwang Multi Ad. Publicis became 60 per cent stake-holder of Welcomm, and GMH, the Luxemburg-based financial firm, took over KORAD at USD 30 million in 1999. The same year saw the merger of Diamond Ad by London-based CCG at USD 120 million. In 2000, DDB Needham acquisited independent agency Lee & Partners and set up Lee & DDB. Dongbang Communications was sold to BBDO. In 2001, WPP acquired Ad Venture Worldwide from Aekyung Group. WPP also bought the second largest ad agency LG Ad from LG Group at USD 860 million in 2002 (Han Sang-pil et al., 2002; Kim Sang-hoon, 2003; Seo Beom-seok, 2003).

It changed the market configuration almost unrecognizably as most major ad agencies were now foreign-owned. This change in configuration produced a great emotional and psychological impetus to change the ground rules and made competitiveness a burning concern in the site. On the one hand, the newly foreign-owned former local in-house agencies now appeared to have lost the protective shields once provided by the vertical integration to large conglomerates and had to engage in full-on competition. On the other hand, the few remaining South Korean-owned ad firms felt surrounded by foreign transnational ad agencies with 'superior competitiveness', and implemented a series of draconian measures in order to

strengthen their competitiveness. The process was carried out in three main areas – organizational restructuring, implementing 'best practices' and building overseas networks. Organizational restructuring involved downsizing of the firms, adopting flexible employment and application of the merit pay system which resulted in the decline of the traditional seniority system and lifetime employment. Implementation of advanced practices included introduction of account planning and media planning that helped making branding as a new trend in advertising. Building overseas networks entailed opening overseas branches and offices, and employing foreign staff and managers that changed South Korean firms increasingly international in characters. However, different firms were differently positioned to push forward these changes and, thus, followed different routes to globalization.

3.2. Structure of the South Korean Advertising Industry

Clients

According to the US trade journal Advertising Age (2006), South Korea was ranked as the ninth largest advertising market in the world, and the third largest in Asia in 2004, with an annual expenditure of USD 6,415 million (see Table 3-1).

(Table 3-1) Ten largest Advertising Markets in 2004

Market	Expenditure (USD mil.)
United States	263,770
Japan	38,019
United Kingdom	18,400
Germany	18,309
France	11,149
Italy	9,454
China	9,036
Spain	6,653
South Korea	6,415
Canada	6,381

Source: *Advertising Age FactPack* (2006)

Country's strong economy, particularly the strength of its domestic manufacturing and information technology industry, was said to have been crucial for the growth of the advertising industry. For some industry insiders, however, it was not entirely a source of pride but also of unease as it brought out a big gap between South Korean advertising's economic and symbolic capital. While the business side of the industry has grown leaps and bounds, the creative side has been unable to garner reputation befitting its size (Adwaple Journal, Oct. 2009). They speak of embarrassment and frustration of attending international festivals where they often feel marginalized and have been unable to get recognition. It is often the case that clients become the main target of criticism for this lack of success. Clients are frequently portrayed as stubborn and controlling without adequate knowledge of advertising. The perception of interfering clients as constraints to creative work is, of course, not specific to South Korean advertising. There are numerous studies from various countries that show this is a common feature in client-agency relationship (Wells, 1994; Moeran, 1996a; Soar, 2000; Malefyt, 2003; Mazzarella, 2003a; Nixon, 2003; Cronin, 2004b; Pratt, 2006).

However, it does not seem right to dismiss South Korean advertising practitioners' criticism of their clients because that is "the same everywhere". Their criticism is directed at South Korean clients most of the time whereas foreign clients are largely spared from it. It might be situated perception borne out of their experience and comparison. It is usual to hear them saying, "foreign clients provide clearly worked-out briefs but you feel lucky if you received one from a South Korean client", "foreign clients do not interfere during ad production but South Korean clients think it's their job to interfere", "foreign clients do not change their original plans but you should always expect South Korean clients to change thier minds any moment". There must be some myths contained in these statements generalized from a small number of selected experiences. However, they still point to their shared perception and sentiment that South Korean and foreign clients embody two different advertising practices, and it is difficult for South Korean advertising practitioners to perform 'advanced' foreign practices they are partial to with South Korean clients.

One of the peculiar features of the South Korean advertising market is the predominance of domestic clients and weak presence of foreign advertisers. According to Korea Federation of Advertising Associations (KFAA) figures, ten largest advertisers in 2004 were all South Korean companies whose combined spending was USD 840.5 million – approximately 13 per cent of the total advertising expenditure that year (see Table 3-2). It shows that Samsung Electronics was the largest advertiser who spent USD 179.8 million followed by SK Telecom's USD 123.3 million. These two firms accounted for 4.7 per cent of total advertising expenditure.

Compared to similarly sized markets, the domination of domestic advertisers and the absence of foreign companies in the higher echelons of the table become even more striking. In China, for example, the biggest advertiser the same year was US-based Procter & Gamble with the British-Dutch multinational Unilever and the US multinational Colgate Palmolive Co. in the top five. In Italy, Procter & Gamble led the pack as the largest advertiser with Unilever, Switzerland-based Nestle, UK-based Vodafone and Germany-based Volkswagen in the top ten. In Canada, Procter & Gamble topped the chart followed by the US automobile manufacturers General Motors and Ford (Advertising Age, Nov 14, 2005). In South Korea, however, none of these companies was even in the top twenty. The highest entry for a foreign advertiser was HP at No. twenty one with an expenditure of USD 26.9 million, leading only 14 other foreign companies in the top 100. The combined expenditure of the fifteen foreign companies was approximately USD 220 million, two-thirds of the expenditure of the

two largest domestic advertisers put together.

(Table 3-2) Largest Advertisers in South Korea in 2004

Rank	Advertiser	Expenditure (USD mil.)
1	Samsung Electronics	179.8
2	SK Telecom	123.3
3	LG Electronics	98.9
4	KT	94.3
5	KTF	80.5
6	Amore Pacific	63.9
7	Hyundai Motors	61.3
8	KIA Motors	53.2
9	LG Telecom	43.1
10	Himart	42.3
21	HP	26.9
100	McDonald's	8.3

Source: KFAA, *Advertising Trends*, Mar. 2005.

This market structure appears crucial for performance of creativity in advertising. Particularly after the market opening in 1991, the opportunity for South Korean ad firms to work with foreign clients has greatly diminished as foreign agencies were able to handle them in the South Korean market. This division of labour produced division of advertising cultures or 'fields' in a Bourdieuian sense. Foreign ad firms, coupled with foreign clients, performed advertising according to foreign rules and criteria as much as they could. However, South Korean ad agencies, serving mostly South Korean clients, found it difficult to apply them in full that are critical to getting international peer recognition. There are various factors that prevent them from doing it but client is certainly an important one. South Korean advertisers, together with local ad agencies, have developed a certain way of doing advertising, not only the textual style but also the processes and procedures of ad production. Over time, it has become familiar conventions, the 'truth' of performing advertising in the field. Foreign practices would keep being integrated but selected and transformed to fit or protect the existing order. On the other hand, as South Korean agencies work with foreign clients only sporadically, it is difficult for them to translate 'advanced' foreign practices into their habitus in the form of hexis (Bourdieu, 2000: 152). Some of them would remain theoretical, and others would be tempered and recontextualized. This would produce new ways of performing creativity as a contingent effect of aggregate action.

Advertising Agencies

According to the 2005 edition of the Korean Advertising Directory, there were 660 companies currently in business in various advertising-related trades such as film production, photography, promotion, Internet advertising, market research and outdoor advertising. There were large agencies made up of two types of ad firms: in-house agencies of large local conglomerates and foreign-owned transnational agencies. These were mostly full service agencies handling major accounts. According to a news report, ten largest advertising firms accounted for 59.1 per cent of total advertising billings in 2005 (DongA Daily, 22 Mar. 2006). One notch below was medium-sized agencies comprising smaller branches of foreign transnational advertising firms and some larger local independent agencies. The former was specialized in making local adaptation of 'canned' ads, and the latter typically serve medium-to-small sized South Korean advertisers. At the bottom, there were numerous creative boutiques and tiny agencies who earned their income mainly by subcontracting to major agencies or by supplying advertising and promotional services to provincial advertisers.

(Table 3-3) Major Advertising Agencies in South Korea in 2004 (by billings)

Rank	Ad Agency	Billings (USD mil.)	Current Owner	Previous Owner
1	Cheil	1,353	Samsung (Kor)	
2	LG Ad	728	WPP (UK)	LG
3	Diamond Ad	385	WPP (UK)	Hyundai
4	Daehong Comm.	351	Lotte (Kor)	
5	TBWA Korea	325	Omnicom (US)	SK
6	Welcomm	226	Publicis (Fr)+Welcomm (Kor)	Welcomm
7	Phoenix Comm.	218	Dentsu (Jp)+Bokwang (Kor)	
8	Oricom	132	Doosan Group (Kor)	
9	BBDO Korea	151	Omnicom (US)	Amore Pacific
10	JWT Adventure	112	WPP (UK)	Aekyung

Source: KFAA, *Advertising Trends*, Mar. 2005.

The (Table 3-3) shows all the major South Korean-owned ad agencies are in-house agencies, whereas the major independent agencies are all foreign-owned. It means that it is extremely difficult for a South Korean ad firm to grow large without a corporate link with a powerful business organization. In fact, most of the South Korean ad firms in the table were there entirely because they belong to largest local advertisers and monopolize their assignments. In this respect, agency rankings more or less

accurately reflect the size of their owners. There is no surprise Cheil is the largest agency in the country as it is owned by Samsung, the largest conglomerate in South Korea which also have the biggest domestic advertiser Samsung Electronics. Having an in-house agency has become a custom for South Korean conglomerates since the 1980s. Even though the KOBACO accreditation criteria have been relaxed, it did not change the way big businesses perform advertising. Instead, it encouraged in-house advertising even more as it became increasingly easier to set up an advertising agency and get accredited for broadcast advertising.

The domination of in-house agencies has a profound implication for not only creative performance but also business practice in general. Most studies on the advertising industry are premised upon the assumption that the business operates on fierce competition (Soar, 2000; Malefyt, 2003; Nixon, 2003; Cronin, 2004a; 2004b). However, the widespread practice of in-house advertising in South Korea set limits on competition between ad firms and made it more complicated. The law of cutthroat competition applies mainly to independent agencies. In-house agencies, big fishes in the market, are not necessarily exempt from it but for them it is of marginal importance for extra income as the main portion of their revenue is virtually secured. This spatial distribution of competition dictates rules of the game. While independent agencies strive to strengthen competitiveness, it is not easy for them to convert it into a financial gain. In-house agencies, on the other hand, tend to forsake autonomy and innovation in exchange for security. The asymmetrical nature of client-agency relationship becomes even more skewed to clients and agency's dependence on client intensifies in an in-house agency setting.

With the exception of Welcomm and Phoenix Communications, all the major foreign-owned ad firms were in-house agencies of large South Korean conglomerates previously. What is more, they were run practically as in-house agencies of previous owners even after the changes in ownership. It was because that was part of the acquisition deal. In the late 1990s-early 2000s when South Korean conglomerates were busy parting with their ad firms, it was a common condition of transaction that the seller staying at the ad firm as a client for at least five years. That was the whole reason these newly foreign-owned ad firms remained in top ten. In fact, most of them started immediate and rapid decline after their original owners departed from 2005 as the case of Diamond Ad in this study shows. Like South Korean-owned in-house agencies, these ad firms were virtually free from competition with very large accounts secured albeit just for five years. Therefore, what the table shows is a peculiar configuration and

workings of the South Korean advertising market which large local conglomerates, most of them manufacturers, control and dominate. Phoenix Communications, the new comer, is another agency affiliated to a local conglomerate, Bokwang group, a conglomerate with family ties with Samsung. It leaves only one truly independent agency on the table that is Welcomm.

Comparison to top ten advertising agencies in 1994, when all the major ad firms were South Korean-owned, reveals a striking pattern. It shows that, despite some changes in ownership, basically the same agencies had dominated the market for ten years (see Table 3-4).

(Table 3-4) Major Advertising Agencies in South Korea 1994 (by billings)

Rank	Agency	Owner
1	Cheil	Samsung Group
2	LG Ad	LG Group
3	Daehong Communication	Lotte Group
4	Diamond Ad	Hyundai Group
5	KORAD	Haitai Group
6	Oricom	Doosan Group
7	Dongbang Communications	Amore Pacific Group
8	Samhee Communications	Hanhwa Group
9	MBC Adcom	MBC
10	Cheil Bozell	Joint Venture between Cheil and Bozell

Source: KFAA, *Advertising Trends*, Mar. 2001.

The four largest agencies were exactly the same firms as in the 2004 table, roughly at the same positions. Welcomm was an up-and-coming company ranked at twenty-ninth at the time. Welcomm's success, however, was an exception rather than a rule. There has been no other independent agency grew this big before or since. Phoenix Communications, TBWA Korea and JWT Adventure did not exist in 1994. All these agencies were able to grow very quickly thanks to their affiliations to large local conglomerates.

It should also be mentioned that all the major ad firms, whether foreign- or local-owned, were full service agencies. Full service agencies denote ad firms that integrate all the key functions such as account service, creative service, media service and research under one roof. In the United States and Western Europe, this type of agencies

has been in decline since the 1980s as a consequence of globalization and deregulation of the market, the introduction of new ways of payments, and the increase in specialist ad firms (Leiss et al., 2005: 369-409; Pratt, 2006: 1889-90). In South Korea, however, the 1980s was the time when local conglomerates-led concentration and vertical integration of the business was gathering pace under the auspices of the state. At the time, the conditions that affected the demise of full service agencies in the United States and Western Europe were completely absent in the country – the advertising market was heavily protected and regulated, commission was the only legally sanctioned way of agency remuneration, and specialist agencies were virtually unheard of. The full service in-house agency quickly became the industry norm among large corporate advertisers.

Since the mid-1990s, specialist agencies began to emerge as a consequence of changes in the market condition such as the advance of foreign ad firms into the South Korean market, the diversification of the media and the proliferation of the discourse of competitiveness. By 2007, there were eight media agencies, twelve creative agencies, sixteen Internet advertising agencies, and nine product placement agencies in the market (Advertising Trends, Apr. 2007: 19-27). However, there was also a simultaneous increase in full service in-house agencies as twelve new ad firms of this kind were established during 2005-6 (KOBACO, 2006; Advertising Information, Jan 2007: 43; Ilyo Seoul: 2008 Nov. 5: 42). It means that the emergence of specialist agencies did not necessarily signify the disintegration of full service agencies. In fact, specialist agencies have not made much of an impact on the way advertising business is performed as large local conglomerates still preferred using their own in-house agencies. The typical response of local conglomerates to the emergence of specialist agencies has been strengthening media and/or creative functions of their in-house agencies either by vertical integration – purchasing independent agencies and integrating them to the existing in-house agency – or by internal differentiation – setting up specialist in-house agencies and reorganizing the in-house agency as a more horizontally networked advertising group (Kim Sung-ho, 2005; see also Pratt, 2006: 1890 for similar trends in the UK).

In the United States and Western Europe, it is said that the decline of full service agencies was facilitated by advertisers' demands for cost-effectiveness and accountability of agencies. In South Korea, however, conglomerates have been able to recover some of the costs in the form of agency commission thanks to the practice of in-house advertising (Yang Jong-moon, 1998). Furthermore, full service agencies offer a 'one-stop solution' which makes it convenient and easy for clients to conduct

advertising as well as to control the process. It all means that advertisers do not have a pressing need to change their practice. Specialization of advertising requires a different kind of clients who are knowledgeable about market communications and keen on quality of advertising (Lee Kyung-yeol, 2003; Kim Sung-ho, 2006). The proliferation of full service in-house agencies implies that production of this new type of clients has not happened yet or is at least in progress. The emphasis is given to clients' control and convenience rather than quality of advertising. In fact, organization of most in-house agencies is centred on account service which is considered as the 'earner' whereas creative service and research are often offered free to clients. It is similar to the Japanese imagination in which the business of advertising is imagined as customer liason (Moeran, 1996: 41) rather than the widespread belief in Western advertisng since the 1980s that creative jobs are the most high-value added entities of the advertising agency (Nixon, 2003: 39-41; Faulconbridge et al., 2008: 31).

The Media

The media is commonly considered as one of three pillars of the advertising industry alongside clients and advertising agencies. What is more, media strategy is said to have become a crucial part of creative work as it determines the way creativity is performed. In this study, however, the term media indicates mainly free-to-air television unless specified otherwise.5 It means that it is treated more or less as a constant. It is largely due to the fact that South Korean advertising was heavily concentrated on television media. At the time of this research, it was quite fashionable in the South Korean advertising industry to talk about the new media and Integrated Media Communications (IMC) which refers to diversification of media mix from what are called above-the-line (ATL) media to include below-the-line (BTL) media (Schultz et al, 2000; Hackley, 2005; 78). Indeed, (Table 3-5) shows a rapid growth of the Internet and cable television as advertising media as they grew 44.4 per cent and 21.7 per cent respectively from previous year overtaking the positions of radio and magazine.

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5 There are three nationwide network television stations and twelve provincial stations in South Korea. Nationwide stations are all publicly owned while provincial stations are all commercial. Korea Broadcasting System (KBS) is a public company in the mould of British Broadcasting Corporation (BBC) which runs two channels, namely KBS1 and KBS2. Munhwa Broadcasting Corporation (MBC) is another publicly owned broadcasting station and Korea Educational Broadcasting System (EBS) is a publicly-owned special-purpose broadcasting station. Among commercial stations, Seoul Broadcasting System (SBS) is the biggest with four affiliated provincial networks. Most channels carry adverts apart from KBS1. According to KBS's 2004 statement of account, advertising is responsible for 60 per cent of station's income (http://linux13.kbs.co.kr/easynara/KBS/board.php?db=main/main_allim). For other publicly owned stations, virtually 100 per cent of income comes from advertising.

(Table 3-5) Advertising Expenditure by Media 2005

Media	Expenditure (USD Mil.)	Changes from 2004 (per cent)
Television	2,149	-5.3
Radio	268	1.1
Newspaper	1,672	-4.1
Magazine	437	2.6
The Internet	567	44.4
Cable Television	487	21.7
Outdoor	736	4.7

Source: Cheil Communications, *Advertising Yearbook 2005*.

However, it was still early days for these two media in 2005. Even though expenditures on two largest media, television and newspaper, appears to have been decreased, the two new media were far from meaningful contenders to them yet. However, it should also be noted that, due to the longstanding tradition of secret pricing, newspaper figures have never been accurate and often inflated. During research, it was apparent from responses from my interviewees that, regardless of the expenditure in figures, newspaper was no longer seen as a potent advertising media in South Korea. It leaves television as by far the most privileged advertising media. In fact, the 2004 viewing figures confirm this by showing that television takes up 64.1 per cent of all media share (Korean Broadcasting Institute, 2005)

However, the centrality of television advertising cannot be seen entirely as an outcome of 'natural' decline and rise of other media. There are also institutional settings which produced television as the most attractive advertising media for business. In particular, KOBACO has played a crucial role in this regard. KOBACO Act stipulates commission as the only form of compensation in which the government agency charges 14 per cent and pays ad agency 11 per cent as agency commission. Even though it is below the internationally accepted norm of 15 per cent, which made South Korea an unattractive market for foreign ad firms (American Chamber of Commerce Korea, 2001), it has nevertheless provided agencies with a secure non-negotiable income on a fixed rate. Billings are of great importance in this arrangement as agency revenue is proportional to them. It explains in part why in-house agencies of large conglomerates dominate the South Korean advertising market. Here, one large account is much better than tens of small accounts, which is not necessarily the case with a fee-based system. Therefore, commission works as an incentive for agencies to concentrate their efforts on expensive television advertising while distance themselves from less lurcrative other

media advertising and promotional activities. While the commission system has been under increasing scrutiny (Kim Sang-hun, 1998; Jung In-seok, 2011), it still remains standard practice in broadcast advertising thanks to the KOBACO rule.

Nixon (2002) argued that forms of financial compensation are not only economic but also cultural in nature in that they carry "powerful meanings about the nature of the client-agency relationship" (145) and are integral to imagining identity of the services ad agencies provide. In this respect, commission-based payments are said to define agency's role as media space brokerage, and put no value on ideas and creativity invested in ads. There has been an ongoing debate in South Korea regarding whether it is desirable to introduce a fee-based payment (Kim Sang-hoon, 1998; Choi Young-mook, 2006; Jung Yeon-woo, 2006; Jung In-seok, 2011). The debate reveals that it is also higly political. Clients are in favour of the introduction of a fee-based system since they would be able to control payments with it. In-house agencies are against it as their dependent relationships to clients mean that they have very weak negotiating power. Indepenent agencies prefer it because their clients are often companies with smaller billings. Account executives oppose it since it is them who would handle the tough job of negotiation with clients. Creatives are for it as it would highlight the importance of their work and enhance their status in the company (Hong Jae-wook, 1998: 174-175). In this respect, a change in the remuneration system would be hugely significant for redistribution of power in the advertising industry. What is more, Pratt (2006) relates the demise of the commission system to disintegration of full service agencies in the UK (1889-90). From this point of view, KOBACO's fixation on the commission system could be seen as another factor that prevents differentiation of advertising functions and perpetuates the domination of in-house agencies.

There is another area in which KOBACO has played a critical role in shaping creative practice, which is the length of advertising time it sells. KOBACO used to offer advertising spots to advertisers in fifteen-second units. Although twenty second and thirty second units were also on offer, fifteen-second advertising has stuck as the industry norm and other units were rarely sold. Before the establishment of the agency, however, television advertising conformed to the international norm of thirty seconds. It is not know how and why the change took place. One study suggests that the practice was devised to meet increased demands for television advertising spots (Hang Jeong-ho and Bu Kyung-hee, 1998: 26-27). The fifteen-second length was apparently following the Japanese example where it was the dominant form (see Kawashima, 2006: 402). Time units have been diversified after 1997 due to a drop in sales by the addition of

forty-second and one-minute slots. However, the fifteen-second remains most popular. While academics have warned about 'clutter' it would cause in the crowded television advertising environment (Hong, Jae-wook, 1996; Han Eun-kyung et al., 2009), the fifteen-second slot appears attractive not only because it is the cheapest but also because it is widely believed that it is not very different from longer expensive slots in its efficacy (Hang Jeong-ho and Bu Kyung-hee, ibid).

For creatives, however, the predominance of fifteen-second advertising is one of the reasons why South Korean advertising has failed to achieve creative excellence. As Kawashima (2006) puts it about feelings of Japanese creatives, South Korean creatives also think that 'their capacity to roll out a story with a twist is much constrained' (402) by it. They argue that it forces them to think in a fifteen second span and thus prevents them from searching for other creative possibilities. It makes them concentrate on making an immediate visual impact, which accounts for the widespread employment of popular celebrities, while eschewing developing a clever or informative narrative. Ads are often heavily edited and sped up in order to fit the 15-second format. It renders it difficult for viewers to make emotional engagement in it than longer formats (Kim Sang-hoon, 1991; Hang Jeong-ho and Bu Kyung-hee, ibid; Han Eun-kyung et al., 2009)

Lastly, there is the issue of vetting. The advertising regulations in South Korea are enforced in the form of co-regulation (see European Commission, European Governance – a White Paper, 2001: 21; Mandelkern Group on Better Regulation, 2001: 15; Palzer, 2002: 2). In co-regulation, the government and a non-governmental organization form a joint body to perform the task. In South Korea, the body in charge of vetting is the non-governmental organization Korea Advertising Review Board (KARB), which is modeled after National Advertising Review Board (NARB) of the United States. KARB is consigned the duty by Korean Broadcasting Commission (KBC), the government organization, to vet broadcast advertising according to KBC standards. In most countries, the main purpose of vetting is to protect consumers from deceitful or misleading advertising. However, its authority often extends to protecting the moral framework of society. KBC standards define various moral values that are deemed worthy of protection including public decency, national pride, the natural environment, and cultural heritage (KFAA, 2005: 533-538). Some of these articles, however, show strongly conservative and nationalist characteristics such as identifying a foreign or consumer culture with a corrupting influence. These often clash with conventions and moral sentiments of the advertising industry and, in particular, creatives who learned and internalized them from foreign advertising. They consider

this aspect of vetting as unnecessary or even illegitimate constraints

However, the central controversy regarding vetting has been its form of pre-vetting. After all, there is a serious financial implication of pre-vetting for ad agencies. The commission system means that clients do not normally compensate for ad production. Therefore, a failure in vetting results in a sizeable loss for agencies. In this context, a failure due to a breach of moral codes feels particularly damaging and unfair as the judgment is often perceived subjective, inconsistent and anachronistic. Among 67,328 broadcasting ads submitted for vetting in 2006, for example, 27,571 ads received either rejection or a conditional pass. Of them, 886 ads were penalized on moral grounds, such as an inappropriate use of language, vulgar or offensive expression, and inappropriate expression for children (Kim Min-ki, 2007: 30-35). The number might not look large but that is to a large extent an outcome of ad producers' self-monitoring according to their internalized vetting criteria. In this way, vetting plays an important role in shaping South Korean television adverting into a conservative, nationalistic and formulaeic cultural communication as ad producers' attempts at avoiding risks make them stick to tried-and-tested local conventions. However, there is also an aspiration and desire to enact the idealized Western-style advertising, and deployment of strategies to transgress or detour the constraints of vetting.

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3.3. Three Advertising Agencies in Study

Cheil Communications Worldwide

Established in 1973, Cheil is by far the largest advertising agency in South Korea and one of the oldests. Together with Yonhap Advertising and Manbosa, the ad firm was one of 'big three' ad agencies in the 1970s. Thanks to the great success of its mother company Samsung, Cheil has maintained its dominant status in the South Korean advertising market. The company also became the first South Korean agency to achieve success overseas. Although preliminary operations had been going on for decades, Cheil's exploitation of the global market started in earnest in 2003 when Bae Dong-man, then-CEO of the firm, proclaimed in the company's 30th anniversary address that Cheil's priority thereafter would be the advance into overseas markets. Three years later, the US trade journal Advertising Age lists Cheil as one of the world's 20 largest marketing organizations.[6] By 2006, the company had a global network of 31 offices in 18 countries, and their overseas revenues increased to more than half of their annual income of USD 256.3 million (Yeom Seong-won, 2005; Baek Gil-ho, 2006; Sohn Seong-tae, 2006). The firm is currently aiming to break into the world's top 10 by 2010. However, Cheil's success has been entirely due to their near-complete dependence on the sister company Samsung Electronics. The electronics company is reportedly responsible for more than 95 per cent of the ad firm's overseas income.

Advertising is a client-reliant business. Therefore, it is not unusual for an ad agency to rely on a large account for success. The uniqueness of Cheil's case is that, however, as the in-house agency of Samsung, performance and competitiveness have little bearing on company's success. The Seoul headquarters currently does not have experience and know-how to plan and control global campaigns. Cheil's larger overseas subsidiaries, such as Cheil America, Cheil India, Cheil China and Cheil UK, are handling a few local print and outdoor advertising and occasional television advertising but the rest of ad firm's overseas branches and offices remain no more than contact points. For this reason, Samsung Electronics' worldwide campaigns have been undertaken by established foreign ad firms such as WPP in 2005 and Publicis in 2006. However, Cheil has always involved in Samsung Electronics' global campaigns as middleman between the advertiser and the foreign ad firm. Sometimes It created what McMains and Sampey (2005) called an 'unusual dynamic' in which Cheil 'pays

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[6] The rankings are based on revenue. See http://adage.com/datacenter/article?article_id=116344

agencies and doles out assignments'.

What is more, Cheil has increasingly taken over portions of Samsung Electronics' assignments from foreign firms whenever possible. For example, Cheil America handled Samsung Electronics' print advertising for the US market in 2005 which was originally to be allocated to Berlin Cameron, one of WPP's companies. It is claimed that Cheil's involvement in the business played a crucial part in WPP's parting ways with Samsung Electronics in 2006 (ibid). Samsung and Cheil's shared goal is to make Cheil Samsung Electronics' sole advertising agency in the global market as soon as possible. In this respect, this unusual practice has two purposes: firstly, it provides Cheil with an opportunity to learn and experience global advertising campaign necessary for them to serve Samsung Electronics in the global market in the future; secondly, it makes it unnecessary for Samsung Electronics to handle unfamiliar foreign advertising agencies and practices as Cheil does them for the electronics company. Cheil's job in overseas markets is described as 'coordination' which is translation between two different practices and expectations between Samsung Electronics and foreign ad firms.

In this way, Samsung and Cheil are replicating their domestic relationship in the global market. Samsung Electronics accounts for more than 70 per cent of the ad firm's domestic revenue. At home, Cheil handles non-Samsung Electronics accounts, and some of Samsung Electronics' assignments are transferred to other local agencies.7 However, there is no doubt that the electronics giant is the most important client for the ad firm. Abroad, these two companies work in tandem, very much like one company. There is no strict boundary between agency and client in this relationship as Cheil operates practically as Samsung Electronics' advertising and marketing department. For example, Cheil UK is located in Samsung House in Surrey, the UK head office of Samsung Electronics. Cheil UK's job includes dealing with local UK advertising agencies, monitoring their creative outputs, allocating budgets, and translating global adverts into local languages.

It shows a peculiar position of Cheil in its globalization practice. On the one hand, as we shall see in the subsequent chapters, the ad firm concentrates on or is demanded to concentrate on strengthening international competitiveness and transforming itself

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7 Most notably Phoenix Communications, the in-house ad agency of Bokwang Group, which currently handles Samsung Electronics' domestic campaign for the air conditioner brand *Hauzen*. Chairman of Bokwang Group is Hong Seok-hyun, the brother-in-law of Samsung chairman Lee Kun-hee.

into a truly global advertsing agency by relentlessly absorbing 'advanced' foreign techniques and practices. On the other hand, however, its status of being an in-hose agency means that the company needs to achieve this transformation without affecting the established corporate order of Samsung as well as the existing rules and practices of client-agency relationships with Samsung companies. As a consequence, Cheil's globalization is constituted of two apparently contradictory processes of changing internal workings of the firm according to global standards, and bringing local practices to overseas businesses.

Diamond Ad

Diamond Ad, on the other hand, was one of the largest ad firms in the industry until 2005 thanks to their exclusive handling of Hyundai accounts. Contrary to Cheil's active pursuit of territorial expansion, Diamond Ad's experience with globalization has been constituted of passive acceptance of heteronomous and involuntary changes. The most notable aspect of the firm's experience in this regard is chronic changes in ownership. The ad firm started in 1983 as an offshoot of Hyundai who launched the company to specialize in automobile advertising for the burgeoning Hyundai Motor Company. Thanks to the virtual monopoly of Hyundai assignments, Diamond Ad soon became one of five largest advertising firms in the country. The company even made forays into overseas business, following in the footsteps of Cheil, on the strength of Hyundai Motor Company's growing success in the global market. They set up offices in Los Angeles, Frankfurt, Beijing and Singapore to help with their sister company's global marketing and advertising. However, Diamond Ad's seemingly unstoppable run of success was abruptly brought to an end upon the outbreak of the Asian financial crisis in 1997. In the midst of country's economic turmoil, Diamond Ad was released from Hyundai and purchased by the UK-based global advertising giants CCG in 1999, and then soon became a WPP company after CCG was acquired by WPP in 2003.8

The foreign takeover effectively removed any ambition of Diamond Ad's global expansion, mainly because WPP already had a fully formed global network to deal with its clients' demands. Within the WPP network, Diamond Ad was allocated to handle exclusively domestic accounts as there were plenty of South Korean subsidiaries of

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8 With this acquisition, WPP became the holders of the biggest market share of the South Korean advertising market. The global communications group already acquired the second largest ad agency LG Ad and the seventh largest ADventure in the previous year. With the combined billings of USD 1.3 billion, WPP immediately surpassed Cheil's USD 1.2 billion in 2003 (*Advertising Trends*, Mar 2004).

foreign-based WPP companies to do overseas jobs. More specifically, it meant that, at least during the first five years of the foreign takeover, the company had to concentrate on dealing with Hyundai, its previous owner. Hyundai, which has been divided into six smaller conglomerates since the founder Chung Ju-yung's death in 2001, remained the ad firm's main client even after their handover of ownership to CCG. According to one reliable source, CCG paid Hyundai USD 120 million to buy Diamond Ad. Since the ad firm was not listed on the stock market, the price was calculated on the basis of Diamond Ad's annual revenue at the time. The value is said to be the equivalent of five years' estimated income of the company. Hyundai agreed to bind their companies to the ad firm as clients for five years, during which CCG were expected to be able to recoup their payment. It was a common condition of transactions at the time when most in-house agencies were put up for sale. It shows that the sales were not concocted for financial gain on the part of the South Korean conglomerates. They were simply trying to get rid of their ad agencies quickly, as they were under strong pressure from the government to slim down their businesses.

Whatever the reason, Diamond Ad was able to maintain continuity and security in business and corporate identity in the face of the frequent changes in ownership. However, things started to fall apart when the agreed period expired in 2005. Hyundai-Kia, the largest of Hyundai's progeny, set up their new in-house agency Innocean and shifted to the new ad firm not only all their assignments but also all the staff who handled them (Jung Il-hwan, 2001; Kim Sang-soo, 2005). It left a gaping hole in Diamond Ad's business. It is reported that Hyundai-Kia's departure inflicted on the company a loss of more than 40 per cent of both its income and its workforce.9 What is more, Hyundai-Kia's exit was followed by other Hyundai-related companies, such as Hyundai Heavy Industries, Hyundai Department Store, and KCC Corporation who all severed ties with Diamond Ad and joined Innocean. As a consequence, Innocean entered the business as one of ten largest ad firms in country whereas Diamond Ad quickly dropped out of top twenty. Left with no other choice, Diamond Ad embarked on a long-overdue transition from a local in-house agency to a foreign-owned independent agency. On the initiative of WPP and O&M Asia-Pacific, one of WPP's companies, Diamond Ad merged with South Korean O&M subsidiaries such as O&M Korea, Ogilvy One (marketing), Ogilvy PR (public relations), and 141 Worldwide (promotion) and became Diamond Ogilvy Group in 2006.

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9 http://www.kfaa.org/journal/showJournalArticle.do?journalCat=0&code=AAAC&ukey=61399

Globalization for Diamond Ad has been experienced in the form of sudden and forced transformation from a South Korean firm to a foreign-owned firm, and from an in-house agency to an independent agency. It entailed some radical changes in business practices, management styles, and corporate cultures. It has been a tension-filled process between the foreign management and South Korean employees centred on different conceptions and expectations about competitiveness and best practices. Whereas South Korean employees expected materialization of their imaginaries of a foreign ad firm by transfer of 'advanced' techniques and skills, provision of training and education, creation of a 'creative' work environment and good work conditions, the foreign management had a different idea regarding how to construct their new asset. Apart from the core operation of restructuring the organization and work processes, they kept most of the existing business practices intact. In fact, compared to other agencies in this study, Diamond Ad appeared least aggressive in adopting and implementing foreign techniques and practices. As a result, and due to their day-to-day handling of Hyundai companies, most employees at the ad firm see little difference in their routines compared to when it was a Hyunai company only with more intensified labour and discipline.

Welcomm Publicis Worldwide

Welcomm is arguably the most successful independent ad agency in South Korea. For more than a decade, the company has sustained its position as one of country's largest ad firms. It is a rare feat for an independent agency, which many consider as a 'miracle' in the market where a handful of large in-house agencies form virtual oligopoly. Welcomm is a brainchild of Park Woo-deok, the former art director of Cheil and KORAD. Park started the company in 1987 with likeminded colleagues, the copyrighter Moon Ae-ran and the account executive Kim Tae-hyung. It is alleged that the key to the company's success has been their tireless cultivation of the niche market for creative advertising, which resulted in the unique style of advertising later known as the Welcomm style characterized by audacious subject matters and provocative taglines. The company became a major player in the mid-1990s when they landed a USD 15-million deal with Hansol Telecom and a USD 13-million with Daewoo Motor Company. These deals, however, soon proved disastrous, as both Daewoo Motor Company and Hansol Telecom collapsed in the aftermath of the Asian financial crisis. Unable to recoup its losses, Welcomm invited an investment from Paris-based Publicis and re-established itself as Welcomm Publicis Worldwide in 1999 (Jang Il-hyeon, 2004).

Welcomm has never conducted an overseas business and is unlikely to do so in the foreseeable future. This is no surprise as the agency has neither the capacity nor a corporate backer to conduct it. In fact, the company appears to have no interest in building itself as a global giant even as a remote possibility. They concentrate their business entirely on the domestic market and use Publicis, which owns 60 per cent of the Welcomm stake, as their main point of contact with the global advertising community. The French firm has taken a 'hands-off' stance to Welcomm's business compared to WPP's 'hands-on' approach to the Diamond Ad's. Whereas WPP re-staffed the management and imposed strong restructuring programmes to their South Korean affiliate, Publicis' engagement in Welcomm has remained behind-the-scenes and confined to financial matters. Interviewees suggested three areas in which Publicis is involved: profit sharing, budget allocation, and the establishment of a special division or the 'fouth headquarters' to handle Publicis-sourced foreign accounts. However, it appeared that there were a very few Welcomm employees who knew what the roles Publicis played in Welcomm's business operation. For this reason, Publicis' presence is barely felt in the company. All the managers including Park Woo-deok remained at the helm and the company was run pretty much the same as before. Even the fourth headquarters, potentially the most visible change, was discreetly separated from the rest of the company.

Welcomm's success has been largely built upon their clever positioning. They have branded themselves as country's foremost creative ad agency and put great efforts into differentiating themselves from other 'run-of-the-mill' advertising companies. One of the most recognizable aspects of their efforts in this regard is the company building Welcomm Advertising City. Located in a quiet university district in Seoul, the extraordinary-looking modernist construction leaves onlookers with little doubt that the company is different. The building is made up of four large 'shoeboxes' covered with reddish brown corten steel built on an ivory-coloured concrete podium. The three lower floors of the building are joined together by the podium but the fourth and fifth floors are separate shoeboxes which respectively comprise four different headquarters. Given that most ad firms are housed in humdrum office blocks, the Welcomm building, which looks more like an art gallery than a corporate building, comes across as a salient statement of their identity and intent. Stepping inside the building, the combination of wooden floors and stairs, steel doors, and glass walls makes a perfect and pleasant complement to the exterior. There is a simply-dressed young female receptionist at the lobby but no sign of a security guard. The lobby is filled with tables and chairs where

clients and account executives are busy discussing their businesses. Overall, Welcomm feels a lively, relaxed, stylish, creative and modern company.

Welcomm's creative advertising was more than just a different business model. It was an enactment of the discourses and situated imagination of 'Western' advertising as the legitimate practice. The company was built on the ideas such as independence, competitiveness, quality and equal partnership between client and agency, which defied the longstanding and widespread 'Japanese' model centred on client liason. Here, the 'Japanese' model was seen to produce advertising as a parasitic business runs on client's favour. In this respect, performing Welcomm entailed moral statements regarding what 'true' ad agency should be like and how it should conduct the business against the 'corrupt' existing practices. In practice, these moral statements were enacted in three key areas: firstly, the company eschewed what they call 'door-to-door sales' or approaching companies to solicit for assignments. The practice has been considered in the South Korean advertising industry as one of the most important business operations, and the one that made account service the central position in ad agencies. However, Welcomm regarded it as exemplary of bad Japanese influence (see Shin In-seop, 1993: 84; Moeran, 1996: 41) which has kept advertising business to a lower status; secondly, the ad firm distanced itself from the practice of "submitting to competitions `show reels' which are either not used in a real campaign, or have been made as a `loss leader'" (Pratt, 2006: 1893). Welcomm employees appeared to believe that that was cheating and that it took place only in South Korea. They perceived it as a sign of backwardness and claimed that they only submitted best ads from actual campaigns; thirdly, the company is uniquely without an Internet homepage. The rationale given to its absence was that it was considered as unnecessary and pointless self-promotion. They claimed that the best promotion for an ad agency would be the quality of its advertising.

All these suggest that Welcomm has been trying hard to distinguish itself from other Japan-influenced South Korean agencies by constructing an image of an honest and competitive company that embodies Western business ethics and practices. It was, of course, less an image of an actually existing Western agency than a projection of the idealized Other constructed from situated experiences and discourses. In this context, Welcomm's globalization project was constituted of emulating Western practices to further their agenda of 'Westernizing' the company. The ad firm has been keen to learn and appropriate not only 'advanced' Western techniques and practices but also business ethos and philosophy. As an independent agency, the company was well-positioned to pursue this strategy as it was able to form a relatively autonomous relationship with

clients. However, transforming the firm into a world class creative ad agency through Westernization has not been an easy task. There were always differences between and ineptitude of actors who participated in the project. These actors co-produced Welcomm's globalization as a series of what Pickering (1994b) called the mangle of practice, "the temporal structuring of practice as a dialectic of resistance and accommodation" (xi). Despite company's apparent commitment to its aspiration of becoming a 'world class' creative ad firm, adopted foreign ethos and practices were always mediated in the aggregate practice of globalization which produced the ad firm different from what it aimed at.

Chapter 4 Producing Creative Subjects

In this chapter, I first discuss how creative subjects are produced and how they perform creative South Korean advertising. The main focus here is the way they negotiate the framed opposition of 'art for commerce' and 'art for art's sake' (Bourdieu, 1996: 121), and its significance on the practice of globalization. The conception of creatives as creative artists is relatively new and 'foreign' in the context of South Korean advertising in the sense that it is a product of South Korean creatives' increasing and incessant exposure to foreign ads and their embodiment of discourses of creative advertising. In this process, they frame foreign ads 'artistic and creative' and compare that to 'commercial and crude' South Korean advertising. Here, negotiation between the growing desire for producing 'creative and artistic' ads and the day-to-day business of making 'dull' commercials becomes a question of finding their position somewhere in between the imagined global and the perceived local. To explore this topic, I start with creatives and roughly follow their career trajectory from aspirant knowledge-based job seekers to full-blown advertising practitioners. In the course of this, I explore the ways in which they are connected to discourses of the global/local via discourses of creative advertising, and the ways in which this connection shapes their occupational identity at critical junctures in their career.

The discussion then expands to spaces they are positioned, from workplace to broader space of the industry. Here, I focus upon work conditions and industry practices and the effects they produce; and the various ways in which these effects mediate practice of creative advertising. To put it differently, what I discuss here is the dynamics in which the newly adopted practice of creative advertising is enacted in particular forms in a contingent aggregation and entanglement of diverse practices of globalization performed by various actors. For this purpose, I introduce other actors, namely the ad agencies, and the state and foreign-based global agencies, all of whom engage in vastly different practices from those performed by South Korean creatives in the name of globalization. What I argue here is that globalization or practices of globalization neither facilitate nor deter creative advertising. Creative advertising is one way of practicing globalization which is shaped and routed in particular ways in contingent conjunctions with other globalization practices.

What is entailed in this process is trial of strength between disparate actors in framing the nature of the advertising business. This trial is an outcome of the different

extents to which actors were translated by the discourses of creative advertising. The question here is whether advertising is, or should be, a creative business centred on creative work, or a commercial service of which creative work constitutes not the central but merely one of its many functions. What is important in this context is that this difference leads to different ways of addressing the work environment. For proponents of creative advertising, it is essential to provide creatives with a special work environment which is alleged to stimulate and encourage individual creativity. For those who have not fully been persuaded by the claim, however, creative work is just another form of office work that does not warrant any special treatment. In the attempts by each side to translate the other into adopting their position, there emerges gradual convergence as well as new divergence. Here, I focus upon the ways in which this difference is played out in the implementation, or lack thereof, of a creative environment; the ways in which it is altered continually as a consequence of the provisional nature of the balance reached between the two positions; and the ways in which embodied actors of different discourses contribute to the formation of a particular creative environment.

4.1. Creative Identity

Tensions and Confusions in Performing Creative Identity

Although bohemian imaginaries are said to typify the common self-identification of creatives, the way in which these attributes are inscribed and performed is situated in specific time and place. In the South Korean business environment, where hedonistic excesses and the infantile egotism of creative people are not usually tolerated, the level of acceptance of eccentricity and 'heroic' rebellion appears much lower than, say, what Sean Nixon describes in his study of London-based advertising agencies. The behaviours such as 'smashing cameras' or 'destroying work on the brink of deadlines' (2003: 102) would be simply unthinkable in Seoul. Such behaviours might be accepted if the actor in question is regarded as a 'proper' artist. However, advertising practitioners are not normally considered as artists, not to mention 'proper' ones. They are first and foremost categorized as corporate employees who are under corporate discipline and expected to behave in a 'sensible' and 'harmonious' way. Despite industry's strong drive to co-opting and emulating 'advanced' advertising industries, producing creative subjects as creative artists has not yet reached the South Korean shores.

However, it does not necessarily mean that creatives are produced as average office workers. The industry is replete with narratives that address them as 'different' people, and creatives try to live up to those images to a certain extent. However, their 'difference' is formed in and around the boundaries of the 'acceptable'. There are stories, for example, where a copywriter physically pushed an account executive in anger at the latter's request for a minor revision of copy, or an art director who came to work without washing and shaving because he apparently forgot to do them. If these anecdotes represent what are considered unusual, then it could be argued that South Korean creatives 'express' their creative identity in a much more modest fashion compared to their British counterparts. In fact, one account executive sums it up by saying that creatives she has worked with are 'all nice and gentle people'. The common verdict emerged from my research was that creatives are sensitive, temperamental, and a little untidy, but hardly difficult people to work with. One of the striking features of their occupational identity I witnessed during research was that they not only appeared far removed from all the stereotypical character idiosyncrasies of creative people, but also tried to play down those purported images. When asked, they tried hard to present themselves as hardworking and reliable corporate people rather than artistically inclined

individuals.

It shows the difficulties involved in their negotiation of their occupational identity. On the one hand, they are exposed to the corporate drive for normalization. On the other, however, they are under pressure to produce themselves as 'creative' individuals. In these circumstances, their identity appears to swing between two extremes. One minute they are strongly against any 'artistic indulgence', the next, they show a strong desire to be recognized for their 'artistic' achievements or 'truly excellent' creative work, regardless of its commercial efficacy. However, it is still clearly distinguishable which is the dominant and which the subordinate motive in the creative self: 'If you want to do art, do it with your own money not with someone else's' or 'If there's a creative who thinks he/she is an artist, he/she would be the worst kind of creative'. These are statements that have been repeated ad infinitum during my research. They appear to conceive of art as an aimless collection of aesthetically pleasing images which obstructs strategic design rather than strengthens it. In this context, the 'a-word' is perceived dangerous and destructive thus duly suppressed. It is most apparent in their common disregard for 'good-looking' ads which they frequently associate with 'ads that do not sell'. In this identification of the mutual exclusiveness of art and commerce, creatives are put under pressure not to deviate from conventions and tried-and-tested formulae.

However, it is not difficult to see that their 'corporate men' identity is what is superimposed onto their perceived 'deep-lying' or 'natural' identity of creative artists. In-depth interviews frequently reveal their desire to create something spectacular and worthy of global recognition. This desire has been an effect of their increasing exposure to foreign advertising and international festivals in recent years. This 'seeing' has been arranged by ad firms with a view to strengthen company's creative competitiveness. It is not clear whether these companies have got what they wanted from this arrangement. But it appears to have produced an unexpected effect, which is the creation of creative agency. The emergence of creative subjects equipped with new creative agency led to reframing of the job of creative and business of advertising – from from an office work to a creative work, from a commercial tool to something more cultural and 'creative'. In this process, their self-identification as creative artists has also grown, which is continually at odds with their status as corporate employees. What makes things complicated is that, to an extent, they are encouraged to display their alleged differences and eccentricities, albeit in a carefully controlled manner. Sometimes their differences and eccentricities are deliberately staged in order to meet expectations of others and gain credibility from their customers. However, this special treatment is rarely

accompanied by creative autonomy which creatives consider central to their job. To put it simply, they are encouraged to 'appear' creative but not necessarily encouraged to be so. It is no surprise in this regard that creatives often appear confused and unsettled about their identity. They developed a highly reflexive sense of monitoring situation for their performing creative although not always successful doing it.

> Advertising people tend to have a serious inferiority complex. It is so pervasive that you can call it collective mentality. […] At the same time, however, they are extremely proud people. They have an enormous desire for recognition and it often results in pomposity of claim and overstatement of their worth. […] In a nutshell, their job is not very different from street vendors' hawking. But they hate to be even compared to such a sleazy act. They want to believe their job is a sophisticated and cultured profession. (Kang Tae-joon, 39-year-old producer at Welcomm)

Kang Tae-joon studied MBA at Royal Holloway in London and stayed in the UK for four years which is not a very common experience for a South Korean advertising practitioner. He was deeply into British advertising and showed a perceivably condescending attitude towards South Korean advertising and advertising people. He started interview by saying he was 'delighted' to be interviewed because he wanted to speak his heart out about 'absurdities' of the South Korean advertising industry. He said he had felt lonely in South Korea despite his company Welcomm being known for one of the best creative agencies in the country.Throughout the interview, lasted more than three hours, he was very critical of the industry he belonged to. He frequently compared it to the UK advertising industry. I am not sure if his reference was accurate. It is very likely that his attitude and statements were affected by the fact that he knew I was also from London, and we shared similar experiences and interests in advertising. His was an act of demanding sympathy which I had to negotiate with.

It is interesting that, while South Korean creatives were beginning to learn to perform creative artist, one whose self-appointed identity and taste were more 'cosmopolitan' put down others' attempts at it. It shows a complex and almost schizophrenic process of inscription. There are contradictory production of desire and discipline, and multi-layered frame of competition between creatives in producing creative self which always entail unresolvable ambivalence. However, there are good reasons for creatives to find creative advertising a very attractive prospect in the practice of globalization in that it entails an increase in the value of their stake and promotion of their standing.

Creatives' Backgrounds

According to Brown and Scase (1994), creative disposition is an attribute of knowledge-based employees working in various culture/creative industries. By virtue of their biographical experiences, particularly their higher education in the arts and humanities, these employees have internalized particular job expectations that stress 'job autonomy and […] opportunities for personal growth, self-enrichment and the capacity for personal "creativity"' (4). This essentialist attribution of creative disposition is difficult to agree with. As a description, however, it has its merits. While Bourdieu (1984) and Nixon (2003) focus on social class in their studies of cultural intermediaries and advertising practitioners respectively, it is Brown and Scase's emphasis on higher education that appears more pertinent to this study. First of all, what Bourdieu and Nixon show is elective affinity between class and occupation in which class comes first as the independent variable and occupation the dependent via education. However, it is not clear how creative disposition could be explained by class, as it is more likely an individual or familial attribute rather than a class property. Richard Florida (2002) speaks about 'creative class'. He said it is emerging and is constituted of disparate individuals who have not yet formed a coherent and cementing class identity. I am not convinced with his teleological prediction and doubt whether advertising practitioners will make this class. However, it is not difficult to agree that, in South Korea, they are made up of disparate individuals recruited from various classes.

Further, as noted earlier, in the strong education-based meritocratic context of South Korea, society is not usually characterized as being structured by classes. Instead, it is education that is seen to generate class differences. For South Korean people, one's class position is considered transient, and can be changed within a generation through 'acquisition of what Bourdieu would call "educational capital" (measured by an ability to enter a prestigious university and thereby embark upon an equally prestigious career)' (Moeran, 1996: 289). In addition, it is necessary to enter a prestigious academic department such as law, medical science, or business administration, to name but three. In this context, the arts and humanities emerge as disciplines with built-in marginality since they contribute little, if anything, to upward mobility. Their marginality is most strongly felt in the lack of career options. It is often the case that arts/humanities graduates have to choose between completely abandoning their specialisms and opting for a regular job, or taking their chances in notoriously high-risk and low-income cultural/creative businesses. In this respect, it could be argued that a sense of marginality integral to creative identity is a product of the value of their educational

capital rather than class position.

Secondly, higher education makes a far more plausible explanan for creative disposition than class, particularly in the South Korean context. Higher education neither commences nor completes creative disposition but it nevertheless epitomizes it. On the one hand, one's choice of arts or humanities as a specialty shows that one has already developed a creative disposition, or one's identity formatted in a certain way prior to entering higher education. On the other hand, knowledge and skills one acquires in higher education consolidates and elaborates creative identity through the inscription of certain beliefs into the subject's body. Knowledge always comes bundled with a belief which is not only a mental construction that contains certain ideas, but is also a mechanism that enables knowledge to be absorbed into the body.

Among 28 advertising practitioners I interviewed, 10 people have a degree in humanities and 12 in art/design. Among 22 creatives, 20 are either arts or humanities graduates. Regarding the motive for the choice of job, they by and large concur with Brown and Scase's description, but some of them went further to stress their 'intrinsic' inability to work in a regular corporate environment. They identify themselves as unsuitable for normal jobs. For these precious few, freedom and pleasure at work are not just preferences but essential ingredient of their career choice. By imposing limitations on their ability in this way, their choice is given a sense of necessity or inevitability in which they appear 'destined' or 'predetermined' for the job. It is not surprising that this 'inability' is often uttered with a perceivable sense of pride rather than shame or humiliation. It is an act of showing the marker of their difference and the qualifier for their creative self. .

Kim Moon-joon is one such case. He is a 38-year-old creative director at Welcomm. He sports pony-tail, often the most obvious sign of creative types. He studied graphic design at university, the most common specialty for art directors in South Korea. He says he became an ad man because he felt the job 'cool' and different. Throughout the interview, he tired to portray himself as an individualist with a carefree attitude. It might sound typical but there were surprisingly few people like him among my respondents. Most of them appeared or tried to appear serious. It is likely that his performance was related to the fact that he was at Welcomm, the creative-oriented independent agency known for encouraging individual creativity, although he was an anomaly even at Welcomm.

I first got a job at a mobile communications company. While I was there, I couldn't stop thinking that it was not the place I wanted to be in. I quit after 3 months. I found it very difficult to work as a cog in a big machine. I felt my individuality had been wiped out in that impersonal environment. In an advertising agency, I have much more freedom and am able to maintain my individuality. (Kim Moon-joon, 38-year-old creative director at Welcomm)

As mentioned, it is a common conception that the advertising industry is full of people like Kim Moon-joon. But it is not. Rather than being perceived as a 'creative' industry, lots of South Korean advertising practitioners get into the industry for a livelihood. For years, the South Korean advertising industry has portrayed the job as a very attractive occupation mobilizing ajectives like cool, glamourous, fun, exciting, and 'modern'. However, the majority of interviewees appeared unconcerned about this characterization, arguing that it did not influence their career choice or, in some cases, they were not aware of such an image being attached to the job. People like Kim Moon-joon were a small minority. The most popular answer as to why they chose a career in advertising was 'by chance'. By referring to 'chance', they appeared to say advertising for them was no more than a job they applied for while in the job market.

Kim Young-jin falls into this category. She was born to a wealthy family and grew up in Japan in her childhood. She studied Oriental Paintings at prestigious Seoul National University and aspired to become a painter and professor. Her elite life trajectory is not uncommon in the advertising industry, particularly at such elite institution as Cheil. She appeared happy with her job except the demanding workload. She retrospectively suggested that her education – graduate of Seoul National University – played a crucial part in her landing the job. However, she was too uninformed to have known the job when she was senior at university.

I had no interest in advertising and had never heard of Cheil before I applied for the job. […] One day I accompanied my friends on the way to Cheil to pick up their application forms. They told me to apply too, saying 'who knows?' I said at the job interview, 'I'm not interested in advertising and don't know anything about it'. But still somehow I ended up becoming the only one among us who got the job. I didn't know what to do but then everyone was saying, 'Don't you realize how good your job is? You'll regret if you don't take it'. I thought 'Okay, let's just give it a try. I'll quit if I don't like it' and I liked it. (Kim Young-jin, 30-year-old art director at Cheil)

The main reason why people like Kim Young-jin could enter the business was that they were selected through annual open recruitment. Annual open recruitment has been the most common employment practice in the industry until the breakout of the Asian financial crisis. In this practice, ad agencies hire a large number of new employees through open invitation once or twice every year. Although details of selection procedure may vary, it generally involves the examination of documents (curriculum vitae, references, English test results and covering letters), a written exam (becoming obsolete nowadays), presentation, and a series of job interviews. For applicants for the post of art director, a work portfolio is required. The idea behind the practice is to secure young talent fresh out of universities and mould them into loyal servants of the company. For this reason, it is often practiced irrespective of the ad firm's actual need of workers. Here, professional knowledge and technical skills do not constitute important criteria since these are considered as things to be learned in the trade. What are more important are personality, attitude and, quite often, 'educational capital' exactly what Kim Young-jin possessed.

Contracting Job Market and Professionalization

After the Asian financial crisis, the very idea of developing raw talent has been increasingly called into question, and was eventually shattered in the face of the full-scale influx of foreign-based agencies. From the outset, foreign-based ad agencies introduced flexible employment in which employment was made throughout the year according to the company's needs. They also shifted the pattern of employment from large-volume recruitment of new employees to hiring a small number of experienced employees. The obvious benefit of the new practice is that companies do not need to spend time and money on training any longer. Most South Korean-based ad agencies quickly followed suit in the face of the country's economic downturn, and, more crucially, the proliferating discourses of 'advanced' employment practices. The new practice has resulted in, among others, consolidation of the internal and external labour market segmentation. While opportunities for career employees have become wide open, it has become increasingly difficult for university/college graduates to enter the business. One extreme example in this regard is Phoenix Communications' 2003 open recruitment in which the ratio of total applicants to those whose applications were successful was 467:1. As a result of reduced employment combined with a great number of layoffs, the number of full-time employees at advertising agencies has steadily decreased since 1996 when it reached the record number of 7,311. According to my calculation based on KAFF research data, the number of employees at the 10 largest advertising firms in

recent years has been continuously reduced from 2,624 in 2003 to 2,592 in 2004 to 2,342 in 2005.[10] Although the figure rose to 2,511 in 2006, it is said that it was the first increase since 2001.

As growing number of ad firms stop practicing open recruitment and opt for career employees, the responsibility of job training is effectively shifted onto individuals. To get a job, aspirants are advised to get on with years of preparation that includes joining advertising clubs at universities/colleges, producing good results at student competitions, attending classes at advertising academies and taking part in internship programmes at advertising firms. Park Sung-joon, 34-year-old copywriter at Cheil, for example, enrolled at KFAA Advertising Academy while he was at university, entered for more than thirty competitions in two years and won nine prizes before he started a career in the business. However, the general consensus is that it is internship that is the most effective means of getting a job. In internship, aspirant students work for ad agencies on a trial basis with little or no financial compensation. Even though it still does not warrant job attainment, it nevertheless provides a student with not only precious lived experience in the occupation but also an opportunity to network important people in the business. Another way to get into the business is to take a detour before entering the industry. This method is often used by unsuccessful applicants who start their careers on the fringe at client firms or production companies to maintain close contact with the industry and eventually move into the business. All this means that advertising has become a much more serious business and increasingly professionalized in the course of the industry-wide practice of restructuring.

> In the past, I used to think that advertising was just another office job. But nowadays I strongly believe that advertising is a profession. It is definitely not something that anyone can do. In my view, it is something not dissimilar to the medical profession. Of course, we don't have a formal qualification like doctors do but all the same you cannot practice advertising before you had a long period of training and internship. You simply cannot make adverts by putting together a few nice-looking pictures. (Cho Jung-joon, 45-year-old creative director at Cheil)

Cho Jung-joon started his career in advertising in 1989. By the time of my research, he had been in the industry for 16 years. During this period, his perception of advertising has transformed from 'just another office job' to a knowledge-intensive

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[10] See http://www.adic.co.kr/stat/

profession, from a job that anyone can do to an expertise that requires a mastery of special knowledge and skills. He appeared to welcome the change. It was not only the perception of the job that has changed but also he himself changed as well. For him, advertising was no longer just a sales tool but a craft, if not art. What it suggests is that the new framing discourse of advertising has become activated as an act of raising the entrance barrier to the industry in the context of the wide implementation of flexible employment and the consequent labour market contraction. In this way, knowledge and skills are granted paramount importance, regardless of whether they constitute the essentials for doing the job. The main effects of this refiguration of the occupation are redefinition of the occupational identity and readjustment of the job's status. Suddenly, job-holders are produced as experts and assumed to have all the knowledge and skills required, or those knowledge and skills, hitherto barely noticed, have been elevated to expertise. In addition, co-opting new 'knowledge-packages' such as new marketing communications tools and research techniques has become a central business activity for ad agencies. It is another matter whether and how often new knowledge packages are utilized in practice and whether they provide more efficacious means to achieve business goals. The primary importance of knowledge and skills here is that they enable ad agencies to brand themselves as a knowledge business and change the nature of the business from a 'service' to the production of knowledge goods.

Kings of (Second-hand) Modernity

Despite the general low regard for the job in both the commercial and art/culture worlds, it is not difficult to see that creatives have a strong sense of elitism. One of the main grounds for their elitism appears to be the idea that they are streets ahead of other South Koreans in the game of modernity. As Roland Marchand notes, their specialty in modern life is 'the latest crazes in fashion, contemporary lingo, and popular pastimes' (1985: 1). They pre-empt this particular area of modernity through intensive, if not extensive, study of foreign – mostly Western – lifestyles and consumer culture. However, this 'global' or 'Western' is confined and situated. While some ad firms organize events and practices, such as staff exchange with foreign ad agencies, international workshops and conferences, and overseas junkets such as dispatches to international advertising festivals, there are only a few who actually benefit from these programmes. For most, second-hand experiences like flipping through foreign lifestyle magazines and advertising trade journals, and watching video footage of foreign adverts constitute the main channel for their connection to the 'global'. What it means is that their experience of the foreign is made mostly in isolation from its context. Here,

contexts are provided by the local, which situate the text to be appreciated and used in a particular way.

One of the prominent ways of using these texts is to distinguish themselves from other South Koreans by making a distinction. Given that these materials are not widely circulated and consumed in the country, their semi-exclusive access to them alone is considered enough to propel them to the privileged position at the forefront of modernity. They use foreign texts not only to construct 'the global' they inhabit but also to ceaselessly redraw its boundaries to maintain their distinctiveness. For the latter, they continue to update themselves with new trends in Western consumer culture so that they remain ahead of the crowd. However, the 'global' or 'Western' in this context is locally mediated and defined by a sense of deficiency. What is perceived as the 'global' or 'Western' here is not the 'global' or 'Western' per se but rather the projection of what is considered as lacking and desired in the local, such as luxury, class, quality and the modern. Here, creatives pre-occupy symbolic expressions of these deficiencies by drawing symbols from foreign texts and relating them to local desires. In this process, they selectively accumulate symbolic capital which has local currency and invest it not only in their occupational practices but also on enhancing their cultural status.

> Advertising is supposed to depict images one step ahead of or up from the reality. For this purpose, we spend a large portion of our workdays on studying foreign magazines like Vogue, Elle, Esquire and watching videos of foreign ads. It's a must if you don't want to get lag behind in this business. Perhaps as a side effect, we have acquired sophisticated cultural tastes if you will, even though we don't earn enough to enjoy such lifestyles. (Jung Seo-joon, 38- year-old copywriter at Welcomm)

In interview, Jung Seo-joon made a strong presentation of himself as being passionate about the job. His short balding hair, shabby unshaven face, spectacles and John Coltrane T-shirts made him look like a nerdy postgraduate student. The last item in particular signified his penchant for modern Western middle-brow culture as well as his vanity. He specialized in management at university but said he never liked it. Instead, he spent his university days on writing poetry. He said advertising was his dream job perhaps more so because of his academic background. After a number of failures, he got his first job as a client representative in order to network advertising people to enhance his chances to get into the business. He eventually got the job and appeared to enjoy it. For him, the cultural image of advertising was a great attraction as it was corresponding to his habitus.

Creatives' seeing Western aesthetics leads to its citation and materialized in professionalism. Professionalism in the global context is sometimes seen as a 'Western' occupational ideology that is diffused and transferred to the developing countries in the guise of universal and modern, hence politically neutral, practices (Golding, 1977; Kim Ko Kwang-mi, 1994). On the surface, professionalism in South Korean advertising appears to concur with this view. It is often the case that the 'Western' or 'Westernized' aesthetic is identified with aesthetic perfection removed of its political and cultural significance, and vigorously pursued as a professional duty. In this context, depicting the bodies of foreign people – always white and rarely coloured, the interior/exterior of foreign buildings and foreign natural/artificial backdrops to evoke feelings of luxury, class, quality and the modern – becomes almost a neutral or even 'natural' practice. In this respect, it could be argued that South Korean creatives play the role of 'cultural intermediaries' in a global context particularly when they are eager to take their stylistic cues from foreign creative journals such as Shots and Lürzer's Archive, the universally revered references among South Korean creatives. What complicates the matter, however, is that they do not appear entirely comfortable with the practice. On the one hand, their pursuit of the 'Western' is so conscious that they consider it unambiguously as doing the 'Western'. At the same time, however, they try to distance themselves from the 'Western', particularly when there are unfavourable cultural connotations attached to it.

> The latest Shindoricho [the office machines manufacturer] ad shows young swimmers in swimsuits running on the surface of water at the start signal. We used Western people in the ad. It was not because we are Western-oriented or Western-following but because Westerners have these sculpture-like well-proportioned bodies whereas Asian people have bigger heads and different frameworks. These physical attributes of Asian people make aesthetically less satisfactory pictures. If Koreans had bodies that suit our concept best, there would be no problem in using them. But that's not the case. (Kim Dong-joon, 38-year-old producer at Welcomm)

Kim Dong-joon studied graphic design at university. He started his career at a small production company and moved upwards to Welcomm after five long years of hard work. Like most interviewees, he never lived or studied overseas. With the exception of short shooting trips, he has not travelled overseas much. In almost every sense, he is represents average South Korean advertising creative, without insinuating his ability. It is likely that his aesthetic ideals and preferences were formed in South Korea at school as well as in trade. Again, his sense of beauty might represent an

average view of South Korean advertising creatives. It was not just preferred but inscribed into senses and supported by theory. As he said, using foreign models might be optional but the aesthetics represented by their bodies is not. Violation of this ideal might produce discomfort and irritation to them.

However, they need to negotiate with the normative pressure regarding national identity. It is superimposed upon the art-commerce opposition already entailed in the practice of creative advertising, and provides another factor to suppress their artistic inclination. Here, creatives are concerned about being seen as what is called 'banana' people – yellow outside, white inside – in addition to the danger of being perceived as undependable artists. This concern leads them to justify their act, normally in the form of translating the cultural into the technical with prominent use of business vocabulary. There is no shortage of examples. Firstly, it is said to involve a cost concern. They claim that it is often too expensive to take South Korean crews and models to an overseas shooting. So they hire people at the location. However, it does not explain ads that are shot in South Korea that feature Western people. Secondly, this type of creative is considered to be more effective in advertising certain types of product items. They claim that this is what South Korean consumers want to see in adverts thus they are merely catering to their demands. However, it was apparent during interviews that nobody had a convincing case for the efficacy of 'Western-looking' adverts. They appeared instead to act on their belief of its efficacy combined with their desire to produce what they consider aesthetically more satisfying images, although they are reluctant to express this desire.

Kang Jae-joon was of this opinion. He was a very confident man with a strong opinion. He became a creative director in his early thirties and involved in a number of successful campaigns including the famous FIFA World Cup campaign Be the Reds for SK Telecom in 2002. His great pride is that he had work for creative-oriented independent agencies only. He loudly claimed in-house agencies are not ad firms but just 'businesses'. His performance of creative and invention of himself appeared complete from appearance to ideology. However, he tried hard to present himself as a professional or expert rather than an artist. While Kim Dong-joon proposed an artistic ground for using foreign-models, Kang Jae-joon emphasized efficacy. For him, everything was strategy for selling goods.

> It is not a matter of East or West. What is important here is that South Korean people are very keen to follow [fashion] leaders. […] It's not about blond hair or white skin.

It's about look and style. If you look carefully at fashion leaders, they all have a similar look and style. It is common in South Korea that people with big faces like me are seen as Neanderthals. They admire people with small faces and long legs. All fashion leaders have those figures regardless of their ethnic origin. I don't mind employing Asian people in my ad as long as they are equipped with those physical attributes. (Kang Jae-joon, 36- year-old creative director at Welcomm)

Kang Jae-joon's comment confirms rather than dispels the 'Western-oriented' aesthetic preference deeply engrained in his professionalism. The dilemma creatives face here is that what they consider Western is inseparable from what they consider 'right'. For them, what deviates from the perceived 'Western' aesthetic represents the imperfect, cheap and ugly. Time and again during the research, I had the impression that 'Western' aesthetic criteria have become almost a second nature to creatives' judgement of beauty which they almost instinctively and unconsciously apply to their work. Furthermore, it appears that this aesthetic sensibility is more than an outcome of occupational practice in advertising as it is widely observable among art practitioners across various fields. It indicates that it is a product of their long affiliation with formal art education. For example, one South Korean photographer I met around the time of the research told me that, ceteris paribus, he gets a much superior picture by simply swapping models from a Korean to a Caucasian. He claimed it was not a matter of personal preference but a matter of absolute beauty. Professionalism merely consolidates this view by translating it into a matter of good/bad or right/wrong. As professionals, they have developed a keen aversion to imperfection and do not or cannot tolerate the ugly. It is their self-imposed responsibility that they do things in the 'right' way and produce 'good' results. In this way, they continually re-construct the situated Western using resources and raw materials from their increasing connection to the 'second-hand global'.

Dilemmas of the Global

The realignment of South Korean creatives to foreign 'world class' advertising takes place simultaneously with downgrading of local advertising. These creative subjects are instilled with elitism which reframes South Korean advertising and its associated practices and conditions as poor and underdeveloped. During the research, it was common to hear respondents' complaints and laments about the cultural 'backwardness' of the country in which artistic and sophisticated ads are not accepted let alone appreciated. They claim that, in their daily job, they are obliged to push aside

all their creative ideas and ambitions to cater to the lowest common denominator, because they are judged too sophisticated for South Korean consumers. It implies that dull and boring ads they make are deliberate dumbing down not representation of their talent and creativity. Furthermore, it is claimed that they are regularly discouraged from conceiving novel or unconventional ideas at creative meetings in which comments such as 'That's a good idea, but [consumers] won't get it' or 'Send it to the Cannes [Lions International Advertising Festival] and let's get down to work' are routinely made.

> You cannot cast, let's say, Jürgen Habermas in your ad. The South Korean consumers won't recognize him. […] There was a Puma ad a few years ago which had artistic quality that I enjoyed quite a lot. But after you saw that the ad failed to create any reaction, you can't help but thinking, 'South Korean consumers are still not up to it'. (Kim Young-joon, 32-year-old copywriter at Cheil)

Kim Young-joon has degrees in philosophy and Korean literature. As his namecheck of Jürgen Habermas suggests, he appeared to be proud of his rich cultural capital. It might also have been an effect of that he knew I was a PhD student in sociology. Other than that, however, most of his answers were quite typical representing the majority views. When respondents gave answers like this, that the South Korean market was so culturally backward that sophisticated ads usually fail, I often asked them to give examples. Which good ads have failed? It was apparent that they were finding it difficult to give an answer to that question, and most answers were not very convincing. How can you establish failure of an ad? And how does its creative contents and quality affect its failure? Few seem to raise questions like these. Rather, the unworkability of sophisticated or unconventional ads in South Korea was established as truth.

There is a specific context in which they make contact with 'world class' adverts. As previously noted, most of their experiences comprise looking at finished advertising texts from overseas, that are removed from creative processes, marketing concerns and cultural contexts. Although it might involve some educated guesses regarding market goals and strategies, the lack of contextual information essentially reduces the experience to the appreciation of abstract cultural/creative texts. It is even more so when these are experienced in the form of packaged selections of creative works such as Shots and Lürzer's Archive. In this context, the act of looking at ads is not consuming advertising messages but more like looking at fine art books. The reader/viewer's attention is directed mainly to the artistic and creative merits of the texts, such as the novel and interesting ways in which they approach the subject matter, deliver the

message, and present the visual, rather than to their market functions and performances. While advertising is commonly considered as quintessentially low-brow culture, the status of Western advertising in their eyes is elevated almost to a high art, in the sense that they are regarded as pure objects of beauty rather than as useful marketing tools.

However, South Korean creatives' admiration for foreign advertising does not indicate that they are slavishly following the 'global'. It is quite often the case that they show ambivalence and sometimes even pronounced hostility towards it. It might have something to do with the fact that they are largely South Korean-raised and educated. To a large extent, their position of being one of the most Westernized – hence modernized – sections in the country is only sustainable within a closed cultural territory in which they have a comparative advantage over less knowledgeable compatriots. When the territory opens up and the 'real things' come into it, however, their privilege simply vanishes. It is at this point that they become vocal advocates of local culture and South Koreanness. It happens on two fronts: on the one hand, they fight against incoming foreign employees to the industry. Employment of these people was briefly in vogue in the early 2000s when globalization was all the rage in the country. However, the practice was soon criticized as counterproductive in that foreign creatives are lacking in local knowledge, and their attitude and work ethic detrimental to corporate harmony; on the other hand, they are against foreign-made campaigns of foreign-based global brands, producing and disseminating discourses of cultural differences and inefficacy of foreign advertising on South Korean soil. In a way, it is a cynical spin on their view on foreign advertising – 'What foreigners are doing is art and what we are doing is advertising and art is useless in selling goods'. Indeed, it is believed that, with the notable exception of Nike and a handful of other brands, foreign-made worldwide campaigns have invariably failed in South Korea.

Kim Kwang-joon is an expert in international advertising at Diamond Ad. He studied media communications at University of Missouri and, thanks to this academic background, worked as a specialist in international accounts at Diamond Ad handling South Korean campaigns for British American Tobacco and Mars Confectionary among others, and overseas campaigns for Kia Motors. He gives a more nuanced and informed account of the lack of success of foreign advertising in South Korea. He points out that foreign-produced ads's lack of impact in the South Korean market was due to a combination of factors such as foreign global campaigners' lack of local knowledge, strategic miscalculation, low evaluation of the South Korean market and cost concernes. He does not include 'too much creativity' as its possible reason.

McDonald's once made an Asian regional campaign starring Yao Ming, the Chinese star player in NBA basketball. They thought Yao Ming was a big enough figure to cover the whole Asian region. However, they didn't know about the cultural rivalry between China and South Korea. What is more, fresh political tension broke out between the two countries at the time of campaign's launch. McDonald's Korea had no choice but to drop it entirely. (Kim Kwang-joon, 44-year-old account executive at Diamond Ad)

What looms large here is the mechanism of translating foreign advertising's lack of success into an essentialist discourse of difference. Foreign advertising's lack of success in the past and present is attributed to an inherent difference and the difference is specified based on their situated experience of it. What is implied in this discourse is their wish to keep it at a distance. And this discourse is constructed as a strategical manoeuvre and deployed as such. My respondents broadly agree that importing foreign elements to strengthen competitiveness of the industry is a step in the right direction. However, they want to be the ones who control the process. Their idea of globalization is their own development into 'world class' through a process of learning and emulation. They fiercely resist 'superior' foreign creatives in (often groundless) fear of being supplanted by them. In this respect, globalization is not just about appropriating 'best practices'. What is even more important for them is how it is done and who takes the initiative.

4.2. Work Conditions

Working Hours and Labour Intensity

In 1994, Coffee, Copy, Kopi (nosebleed), one of the first cinematic depictions of advertising practitioners and their occupational lives in South Korea, saw its public release. The film is about a group of young advertising practitioners who rebel against the system and form their own advertising agency and achieve success against all odds. To all intents and purposes, the film is a celebration of advertising's transformation from the old image of petty commercial trickery to a glamourous, exciting, and ultramodern occupation. However, as the title suggests with its use of kopi and coffee as symbols of fatigue and keeping awake respectively, the film depicts backbreaking hard work as a main characteristic of the job, albeit romanticized as passion, enthusiasm and commitment. The main ground for this romanticization is the job's patented autonomy rarely seen in other jobs, particularly in South Korea at the time. It is as if the film is claiming, 'Nobody forced you to work in advertising. You work hard for yourself whether it is to fulfil your ambition to succeed or just to enjoy the work itself'. After more than ten years and so many changes in the industry, it seems that the film still represents the ethos of the South Korean advertising community.

Time after time during research, I came across advertising practitioners who tried to present themselves as hardworking professionals. In fact, intensity of their labour is quite astonishing. Most of the time, they work seven days a week and more than twelve hours a day. The main difference between the film and the reality is that, in reality, their hard work more often than not appears as the outcome of the sheer workload assigned to them rather than as a voluntary commitment. At the time of research, for example, Kim Young-jin was handling 9 different projects simultaneously, and said she had been unable to leave the office before midnight for the past 3 weeks. It is no wonder she was not happy about the situation. It is a common complaint among advertising practitioners that they have virtually no lives outside the job. As a side issue, it was also a great concern for me in conducting research. Quite often I had to schedule late-night interviews at the office to secure their availability. Although a heavy workload is regarded as a universal condition in the industry, it seems that people at smaller ad firms are particularly affected by it. In companies like Welcomm, the price of the extraordinary success has been a formiddable growth in workload.

At bigger agencies, you can finish work immediately after an important pitching and

have the next day off. But we can't afford that because we are desperately short of personnel. Even when you arrived at the airport from a business trip at 6 o'clock in the evening, you still have to go straight to your office to take care of your business. […] We have no private lives and that's why we have so many divorcees at the firm. However, it's our love of advertising that keeps us going and makes us willing to sacrifice our private lives for the job. (Kwon Hee-jin, 34-year-old campaign coordinator at Welcomm)

Kwon Hee-jin decided her career in advertising when she was in an ad club at her university. She was especially fascinated by its encouragement to think differently. She says she is still passionate about it but sometimes feels workload too much. Her job title at the time research was campaign coordinator, which was a bit of a handy man role for small accounts. She was the only one held that title at the firm. She worked as account manager for one brand, account planner for two, and played unspecified roles for a dozen. She said people at Welcomm are working in a 'very unreasonable condition which verges on exploitation'. It became apparent in research that Welcomm was a company particularly adept at exploiting passion. As the country's first and most successful creative-oriented independent ad firm, the company was governed by an almost religious zeal and dedication to the cause of creative advertising. Creativity is more than unique selling proposition for the ad firm. It is also a disciplinary principle which mobilizes passion and turns it into productivity. For employees like Kwon Hee-jin, heavy workload is often interpreted as hard work, the best marker of passion, which affirms creative self.

South Korea has always been a hard-working country since state's strong drive for economic growth commenced in the 1960s. However, labour intensity reached a new level in the aftermath of the Asian financial crisis. In advertising, the Asian financial crisis sparked the full-scale inroads of foreign-based advertising firms into the domestic industry as *chaebol* companies released their in-house agencies at a cheap price one after another. The new foreign owners immediately implemented strong restructuring to their acquisitions and the remaining South Korean-owned firms soon followed suit. The downsizing craze eventually led to what is often called in the industry 'the massacre' in which 30-50 per cent of employees at each firm or nearly 2,500 people in the industry lost their jobs (Hong Joon-seok, 1998: 47). The concomitant tendencies of increasing billings and the decreasing number of workers in major advertising firms has become a permanent feature of the industry ever since. According to the KFAA estimation, per capita billings at the 10 largest advertising agencies have been in constant growth from

USD 1.2 million to USD 1.8 million during the period 2001–2005 (Advertising Trends, Apr., 2002–2006). It made another newly imported practice of the 5-day working week virtually unworkable. While it is official that most advertising agencies practice a 5-day working week with working hours from 8:30 a.m. to 6:00 p.m., it has become routine that advertising practitioners come to work every day – including weekends and public holidays – and work until 10:00–12:00 p.m.

This practice of heavy workloads and long working hours effectively turns creative work into industrial factory work. The main job of creatives is said to be what they call 'ideation' which is a brainwork that does not necessitate office-bound operation. It might be 24-hour non-stop work but it can take place anytime anywhere. Some even argue that spending too long hours at the office is counter-productive in this sort of work. However, creatives claim that it is necessary to put in lengthy hours at the office since they have to meet incessant deadlines and keep up with hectic timetables. In these circumstances, there is no time for indolent contemplation and the focus of their job shifts from ideation to execution. The whole thing sounds more like sweatshop working than creative workers lazily suffering creative pains – in a way, creatives have a harder job than sweatshop workers since they rarely work in shifts. In fact, it is quite common to hear creatives complain that their job is physically rather than mentally or psychologically demanding. Many interviewees express concerns about overwork, fatigue and the lack of private life. Creative drought, pressure to create something new and the lack of creative autonomy all appear secondary to these immediate troubles. There are also some creatives who worry about the impact of this all-work-and-no-play culture on the quality of their products. They believe that a lack of free time deprives them of extra-occupational experiences that are instrumental to gaining cultural capital required for production of quality creative (see Eikhof and Haunschild, 2006).

> To create interesting adverts, you need to get yourself rich cultural resources to tap into. You need to attend various cultural events and make yourself familiar with diverse genres of music etc. But we simply have no time for that. We are always struggling against time. We are expected to make things we know nothing about and not allowed enough time to prepare for it. […] We are in a permanent state of being unprepared. It's a miracle that we keep going like this without hitting the self-destruct button. (Kim Young-joon, 32-year-old copywriter at Cheil)

In the early part of this chapter, we have seen that creatives are stimulated and inspired to adopt new creative approaches, to discover new creative possibilities and to

establish their self-identity as creators in their performing globalization. However, it is mediated by another form of globalization that appears to deter the creative development of the South Korean advertising industry by turning creative work into industrial work through the increasing workload. In between these countervailing globalizations is the power relationship between different agents who choose, adopt and impose different practices out of a myriad of possible globalizations. In the name of globalization, the management pursue first and foremost restructuring, flexible employment, outsourcing and so forth, whereas creatives are keener to adopt and practice creative advertising. In a sense, it could be argued that the conflict is in fact not between different practices of globalization but between different interests with regard to globalization. What is more, these interests are not necessarily conflicting. If both actors agreed that creative quality is an essential element of competitiveness in advertising, their interests in globalization would be convergent. However, the common problem identified by most creatives is that it is often the case that South Korean owners and managers of advertising firms fail to understand that good creativity means good business. Therefore, they usually place it lower down in the list of business priorities. In this respect, it is more a case of re-contextualization of the existing conflict on the plane of globalization rather than a new one generated by it.

Flexibilization of Labour Market and Loss of Loyalty

Another consequence of the introduction of downsizing and flexible employment is the great increase in workforce mobility. Recent figures suggest that career employees account for 75 per cent of total employment in the 100 largest advertising agencies (Ministry of Culture and Tourism and KOBACO, 2006: 133-136); and that the average duration of employment of rank-and-file advertising practitioners at any one company is 2.1 years, and less for creatives and young employees. Among my interviewees, Jung Seo-joon worked for 9 different ad agencies in 15 years and Kim Hyung-joon, 34-year-old art director at Diamond Ad, 6 in as many years, including twice for the same firm. While high mobility is said to be one of the distinctive traits of creative businesses due to the individualistic and reflexive nature of the job (Caves, 2000; Davis and Scase, 2000; Thiel, 2005b), high workforce mobility in the South Korean advertising industry has a quality of compulsion to it. It was not just financial troubles of large corporations during the Asian financial crisis, but also a strong push from the government for restructuring and the pressure from incoming foreign-based ad firms who led the pack by setting examples that led to the all-out implementation of restructuring and flexible employment. In fact, it is said that South Korean-owned companies were quite reluctant

to engage in full-scale downsizing at the beginning and tried to minimize the number of redundancies as much as possible.

> [The Asian financial crisis] completely changed corporate culture in South Korea. People did not change jobs that often before. […] These days, every company is doing restructuring like crazy but South Korean firms are still no match for foreign-owned companies in their intensity and ruthlessness. No wonder everyone at foreign-owned firms can't wait to jump ship as the atmosphere there is pretty bad – cut-throat competition, unbearable pressure and all that. As soon as you get a job offer, you're off. It's not just because you want to avoid redundancy but also because you want to show that somebody somewhere still recognizes your ability. When all is said and done, however, it all boils down to the deteriorating job situation we're in. You wouldn't want to change your job when you're happy with it. (Lee Min-joon, 38-year-old copywriter at Cheil)

Lee Min-joon has been in the business for eleven years. He moved from his first job at LG Ad, the second largest ad firm in the country, to Cheil, the largest. It might sound he is upwardly mobile but he feels he was forced to move. Had it not been for WPP's acquision of LG Ad, he might not have changed job at all. He was at his first job for six years and at the new job for five. He belongs to a generation that expected lifetime employment as given. He finds it difficult to come to terms with the whole situation. There is a perception that creative workers do not like being bound to a job. However, survival or avoiding redundancy appears to be one of the most common reasons for changing jobs.

South Korean advertising practitioners have long been accustomed to a lifetime employment and seniority system in which loyalty and conformism are premier values. It is not surprising in this respect that they find it difficult to come to terms with the low level of loyalty and the feeling of rootlessness imposed upon them against their wishes. Even if they are busy hopping from one job to another in the new business environment, they still appear uneasy and resentful about the situation, and this is particularly evident in their customary likening of the job to prostitution. However, it is not only workers who are uncomfortable with the way things have gone. Companies also find it difficult to adapt to the new circumstance. Although the introduction of restructuring and flexible employment was companies' endeavour to cut costs and strengthen competitiveness, they discover that it entails a costly trade-off, that is, the loss of loyalty which most South Korean companies' corporate culture is built upon.

Nurturing talents? What kind of fool's doing that these days? You put your blood and sweat into nurturing these young people only to find they're gone just when you expect to reap the rewards. We have a training programme developed over years of experience. But now it's useless. What's the point of spending so much time and money on people who would leave at any time for another job just for a couple of hundred dollars more? (Yoon Hee-joon, 45-year-old executive creative director at Diamond Ad)

Like Lee Min-joon, Yoon Hee-joon was aggrieved about changes after Asian financial crisis. While the new regime claimed efficiency and competitiveness as purposes of restructuring, companies suffered a shortage of reliable workers as its outcome. In his eyes, it only produced shameless opportunists with no sense of loyalty. Indeed, it opened up unprecedented opportunities for individual advertising practitioners to maximize their self-interests. As the economy makes an upturn, the demand for labour has greatly increased. Particularly due to the excessiveness of initial restructuring and the rapid increase in new ad agencies, anyone with a few years' work experience has become able to take advantage of the industry's permanent shortage of labour. In this general condition of accelerated labour mobility, practically everyone in the business is flooded with job offers.

There are a number of factors that affect their decision to change jobs: the relationship with colleagues; the size of accounts; and the efficiency of corporate organization. These are things that have been previously considered insignificant, or endured as facts of corporate life. But now they constitute legitimate reasons for changing one's job. However, the single most important factor in this regard is, unsurprisingly, money. Previously, the typical career path of advertising practitioners involved joining a firm through open recruitment and climbing up the corporate ladder for their entire career. Nowadays, the emerging pattern is that a practitioner starts his/her career in a small independent agency, accumulates experience and moves upwards to larger agencies. After reaching a top agency, it is advisable to quit the job and set up one's own business as soon as possible. In each and every step in this process, what dictates their decision is, needless to say, pay.

However, what has been emerging at the other side of the industry is a small but significant trend towards creative differentiation of labour. The emergence of a number of new creative-oriented ad firms, most notably TBWA Korea, has expanded the space for creative advertising previously occupied only by Welcomm. This development

enabled creatives to have more options within the creative-centred part of the industry, hence the increase in the number of creatives who choose to stay within its confines. These creatives represent the new discourse which addresses advertising specifically as a creative industry. By internalizing that, they are produced as 'purists' who refuse to join in-house agencies because the perceived low creative standards and authoritarian corporate cultures of these companies do not accord with their idea of the creative industry. For them, advertising is not just another job but a 'creative' job which should focus its business activity on producing good creative artefacts. They draw a line between in-house and independent agencies in their choice of job, whereas others distinguish between advertising and regular office jobs. Further, within this distinction, they distinguish between substantial creativity and formal creativity. Advertising is classified as a creative job by default as it involves creative activities in production of cultural texts. However, they raise questions concerning how creative the job actually is, and whether it involves exercise of 'genuine' creativity rather than 'uncreative' repetition of the existing formula.

> I don't have any in-house agency experience. They were out of my consideration from the day one. […] There's no chance any in-house agency would produce anything interesting because at in-house agencies you are not allowed to take risks and being creative. You have to make the same thing over and over again. [In this sense], there are only two advertising agencies in South Korea in my opinion - TBWA Korea and Welcomm. I don't see in-house agencies as advertising firms. They are just large corporations. (Kang Jae-joon, 36- year-old creative director at Welcomm)

It shows the many different ways in which advertising practitioners negotiate their way in the new space created by restructuring. Adopted and practiced as a quintessential 'advanced' business practice, restructuring unleashed individual desires by effectively replacing the old organizing discourse of loyalty with the new discourse of individual competence. Here, diverse desires that had been buried under 'blind loyalty' became activated and manifested. Suddenly it became 'natural' to express and pursue individual self-interest, and companies are required to accommodate this fact. In this context, new ad firms emerged that attempt to accommodate and materialize desire for creative advertising. The emergence of these firms divides the industry along the line of 'art versus commerce' and 'the global versus the local'. It could be argued that this division represents more a branding effect than a genuine difference as these companies try to reconcile 'art' and commerce rather than oppose one to the other. However, what counts here is that people at these firms believe they are different and engage in a different

business. Their choice of remaining outside the mainstream with possible, if not necessary, sacrifice of pay in order to pursue 'proper' or 'legitimate' advertising provides them with a sense of moral superiority over their peers who continue to produce 'boring' ads with no soul only for money and security.

The Rise of New Independents

The emergence of the likes of TBWA Korea is another aggregate effect of multiple practices of globalization which involve the South Korean government, large corporations and foreign advertising firms. Although the long-held divide between large in-house agencies and small independent agencies remains intact, government and *chaebol*'s strong restructuring drive and the subsequent onslaught of foreign takeovers of large domestic advertising agencies unsettled the existing order and changed the configuration of the industry. The new divide between foreign-owned and South Korean-owned firms was superimposed onto the existing divide between in-house and independent agencies. The term 'divide' is in a way not quite appropriate in describing the former since the nationality of the ownership has made little, if any, impact on the way business is run in the industry. Its impact is more strongly felt in the perceived shape or identity of the industry in which foreign-owned advertising firms are no longer regarded as anomalies. New types of creative-oriented advertising agencies emerged in this transitional chaos and diversification.

Previously, foreign-owned advertising firms could be easily classified as small, even negligible, independent agencies specializing in handling headquarters-sourced foreign accounts, e.g. McCann-Erickson Korea, Leo Burnett Korea, Dentsu Young and Rubicam (hereafter DY&R) Korea and O&M Korea.11 They posed no threat to local agencies as they were practically confined to their own turf. After the Asian financial crisis, however, the new breed of foreign-owned agencies entered the business as major players through acquisition of large local in-house agencies, e.g. TBWA Korea, BBDO Korea, JWT Adventure, and WPP companies LG Ad and Diamond Ad. Despite changes in ownership, former large in-house agencies retained their power and status in the market, albeit on a provisional basis.12 There also emerged joint ventures between

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11 As in many businesses, advertising firms are in constant transition and metamorphosis. Among the agencies listed, O&M Korea merged with Diamond Ad in 2005 and became Diamond Ogilvy Group while both companies continue to operate in their respective areas of specialty.

12 It is said that continuing exclusive business relationships with previous owners of in-house advertising agencies for a limited time period is prescribed in the contract as a condition of transaction between South Korean conglomerates and foreign interests. The topic is discussed in full in subsequent chapters.

foreign-based global agencies and up-and-coming local independent agencies; these propelled the South Korean firms into the ranks of the major ad agencies, e.g. Welcomm and Lee & Partners (Lee & DDB). As a result, there came into view many different types of advertising firms, such as South Korean-owned in-house agencies, foreign-owned in-house agencies, South Korean-owned independent agencies, and foreign-owned independent agencies.

This change of shape has an important implication with regard to creative operation. Traditionally, the dual structure of the industry left little room for competition between advertising firms. On the one hand, there was established a 'peaceful' division of labour between large in-house and small independent agencies, in which in-house agencies monopolized large accounts whereas independent agencies 'specialized' in handling medium and small-sized clients. On the other hand, while there was some degree of competition between independent agencies, in-house agencies were virtually competition-free due to their exclusive relationships with their respective owners. To this day, it remains a common belief that in-house agencies are lazy and inept in creative performance because they are practically exempt from competition. However, things have changed in recent years. The full-scale inroads of foreign-owned firms into the market spurred South Korean conglomerates to put more pressure on their in-house agencies to strengthen competitiveness. It was in a sense a knee-jerk reaction as foreign-owned firms had made no perceivable attempt to compete with local firms. However, it nevertheless made a big difference. In order to boost their subsidiaries' competitiveness, conglomerates have introduced elements of competition to the advertising business by pushing in-house agencies to win outside accounts and, crucially, inviting other ad firms to compete for their assignments. It opened up opportunities for a lot of ad agencies, particularly hitherto alienated independent agencies, to acquire major accounts even if these opportunities fall into their hands only sporadically. In this development, a growing number of independent ad agencies opted for creative quality as their competitive advantage, partly because they have no other resources to turn to.

> Lately we've been quite astonished by Komaco's quick rise to creative excellence. As late as last year, they were a laughing stock in the industry. Everyone said that they were 'the' least creative company in business. […] They were a company who wouldn't bother to create anything and let production companies do all the creative works for them. Now they are churning out one great ad after another.[13] It is a big

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[13] At the time of the research, Komaco's Wang Tukong ad was the talk of the town in the industry. Wang

challenge for in-house agencies and I think they are worried. They have so far only had TBWA Korea and Welcomm to worry about. But now smaller companies like Komaco, Nate and Come-on 21 are starting to scare them and there are more to come. All these companies are independent agencies. There is not a single in-house agency that has any claim to creative excellence. (Lee Hwa-joon, 33-year-old copywriter at Welcomm)

Like most Welcomm creatives, Lee Hwa-joon was keen to follow global and local creative trends and aspired to create a 'masterpiece' once in his career. He was particularly excited with the rise of these new creative-oriented independent ad firms that he considered his and his firm's allies. For him, it was a sign of radical transformation of South Korean advertising geography. However, these up-and-coming creative-oriented agencies face a dilemma in their pursuit of creative excellence. Due to their status as less well-resourced independent firms, the strong emphasis on perfectionism and higher standards more often than not stretches their capacity and results in an even heavier workload. What is more, it is often claimed that the workload these companies impose on creatives is not entirely necessary or justifiable. Interviewees point out that much more emphasis is placed on production quality and technical perfection than quality of ideas and concepts. It is often the case that creatives, especially art directors, are assigned to take care of the technical aspects of the job as local production companies and photo studios are deemed not up to the required high standards. What looms large in this context is the underlying assumption to the practice that getting ahead of the competition is identical with achieving technical perfection or replicating a 'foreign ad-like' look.14 It makes appropriation and application of the most up-to-date and state-of-the-art visual styles and techniques of foreign ads the primary concern and core activity in creative advertising. This approach to the practice constitutes another factor that makes the job a technical and 'industrial' operation than a 'creative' one.

Creative advertising started seeping in through the cracks created by various practices of globalization. What drives it is citationality of creative advertising constituted of creatives' continual exposure to foreign adverts as well as framing

Tukong is the instant cup noodle brand of Yakult. Komaco's advertising campaign for Wang Tukong was stylish and humourous parody of the previous year's very successful campaign by TBWA Korea for Sky mobile phone of SK Teletech. The interviewees pointed out that the Wang Tukong ad was not only well-made and attention-grabbing but also, more importantly, a fresh and brave attempt at parodying another advert in such an open manner which has been very rare in South Korean advertising.

14 This topic is to be discussed in detail in Chapter 7.

discourses and practices of their legitimacy and superiority. As a business practice, however, the desire for creative advertising requires translation into business terms such as competitiveness and efficacy to gain currency. Here, creative advertising appears to promise competitiveness for the agency and efficacy for the clients. On this premise, numerous smaller independent agencies started practicing creative advertising, particularly in the uncertain climate after the Asian financial crisis. The problem is, however, that creative advertising is a nebulous concept which has no defined style or shape to adopt or transplant with immediate effects. As business ventures, agencies need a quick applicable solution to transform themselves from run-of-the-mill ad firms into excellent creative outfits. One of the most common solutions is to take foreign adverts as templates and focus on emulating sophisticated visual techniques employed in them. However, this approach leaves some creatives unsatisfied as it tends to reduce creative work to technical mastery. What looms large here is the lack of technology which is designed to encourage and stimulate creativity. To a large extent, it is a product of their relative isolation from the outside world. They might be familiar with foreign advertising's end products but they are not fully acquainted with its production processes and conditional devices.

4.3. The Absence of Creative Management

Managing Creative Subjects

Despite the frenzied adoption and implementation of 'best practices', there is one area which is conspicuously overlooked or delayed in its appropriation: the creative management. The key activity in creative management is providing creatives with a creative environment which is designed to elicit the best out of the creative workforce. It is said that, for example, London-based ad agencies deliberately take different managerial approaches to creative and administrative staff (Nixon, 2003; Pratt, 2006). It is based on the notions that the nature of creative work is different from normal office work, and that creative workers are different from office workers. In order to produce the best possible creative output, it is believed that it is necessary to approach creatives as creative artists; understand and accept their character idiosyncrasies; and manage them accordingly. On this basis, creatives are allowed considerably more autonomy, protection and special treatment, whereas administrative staffs are subject to customary bureaucratic control. Other than the pressure to meet deadlines, it is said that creatives are exempt from formal corporate routines in general and made to operate in the separated world of the informal non-work-like environment specifically created for them.

John Gregory, the American veteran creative whose CV includes Dentsu America, Saatchi & Saatchi New York and O&M Los Angeles, is a great advocate of creative management. He was recruited by Cheil to lead company's global business. However, he was also keen to introduce a creative environment to the ad firm. He found Cheil's work environment too sterile for an agency. For a start, he set up a recreation room in the office and tried to relax office rules to create more informal and affective atmosphere. It is not certain whether and how much his attempts enhanced creative quality of the firm. However, it is certain that it was a replication of the discourse and technology he embodied in the U.S. which could produce different effect at the South Korean company.

> You have to have a creative environment. You have to let them feel like it's not being forced, not squeezed. […] If they are working at [the recreation room], it's fine. If they are working at the desk, I don't care. Or if they are going there and playing video games and relax, having lunch, whatever they do so that we don't get that creative block […] If you sit there all day, it's going to be a routine. […] As long as you meet

the deadline and you deliver with a product, you don't leave the agency waiting or holding an empty bag, then the creative process is something I respect and you make it work. (John Gregory, senior vice president and global creative director of Cheil)

Over the years, many South Korean ad agencies have sent their employees to foreign advertising firms to experience and learn 'best practices' (i.e. through staff dispatch programmes). Although a lot of new practices and techniques have been introduced as a result of it, curiously this particular practice of creative management has been left out. It is still the case in most workplaces that applying different managerial methods to different staff is virtually unheard of. Every employee in the ad firm is treated in the same way and subject to the same bureaucratic rules and hierarchical control that are universally applied in many different industries. There appear to be a number of factors that contribute to this delay in, or the neglect of introduction of, the practice. First of all, even though the staff dispatch programmes were enthusiastically practiced at first, the initial enthusiasm has waned rapidly in recent years, largely due to the increasing financial constraints faced by most firms.15 The actual number of people who have a first-hand experience in such work environment thus remains a small minority. While most South Korean creatives dream about the supposedly ideal work conditions at foreign agencies, they do not appear to consider it central to their performance, due to their lack of experience. What is more, there are only a handful of agencies that are large and rich enough to practice overseas dispatch. The dilemma is that, as these companies are mammoth bureaucratic organizations, it is much more difficult than it is in smaller firms for individual staff members to get their experience abroad reflected in managerial practice at home. For this reason, those few who have overseas work experience tend to keep it to themselves and treat it as nothing more than a cherished personal memory.

I had been to Bates for a year when I was at Diamond Ad. It was an eye-opening experience for me as a creative. What impressed me most was their work environment. At Bates, all you have to think about is creative. You don't waste your time on pointless administrative duties, unnecessary lectures and endless internal

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15 According to the *2006 Advertising Industry Statistics* (Ministry of Culture and Tourism and KOBACO, 2006: 132), only 136 employees out of total 29,625 appear to be on one or other kind of overseas staff dispatch programme. The majority of them are, however, participating in one-off events such as conferences and seminars (68). There are also a good number of people who are attending courses at overseas academic institutes (22). The whereabouts of the remaining 46 people, classified as 'et cetera', is unclear.

campaigns like Saving Resources campaigns, Appropriate Dress campaigns and so forth. They spend the whole day on creative and nothing else. That's where quality of creative comes from. I liked the experience so much that I moved to McCann-Erickson Korea immediately after I returned home only to find that it was not meant to be replicated on South Korean soil. (Cho Jung-joon, 45-year-old creative director at Cheil)

However, it appears that what dictates this lack of creative management is the way the frame of competition or, to be precise, non-competition, is shaped in the South Korean advertising market. The whole point of implementing a creative management and environment is to improve product quality in order to be ahead in the competition. When competition has little to do with creative quality, however, there is no point in taking pains to implement a new practice. As a consequence of decades of in-house agency domination and the consequent widespread nepotism, it is widely, if implicitly, believed that creative quality is not the make-or-break element in the competition. This does not mean creative quality is unimportant, but that there are more important things than that in doing business, such as close proximity to clients and 'good client care', e.g. obeying clients' instructions, providing free services, doing personal favours and so on. To a certain extent, this way of doing business is reflected in the centrality of account service in most advertising firms. Account service is the function that deals with clients. In most cases, it is account executives rather than creative directors who take the position of the project owner and not only handle the project budget but also take control of the creative process. It is no wonder they regularly exert influence on the process with the interest of injecting the client's, often personal, wishes into it. The idea behind this configuration is that it is account executives rather than creatives, who earn the money for the company. In these circumstances, creative work is deemed necessary but not as a factor that makes a difference in business, as better creative output does not necessarily mean more successful business.

Localization of Foreign Ad Firms

As far as the creative management is concerned, the growing presence of foreign-based agencies has not proved of much help in spreading the practice. Whereas these agencies have been instrumental in the industry-wide adoption of restructuring and flexible employment, they have opted to acclimatize themselves to the local conditions in this particular area. Smaller foreign-owned ad firms have almost given up attracting local clients and opted to limit the scope of their operation to local adaptations of global

advertising materials for headquarters-sourced accounts. Due to the small size of their revenue and operation, whatever they did made little impact on the South Korean industry. Larger foreign-owned former in-house agencies, on the other hand, chose to adapt to the local climate by maintaining the practice of in-house operation. Given the close sibling relationships between the majority of local big businesses and their in-house agencies, it is understandable that they pursued this path. The alleged superior marketing know-how and creative prowess of foreign-based ad firms do not necessarily comprise a competitive advantage, as major South Korean businesses would be either reluctant to hire them in place of their in-house agencies or, if they did, not always employ them on the basis of merit.

> At first, the WPP headquarters tried to do things exactly like they did in London. But they soon realized that even the most textbook practices don't work in South Korea. For example, South Korean clients change ad firms like there's no tomorrow. In advertising, you cannot change ad agencies all the time because it would kill your brand consistency. The reason why they do that is because it is more important for them to show that they are playing fair games and no longer blindingly favouring in-house agencies particularly after globalization and all that. This is one of the things that WPP never understand. (Kim Yu-jin, 40-year-old executive director of Diamond Ad)

Kim Yu-jin was a foreign accounts specialist. No surprise, she was quite knowledgeable about foreign advertising. However, it was interesting that her imagination of foreign advertising sometimes proved typical of South Korean advertising practitioners in which the foreign or the Northern was an ideal projection of South Korean self. In the quote above, she points out South Korean clients' short-termism in dealing with ad agencies. However, it is also a common complaint in Western advertising that clients change ad agencies too often (Grabher, 2002; Malefyt, 2003). The interesting thing is that it was narrated from the WPP's point of view. It is not certain whether South Korean clients change agencies more often or WPP had different perception of the same thing. Or she merely adopted the name of WPP to strengthen the force of her argument. Whatever the case, however, it is certain that a narrative like this produces the same thing as a local particular, a proof of South Korean advertising's backwardness.

At the time when foreign takeovers of major advertising agencies were gathering pace, South Korean advertising practitioners greeted it with mixed feelings of fear and

optimism. On the one hand, they feared their losing jobs and being pushed out from the industry in the unprecedented and extremely uncertain times. On the other hand, however, they were excited by the expectation that they could finally enjoy advanced managerial practices and an improved work environment that they hitherto only dreamed of under the allegedly authoritarian and backward regimes of South Korean industrial conglomerates. However, their optimism soon evaporated when they found that new foreign owners were not only indifferent to their wishes but actually trying to maintain and take advantage of what they considered the 'anachronistic' practice of in-house advertising in which advertising practitioners are treated almost as lower-standing employees by domineering in-house clients. Combined with the experience of ruthless discharging of personnel, it resulted in advertising practitioners' quick disillusionment and disappointment with foreign owners. In interviews, it was quite common to hear their resentment and anger against the new owners and the new managements. They expressed diverse concerns, ranging from deteriorating work conditions (more work, less pay, less job security and little autonomy) to potential discrimination ('They don't treat us like they treat their employees in Western countries'). However, the biggest and the most frequent criticism directed at the foreign owners is their 'blatant greed'.

> Why do you think [foreign companies] spend so much money to buy ad firms in South Korea? Why did they do it in the first place? They are only doing it for lucrative return on their investment. Make no mistake. They are not coming here to help us advance [South Korean] advertising. All they are doing is sucking up all the money we make for them. (Yoon Hee-joon, 45-year-old executive creative director at Diamond Ad)

The sentiments contained in Yoon Hee-joon's comment were repeated quite often in many other interviews. Particularly prominent is the disappointment at foreign owners' lack of interest in the advancement of South Korean advertising. It is debatable what exactly constitutes the advancement of South Korean advertising and what it takes to achieve it. From what I heard in interviews, however, it seems to be identical with replication of the (imagined) environment and practices of western advertising industries, i.e., better work conditions, advanced technique, professional relationship between client and agency and so on. Expecting such things from businesspeople just because they are Western and from 'advanced' countries shows the way in which South Korean creatives perceive these people and their culture. This way of framing Westerners appears to stem from the deep-rooted colonial discourses in which they are portrayed as the 'noble race' and an embodiment of the modern. They expected

something different from 'uncivilized' South Korean businesspeople and an altruistic commitment to the noble cause of 'civilization of the barbaric'. This implicit but deep expectation appears to lead to an aggravation of their feeling from disappointment to betrayal. It is not surprising that this feeling is particularly salient among creatives. On the one hand, it is their socially assigned role to perform as rebels against blatant commercialism; on the other hand, they are the least affected by the changes entailed in the transfer of ownership as the focus of globalization efforts implemented by foreign owners lies in business infrastructures rather than in creative performance and environment.

Chaebol, the previous owners of these firms, treated their in-house agencies practically as marketing departments of their main businesses. Advertising for them is thus not a profit-seeking enterprise but a cost-saving function in the grand scheme of things in conglomerate business. New foreign owners, however, regard them as self-contained full-blown business enterprises, for the simple reason that they have no other business than to make a profit. In this respect, it is no wonder the first thing foreign owners put their hand to is an overhaul of finance and administration and employment restructuring. They have slimmed down the number of employees to cut costs, implemented vigorous bookkeeping regimes to ensure a more transparent money flow, and introduced business planning to set long- to mid-term business objectives. These efforts have often been appreciated by South Korean managers and account executives as a step forward in business practice from the previous regime. However, the areas in which creatives expected an improvement have been given much less attention. It is usually the case that the only foreign managers dispatched from the headquarters are the CFOs (Chief Financial Officers). Executive boards in foreign-owned, former in-house agencies are staffed mostly by the existing South Korean managers. It means that, apart from financial matters, it is basically the same people doing the same things. It made creatives feel that little has been improved in their job while job security, pay and working hours have become progressively worse.

Construction of Dressing Up

Whatever measures companies might take to create a creative environment, the whole point of doing it is to provide more creative autonomy to creatives in order to stimulate and encourage their creativity. It is one of the key markers that show the advertising industry is refiguring itself into a full-blown creative industry. The problem is that it involves the loosening of managerial control and an increase in chaos in

corporate organization. The question therefore is whether the management is willing to accept these drawbacks in exchange for expected better creative output and, if they did, how far they would go. It is particularly difficult for managers of in-house agencies to reconcile the demand for creative autonomy and the 'imperative' of corporate order as most of them have no previous experience in advertising and have not internalized the discourses of creative advertising. In these circumstances, creatives find their yearnings for creative advertising routinely disturbed and obstructed. Lee Yong-joon, former CEO of Diamond Ad, for example, claims that in a 30-year career he recalls only 3 ads that he had any creative control of. Yoon Hee-joon says that advertising would be a great job if one were allowed to make at least one ad a year in his/her own way.

Independent agencies fare slightly better in this regard but still the focus of creative management, if there is one, remains on the subjective conditioning of creative workers rather than the objective conditioning of the environment. In subjective conditioning, they resort to a relentless emphasis on the work ethic, professionalism and passion. In this governmentality of self, creatives are made special and proud professionals distinguished from ordinary office workers. Without associating environmental conditioning, however, this approach works basically as putting moral pressure on creatives. They need to perform or else their professional integrity and sense of responsibility would be questioned. Kang Jae-joon at Welcomm considers himself as a winner of this regime. His embodiment of company's disciplinary discourses appears almost complete. He strongly believed professionalism and the value of competitive individual, and keenly portrayed himself as such.

> If you think you're a pro, you cannot live your life like everyone else. You should sleep two hours a day when others sleep ten hours. You want to spend some time on Sundays with you wife but […] we are fully committed to our job. No, this IS our lives.
> (Kang Jae-joon, 36- year-old creative director at Welcomm)

In some smaller foreign-owned ad agencies, however, what happens is exactly the opposite. They have virtual replica of the Western system in which creatives are allowed much more freedom, and the corporate culture is more liberal. The main reason they can carry this out is that their managers, from CEOs to creative directors, are mostly foreign. Even though their employees comprise largely South Koreans, they are seen as 'proper' foreign companies in this sense; in addition, they work for foreign clients and speak English at work most of the time. As mentioned earlier in this chapter, however, the problem with these companies is that they have achieved virtually nothing on their own

in the South Korean market and are not likely to do so in the foreseeable future. McCann-Erickson Korea, one of the earliest entrants to the country, for example, have constantly failed to attract local major clients and been wholly dependent on the Asia-Pacific headquarters for important business matters such as planning and account. The more telling thing is that, in spite of the good working conditions and creative environment, their creative operation has been strictly limited to the simple and not-so-creative job of the local adaptation of 'canned' ads. This is one of the main reasons why creatives at these firms are sneered at by their peers at South Korean-owned firms, and why their supposedly advanced creative management hardly receives kudos in the industry. In a sense, it could be argued that it is because the implementation of a creative environment and liberal corporate culture in these firms is less a conscious effort to boost performance than a habitual application of the system they are used to. One of the effects of this autonomous environment without disciplined subjects is abuse of the system by actors.

> When McCann-Erickson entered South Korea, they were quite naïve to try to run the company in the same way they did in Western countries. One of the things they introduced at the time was overtime allowance. Do you know what South Korean employees did? They read all 3 sports dailies until the lunch break. After lunch, they took a little nap and then started to read Shin-donga (the bulky weekly news journal). When the clock hit 6 or 7 p.m., they went, 'Let's start working'. The company ended up paying more on allowances than on wages. They stopped paying it after a year. (Kang Tae-joon, 39-year-old producer at Welcomm)

It shows that professionalism in South Korea is spatially distributed as different disciplinary regimes produce different subjects. What is more, professionalism in South Korean advertising is defined along the line of a strong work ethic, technical proficiency, and efficiency, among other factors. Performance level and the quality of output usually take a back seat. It is about non-stop hard working, dealing with a heavy workload and getting things done quickly. However, it can falter when workers do not have a lot of work to do and/or a lot of external pressure to deal with. In this context, it is understandable that South Korean creatives have a rather ambivalent view towards foreign-owned firms. On the one hand, they openly deride these companies and their creatives for what they perceive as their lack of competitiveness. On the other hand, however, they are said to be quite jealous of foreign-owned firms' better working conditions and liberal atmosphere.

Hwang Ho-joon has experiences in working for both a foreign-owned independent ad firm and an in-house agency. He worked for McCann-Erickson Korea early in his career and now works for Cheil. His career choice in advertising was motivated by the liberal image associated with it. He saw it similar to a job in media he originally wanted. His experiences at McCann-Erickson Korea more or less accorded to his expectation. At Cheil, however, he felt differences could not be greater. Foreign-owned ad firms were managed as a creative industry based on autonomy and individualism whereas South Korean agencies, particularly large in-house agencies like Cheil, were mammoth machines with strong hierarchical order and bureaucratic organization. Hwang Ho-joon compared his experiences at McCann-Erickson Korea favourably with those at Cheil.

> [In South Korean-owned in-house agencies], corporate culture is set at the top and [implemented] from above – from the president to the vice-president and from the vice-president to team captains and so on. If you expressed a different view, your life would become very difficult. I doubt if any creative person could survive in such an [oppressive] environment. […] In foreign-owned firms, you have much more freedom. When I was at McCann-Erickson Korea, I used to go to work in shorts in summer even if I'm an account executive. You only needed to wear suits when you met clients. Also, we used to greet our president, 'What's up man?' and that was fine. If you say 'What's up man?' to the president at Cheil, you'll be fired on the spot. (Hwang Ho-joon, 44-year-old account executive at Cheil)

Although Hwang Ho-joon's comment gives the impression that South Korean-owned ad firms impose their employees a strict dress code, it was not exactly to be the case. From what I have seen, advertising firms are certainly some of the most colourful places in office blocks, regardless of whether the company is South Korean-owned or foreign-owned. I came across men wearing earrings, sporting shaven heads or ponytails, growing beards and moustaches, dressing in John Coltrane t-shirts, washed-out denim jeans and pairs of sneakers. It is arguably the most instantly recognizable face of the business, characterized by the widespread adoption of casual outfits and the liberal use of ornamentation. This peculiar appearance of workers is commonly considered as a marker of creative business and represents creativity, individuality and free thinking. Even though creatives argue that they are denied autonomy at work, this particular aspect of creative management has long been practiced and fully established. It is evidence that South Korean ad agencies are in transition from a 'business' into a creative industry. However, transition is not smooth and the meaning and practice of liberal dress code is frequently mediated. Very few creatives in my research related the

practice to creativity. The dominant framing discourse was instead competitiveness and professionalism. Kang Jae-joon, for example, proudly claims he does not have a single suit in his wardrobe. However, he did not consider it as self-expression but strategically figured it as self-branding. It is attributed an instrumental value, a means to achieve a certain business purpose which fits the existing business ethos.

> Personally I always wear flares and black t-shirts. First of all, it's my way of branding myself. I don't know which agency I will end up in the future but my appearance will always get me recognized by clients wherever I go. Even if they don't remember my name, they would say, 'The guy in black t-shirts and flares is quite good'. Secondly, it brings me clients' admiration. So much as they want to look fashionable, South Korean office workers have a terrible sense of fashion. Once they see me, they would think, 'That's exactly what I want to look on weekends!' I think this is also a part of my job as a trends expert to give them an example to follow. (Kang Jae-joon, 36- year-old creative director at Welcomm)

However, it does not mean that the practice has been unproblematic. There have always been struggles regarding where to draw the line between what is acceptable and what is not. Different companies or different managements always come up with different places to draw the line. In the more conservative atmosphere of in-house agencies, it has the potential to cause confusion and disturbance on a daily basis. It is one of the most intense areas of culture clash between different industries that leads to constant struggle and negotiation between the actors involved. On the one hand, it is not uncommon for newly appointed presidents at in-house agencies – mostly from other industries – to frown upon creatives' dress and see it as a sign of disorder and lack of professionalism. On the other hand, however, some creatives interpret the liberal dress code rather literally and turn up at work in perhaps the least acceptable dress of tracksuits and slippers. One example of this clash was in Cheil's corporation-wide appropriate dress campaign in 2005 which tried to reshape the dress code into a more presentable one from the point of view of the management.

> The new head of our company is from Shilla Hotel [another Samsung subsidiary]. Given his background, it is no surprise that he has a very different fashion sense than ours. What is more, he has been chosen as 'Best Dresser' in commerce several times. I guess he has been very unhappy about our looks from day one – things like ripped jeans, dyed hair, sportswear and trainers. He banned all those things and we had to dress moderately for a time. (Kim Young-joon, 32-year-old copywriter at Cheil)

It shows a tension in instituonalization of creative environment. What it involves are rearranging business priorities, reorganizing corporate structure, and refiguring creative subjects. In this respect, contentions and struggles surrounding the creative environment could be seen as a clash of two worlds – order, rationality and intrumentalism of the corporate world and chaos, expressivity and affectionism of the creative world. The discourses of competitiveness in advertising prescribe a transition from the corporate to creative world. All transitions involve conflict and tension. In South Korea, however, it is made even more difficult by that the advertising industry is controlled by large manufacturing conglomerates. The advertising industry, particularly the dominant in-house agencies lack not only power to push forward their agenda but also sufficient firsthand knowledge and experience in creative management. For them, what is considered important is improving performance without jeopardizing the existing order, particularly when they have few problems maintaining their dominance in the domestic market. In the end, creatives' experience is always limited to what the management provides them with. As creative environment does not feature high on most firms' agenda, it largely remains an object of daydream rather than materialized as desire for most creatives.

Chapter 5 Three Paths to the Global

In this chapter, I explore corporate practices of globalization in three advertising agencies – Cheil, Diamond Ad and Welcomm. In accordance with their respective status and conditions, the three ad agencies in this study have taken different paths to globalization: Cheil has aggressively pursued their ambition of becoming a global giant and ceaselessly expanded overseas networks and operations; Diamond Ad have been busy transforming themselves from a local in-house agency into a full-blown member of a foreign-based global communications network; Welcomm has concentrated on improving their creative and business performance to become a world-class creative agency. These are essentially managerial practices that are superimposed upon creatives' practices of globalization discussed in the previous chapter. Managers often have different agencies and agenda from those of creatives, which creates conflict between their practices. This conflict produces a myriad of sub-narratives that are intertwined with the main narratives. Thus, the corporate practice of globalization is a quite complicated matter.

It is rarely the case that a general idea of globalization causes concern and friction between actors. More often than not, it is the numerous small strategies, in which globalization is 'operationally defined', that affects the lives of employees and produces resistance. What is more, implementation of each strategy entails a series of translations and entanglements which often transforms these strategies into something entirely different. Before examining this process, a few things need to be specified. Firstly, both strategies and their implementation are situated in a particular locus. In the case of this study, the locations are three different South Korean ad agencies. This difference produces different goals and strategies regarding globalization, hence there are different dynamics in its practice. Secondly, although it is not difficult to distinguish each company's approach to globalization as outlined above, the ways in which actual practices are carried out are far from clear-cut. These are such messy and chaotic processes in that even the managers who lead the process often appear confused or hesitant. While there are slogans and mottos aplenty, it is difficult to find any singlemindedness among the actors in the pursuit of the 'global'. In these circumstances, globalization emerges as a process full of contradictions, detours and reversals.

The focus of analysis in this chapter still remains creatives. However, creatives

here are different from the ones in the previous chapter in that they are situated in the more specific context of ad firms rather than in the industry as a whole. It adds another dimension to their activities as employees of particular ad agencies and embodiments of particular versions of globalization. Situated in ad firms, they are connected to different sets of actors and allocated to handle specifically prescribed tasks and problems regarding the practice of globalization. In the course of their daily handling of tasks and interchange with other actors in the corporate network, their bodies are produced as carriers of a particular script of globalization, albeit through conflicts and resistance. Therefore, it is the aim of this chapter to disentangle the various ways in which creatives make connections to other actors in the network; the ways in which they negotiate their respective tasks and problems at each firm; and the ways in which they translate their agencies regarding globalization in the process of negotiation.

5.1. Cheil: Going Global

The Centrality of English

Cheil's global aspiration is clear to see as soon as one steps into the company building. One of the first things that grabs visitors' attention is the huge banner hung on the lobby wall that carries the slogan, 'Global Top-Tier 水準의 Cheil Worldwide 具現' printed in large block type. The slogan is written in a hodgepodge of Korean, Chinese and English which roughly translates 'Make Cheil Worldwide a Global Top-Tier Company'. It immediately gives an impression that the company is on a mission. The impression is later confirmed by the names of its departments, which invariably have 'global' in front them – e.g., the global creative headquarters, the global customer service headquarters and so on – even though most of them are engaged entirely in local advertising. The question here is what kind of globalization they are after. To put it simply, Cheil's globalization is global expansion of business constituted of two simultaneous processes: expanding the geographical reach and strengthening global competitiveness. The former is materialized in a global network; and the latter in the introduction of new business and management practices. Although it is the former that is the focus of company's globalization activity, it is the latter that is the main interest of this study. These two things are, however, closely interrelated as the former determines particulars of the latter; and the latter is designed to serve the demands of the former.

The 'global turn' of the company has made a profound impact on everyone at the Cheil headquarters in Seoul. The word 'everyone' is particularly significant in this context since most employees are stuck in their daily routine of handling local clients and working for the local market, with a remote possibility of doing an overseas job. However, they are nevertheless affected in a major way by the company's aggressive globalization drive, expressed in changing management priorities and the ceaseless introduction of new practices. What looms large here is a discrepancy between the company's emphasis on the 'global' and employees' daily occupational duties or, to be more precise, between a particular version/vision of the global and existing beliefs and practices regarding the job of advertising. While the company pushes forward with the implementation of practices perceived to facilitate its goal of becoming a global leader in advertising, employees tend to take them as unnecessary burdens that are extraneous to their duties. With this discrepancy, Cheil's globalization proceeds in a series of mediations of diverse actors in the network.

The most significant of all Cheil's efforts in this regard is the strengthening of human resources development programmes. The firm has been well-known for its commitment to nurturing talent, hence the moniker, 'West Point of South Korean advertising'. In the pursuit of global competitiveness, however, Cheil's human resources development has been revamped to focus on 'global knowledge and experience', and has been given the elevated status of the focal point of company's global project. In 2002, for example, Cheil commenced the 10-week business course CPBM (Cheil Power Brand Management) in conjunction with Sungkyunkwan Graduate School of Business in South Korea and, in 2003, the 6-week marketing and branding course GCNP (Global Cheil-Northwestern Program) in cooperation with Northwestern University's Kellogg Business School in the United States. The company also implemented mid- to short-term study trips, such as the Regional Specialist Programme, in which selected Cheil employees are dispatched to linked-up overseas advertising agencies or the company's overseas subsidiaries for the purpose of gaining 'global knowledge and experience'. It is said that Cheil spends more than 5 per cent of its annual profit on global human resources development programmes, which amounts to USD 5 million approximately (Sohn Seong-tae, 2006). It is virtually impossible for the sheer scale of these operations to be replicated by any other South Korean-based ad agencies.

In theory, these programmes are open to everybody at the firm. In practice, however, there is always the issue of who to select and on what basis. It is alleged that the most important criterion for selection is fluency in English. This sounds reasonable enough, in that it would be pointless to send someone overseas who does not speak English. However, there are far more serious implications than that. In the past, these opportunities were far fewer and not taken as seriously as they are now. Selections were made largely on the basis of seniority. Those who wanted to participate merely needed to wait for their turn. As the seniority-based selection was replaced by the merit-based one,16 however, the implication of the programmes has changed from a 'paid holiday' to a reward and recognition. Despite varying degrees of prestige, being chosen for one of these programmes is normally interpreted as official recognition of one's capability, and hence a confirmation of a bright future career. On the other hand, the majority of people who are ineligible or fail in a selection feel that they are lagging behind and find

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16 Interestingly, it seems that the seniority-based selection has not completely vanished but continues to be practiced at an informal level. Kim Young-jin suggests that she had to miss an opportunity for an overseas study trip when she was in her third year at the firm because her years-of-service was considered too short for that. She was not rejected at the selection process but discouraged from making the application. She says that she was told by her boss, 'You can apply after you become at least a junior manager'.

their careers at firm stalled. In this way, it produces a profound effect of refiguration of hierarchy of competencies. Previously valued knowledges and skills are downgraded and the new skill of English speaking, which was barely demanded before particularly to creatives, became central to their job. In general, Cheil employees appear to accept these changes but, at the same time, do not hide their discontent and resentment that their lifetime accumulation of knowledges and skills are depreciated and their careers decided by language skills. Furthermore, it is not the kind of skill that can be learned and mastered quickly. For employees like Lee Min-joon, who are in their middle ages and never before learned English properly, the task feels almost impossible.

> You don't need to speak a word of English to do local campaigns. It isn't that a big deal in overseas campaigns either. I had done some overseas jobs in the past with no problem at all. If you don't speak English, get a translator and everything will be alright. […] But for some reason English has become a must for everyone. Young people are all good at it but people of my generation are disasters. Overall, it is safe to say that people who don't speak English are now on the way out in this industry. (Lee Min-joon, 38-year-old copywriter at Cheil)

Cheil's single-minded pursuit of proficiency in English has had an effect on its employment practices as well. While the company has not completely ruled out the employment of South Korean-educated people, it effectively reduced its number by half by introducing a separate selection module for foreign-educated applicants. As a consequence, more than 2,000 South Korean-university graduates compete for about 20 posts each year, whereas foreign-educated applicants enjoy a much easier ride to employment due to their considerably small number. The change in the demographic composition of new employees has lead to great concern and irritation among existing employees, as they are the ones who are supposed to guide them and work with them day in, day out. What is particularly significant in this context is the difficulty in maintaining the tradition of apprenticeship. Apprenticeship has been the industry's main reproduction method in which a senior and a junior employee form not only an occupational but also a personal bond. However, existing employees are increasingly bemused by new employees who have different educational and cultural backgrounds from theirs. They appear to feel uncomfortable with dealing with them and unsure about how to deal with them. It is not certain whether the alleged gap between existing and new employees is unbridgeable. However, it is certain that it creates new tension in work relationship.

> [This company] is making a big mistake. They believe English is everything they need for doing globalization and go out and bring in anyone who is raised in the United States. [But] nine out of ten, these guys are useless. They might be good at English but nothing else. (Cho Jung-joon, 45-year-old creative director at Cheil)

What is more, employees largely consider that the English-centred employment results in drop in quality of new employees. Cheil requires a very high mark in popular test modules such as TOEIC (Test of English for International Communication), TEPS (Test of English Proficiency) or TOEFL (Test of English as a Foreign Language) as a condition for employment. The required marks for the art director post are TOEIC 730 or its equivalents in other tests. It is a notch below the top grade of 860 required for other jobs but nevertheless considered by many 'unrealistically' high. Interviewees complain that the requirement prevents gifted creatives from getting hired and ends up filling the company with 'talentless careerists'. What looms large here is a contention between different criteria and ideas regarding what constitutes good human resources. From the company's point of view, the top priority is to get employees who are able to engage in global business. For this purpose, Cheil identifies fluency in English as the most important asset to have. From the employees' point of view, however, the most important quality to look for from a creative ought to be creative talent and skills. Their concern here is the devaluation of their stake entailed in the displacement of priority. It is assumed that, for an average South Korean university student, it takes a long period of preparation and hard work to reach Cheil's required marks. In this respect, they posit that English fluency defined by an exam score is incompatible with creative talent/skills as it suggests negligence of or lack of commitment to his/her trade.

> There are a lot of very finest creatives who don't speak English at all. To be honest, I can't imagine any good creative talent who has TOEIC score of 900 [sic]. It's obvious who fit both bills, isn't it? People who grew up in the United States. (Hwang Ho-joon, 44-year-old account executive at Cheil)

English is said to be the global language of business or the language of global business. In this respect, Cheil is not the only South Korean company that stresses its importance. However, Cheil's emphasis on English is far greater than that given to it by other South Korean companies. It is not only the number one priority for employees in advancing their careers, but also the most important requirement for applicants to get a job. To put it simply, proficiency in English is all one needs to succeed at Cheil. In a sense, it is not surprising considering Cheil's all-out commitment to global business.

However, it appears that the company's strong emphasis on English is more than simply an act of necessity. Cheil spends a fortune on improving employees' English skills that are barely used in their jobs. What is more, as Lee Min-joon suggests earlier in the interview, English is not an easy skill to master and even a modicum of progress takes an agonizingly long time for an average Korean. In this respect, it could be argued that the primary importance of English is in its function of subject production. It is an emblematic practice of Cheil's globalization which is implemented to produce everyone at company as an employee of a global firm. English here is a situated symbolic of the global, and English speaking perceived to constitute the first and arguably the most crucial qualifier for a global company. However, English does not make much difference to the way the firm performs its business as an advertising agency. It does not necessarily 'foreignize' the company. In terms of corporate structure, culture and identity, Cheil remains Cheil, only with better English.

Mingling with Foreigners

Apart from trying to steer the company to the top of the English-speaking table in the industry, Cheil has actively recruited foreign employees to give the workplace a 'cosmopolitan vibe'. For the Cheil management, it is another emblematic globalization practice that allegedly has multiple purposes: firstly, to take advantage of the 'superior' skills and techniques of foreign employees to raise the company's profile; secondly, to transfer their experiences, skills, techniques and know-how to South Korean employees; thirdly, to transform the company's culture into a 'global' one. At the time of the research, there were eight foreign employees working at the Seoul headquarters. While it seems only a tiny minority of Cheil's 700 employees, the presence of foreign employees nevertheless caused a stir in the company. For Cheil's South Korean employees, hiring foreign staff for the particular purpose the management intended was taken as humiliation. If the prioritization of English was downgrading of their knowledges and skills, employment of foreign staff was downgrading of their existence. It is not surpring in this respect that South Korean employees showed a noticeably hostile reaction to foreign employees, and perceivable antipathy towards the management who implemented the practice.

Although they stressed that they were not against employing foreign people itself but against the way in which it has been done by the company, they were not hesitant in criticizing them. They rate foreign employees' contribution to the company as negligible at best despite the big money spent on them. They regard the practice as nothing but

thoughtless and wasteful showing-off. The practice is particularly damaging for middle standing managers like Cho Jung-joon. They work in close contact with lower standing creatives. In the presence of supposedly superior foreign staff members, they lose their authority and confindence to command. It is not certain how accurate his statement below is about the way foreign employees work at the firm. However, it shows quite well the effects the presence of foreign staff makes on his feelings.

> The management brought these people to Cheil because somewhere they heard these guys are good. Without giving any serious thought to it, they just went there and told them, 'Hey you! Come here. I'll give you a job'. They are hardly proven qualities in this country but the management threw some [local] projects at them believing they must be good because they are foreigners. Now everyone at the creative department hates these people, and clients don't like them either because they always come up with ideas that are so weird and alien. So there is no job for them really. All they do is kill time until their contracts expire and take the money and leave. I've never seen any one of them that got his contract renewed. (Cho Jung-joon, 45-year-old creative director at Cheil)

Indeed, it is suggested that none of the company's alleged goals is attained or attainable due to challenges and limitations the practice is facing: firstly, with only eight people, the prospect of foreign employees' contribution raising the company's profile is seriously limited; secondly, as foreign employees are no longer involved in local campaigns, they are now almost exclusively allocated to global campaigns and are relatively separated from most South Korean employees. In these circumstances, the routine transfer of technique and know-how through collaboration initially envisaged is becoming difficult to achieve; thirdly, due largely to their small number but also to the company's rather unaccommodating culture, a shift in corporate culture does not appear to be happening. What South Korean employees see instead is foreigners' adaptation to Cheil culture, rather than their own initiation into the company's cultural transformation. Considering their low opinion of foreign employees, it is no wonder that South Korean employees claim that they have not learned anything from them. To an extent, it is a product of the Cheil management. To stress the importance of the practice they implement, they hailed the foreigners they hired as world-class advertising practitioners who came to the firm to teach the locals a lesson or two. It is not difficult to imagine that it all went downhill from there. South Korean employees were initially curious about the foreigners' touted techniques and skills, but it did not take long for them to find out that these foreigners were 'not that good'.

It's more the case that they are learning from us than that we are learning from them. Maybe they were good in their countries but […] After I worked with them, I confirmed the truth that we are all products of our environment. I was surprised to see how quickly they adapted to the environment and turned into South Koreans. There is nothing really special about them. Their ideas are as unoriginal and ordinary as ours. And they are lazy. I've been terribly disappointed. (Kim Young-jin, 30-year-old art director at Cheil)
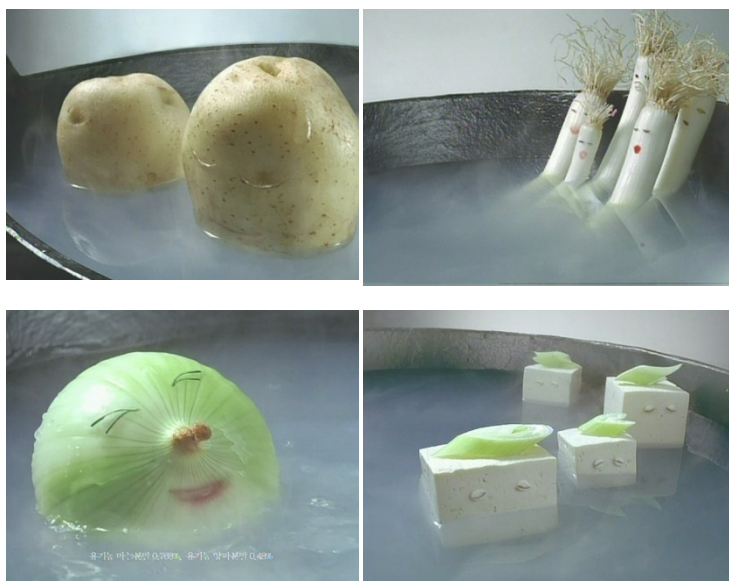
Figure. 5-1 Dashida Television Ad

However, there is another side to the story. In a different context during the interview, Kim Young-jin picked the 2003 Dashida campaign – the seasoning brand of CJ – as one of her most proud works to date. For some reason, however, she failed to mention that the campaign – dubbed Happy Vegetables – was directed by the Japanese creative director Satoshi Tarumi (see Figure 5-1). The television ad shows potatoes, spring onions and onions diving into boiling water and enjoying spa using stop motion animation technique which has been rarely tried in South Korean advertising. She describes the making process 'great fun and a unique experience'. She was particularly impressed by the new approach in which they 'gave characters to vegetables instead of just explaining the product'. It is reported that the campaign was a great success and enthusiastically received by the public. It won Grand Prix at the 2003 TV CF Awards by public vote and its theme tune became a popular mobile ringtone (Advertising Information, Feb 2003: 158). In spite of all the success, however, reactions within the firm have not always been very positive.

It is certainly a well-made ad from a creative point of view. […] But when you watch it, you immediately recognize that it's a Japanese ad. The spa and the visual style and all that… The ad is great fun to watch but nothing more. I doubt it could win the hearts of South Korean consumers. Consumers have long related the product to the

image of Kim Hye-ja[17] tasting her Doenjang Jjigae[18] and saying, 'Yes, this is it'! I think the new ad ruined the brand image that we have built for so many years. (Lee Min-joon, 38-year-old copywriter at Cheil)

This anecdote acutely reveals a tension between South Korean and foreign employees, although the animosity is rather one-sided. The presence of foreign employees effectively devalues South Korean employees' stake. It produces the reaction that the latter then devalue the stake of their counterparts. This devaluation is not confined to their performance but extended to every aspect of their rivals' performance. One common target is their 'questionable work ethic'. South Korean employees are known to value allegiance and commitment to their jobs. They are said to always put company first and individuals second. So it is usual for them to do a lot of unpaid overtime. By contrast, the common image of foreign employees is that they are not very committed to the job and only work for personal gain. They do not make sacrifices for the company or their colleagues. South Korean employees' alleged commitment and collectivist ethic is made even more prominent in this comparison, and re-produced as their practical orientation. In this context, foreign employees are portrayed as selfish, irresponsible and greedy 'mercenaries'. They are produced as not just irritating but as damaging to the existing moral fabric of the company.

When schedules are tight, you need to come to work on holidays and work all night at the office. Nobody likes to do that but you have to if you are serious about your job. But you cannot ask a foreigner to do that. They have this attitude, 'please don't ask me to do more than I'm paid for'. That is not acceptable here. (Kim So-jin, 35-year-old copywriter at Cheil)

Eventually, however, what South Korean employees' antagonism is directed at are not foreign employees but the company's employment practice. What is at issue here is the company's seemingly undue favouritism towards expatriates. From the South Korean employees' point of view, foreigners are disproportionately well-paid despite their negligible contribution and questionable work ethic. Some interviewees suggest that the income difference goes up by to as much as three to one in some posts. Whatever the actual difference may be, South Korean employees appear to suffer from feelings of relative deprivation. Other than that, however, it is difficult to say whether the company has been unfair to South Korean employees. In a sense, it could be argued

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[17] Sixty-five-year-old South Korean actress who is commonly dubbed the 'nation's mother figure'.
[18] Korean traditional pot stew with bean paste as its main ingredient.

that favouritism has been directed towards South Korean employees not the other way round. Foreign employees are not only labelled but also treated like mercenaries. They might be paid more but there is no sign that they are as fully accepted by the company as are South Korean employees. For example, they do not stand the same chance of becoming top managers as their South Korean colleagues. They are hired and slotted into the existing system. There has been no discernible effort to adjust the corporate structure to integrate them. It is an environment in which they are not encouraged, if not actively discouraged, to feel that they belong to the company. Here, Cheil's relationship with its foreign employees appears more utilitarian than its relationship with its South Korean employees. In short, the main use of the former is as a means to Cheil's, or South Koreans', conquest of the world.

Resisting Globalization

In 2004, Cheil appointed John Gregory as vice president and global creative director. The appointment is the most high-profile foreign employment the company has made to date. It was hailed in publicity, 'the arrival of the world's great advertising expert' (Money Today, July 19, 2004). His appointment is said to have been made specifically to push forward the company's global ambitions. He is officially designated to play roles in 'creative consultation on overseas advertising; consultation on global business strategy and practice; implementation of advanced creative system; and consultation on procurement and development of high quality human resources' (ibid). In his own words, he has the dual tasks of presiding over Cheil's overseas business operation and supervising the company's transformation into a 'proper' global ad agency. The appointment is a strong statement of Cheil's intent and seriousness about its global business. One year after Gregory's taking office, however, it has been pointed out in interviews that the company has changed little.

Gregory admits that progress has been slow. However, he suggests that it is largely ascribable to strong resistance from the management. It shows that there is another side to Cheil's global project. Although Cheil has relentlessly publicized their pursuit of going global, he argues that what Cheil says and what they actually do are two different things. From Gregory's point of view, Cheil is still very inward-looking and preoccupied with the domestic business. While his comment does not necessarily depreciate Cheil's global operation as nothing but a display, it nevertheless shows that it involves a lot of reluctance, hesitation and mixing up of priorities regarding global business within the management. Domestically, Cheil is operating on two levels at the

same time. On the one hand, they are establishing themselves as the global headquarters of Cheil Worldwide. On the other, they are country's largest advertising agency that handles a large number of local clients. There are a plenty of reasons for Cheil to focus upon the domestic business. Whereas the former is a long-term operation, the latter is a day-to-day battle. The former is unknown territory but the latter a familiar routine. While there is no doubt that Cheil is eager to establish itself globally, the company might not want to lose hold on the domestic market.

> Cheil […] is studying but not acting. They sit there and tell you, 'Oh! we understand'. But they don't act… These guys don't have a worldwide aspiration right now. So they just focus right on our [domestic] frontline and say, 'Get more KTF (the mobile service provider) for us, get more…' That's what they are trying to do. (John Gregory, senior vice president and global creative director of Cheil)

However, there are far more serious and complex issues involved in this. When Cheil hired John Gregory, they expected him to guide the company in the 'right' direction and to transfer his knowledge and experience to its staff members. The problem is, however, that Gregory's idea of the right direction does not coincide with the Cheil management's. To put it differently, the company already had an idea of the right direction, and merely wanted a high-profile foreign advertising expert to execute it. However, what Gregory had it mind was not only different from Cheil's, but also unacceptable from their point of view. He suggests: firstly, re-staffing the company, preferably with 50 per cent expatriates; secondly, freeing Cheil from Samsung's control. Regarding the latter, he specifically suggests getting rid of the Business Planning department, the special unit that monitors Cheil and reports to Samsung. Its presence means that Cheil is unable to make an independent decision on important matters such as investment and planning. In these circumstances, it is not difficult to see Gregory's frustration. On the one hand, it is not always enough for him to persuade the Cheil management to realize his ideas. When Cheil says 'yes', it does not necessarily mean the idea is to be put into practice, but usually means that the company will report it to Samsung. On the other hand, however, Samsung is the entire reason why Cheil is in the global business and he was hired by the firm in the first place. Getting free from Samsung simply means no more global business. The re-staffing issue also has a strong bearing on the Samsung-Cheil relationship. Replacing South Korean employees with foreign ones might be a reasonable solution for turning Cheil into a 'global' company quickly. However, it is very unlikely that Samsung would sanction it, since what is at risk is not only the order and stability of the firm but also the reputation of Samsung in

South Korea.

> In six months, a company this big in a Western market, I could have restructured, re-staffed and then on our way. I can't move that fast here […] It's not like they are gonna do. Culturally, [they say] 'You don't do that'. 'You don't treat people that way'. 'You are not going to displace that many people'. So a lot of things that we're talking about [in] my couple of years here, most Western firms can do in 6 to 9 months. (John Gregory, senior vice president and global creative director of Cheil)

In this respect, it is significant that the most widely recognized achievement of John Gregory in his first year in office is the refurbishment of the recreation room. It is one of few areas where his idea was brought to fruition without friction as what it costs is a small sum with no readjustment of or change in corporate structure required. Sited on the 6th floor of the company building where the creative headquarters is located, the room boasts two PlayStation consoles, a number of colourful chairs and sofas, a mini ping-pong table and a mini football table. It may not be his only achievement so far but it is the most visible and talked about one all the same. More importantly, it was quite well-received in some quarters. Park Sung-joon, 34-year-old copywriter, for example, appeared quite excited by it and was eager to show it to me. He says that there was nothing other than a few ordinary-looking sofas and a table in the room before. Gregory's rationale for the refurbishment is that creatives need to work in a creative environment. The creative headquarters at Cheil indeed looks very mundane. The entire floor is filled with rows of individually partitioned desks that would not look out of place in a finance or manufacturing company. In this context, the refurbishment could be read as Gregory's statement of the way creative work should be done and managed at an ad firm. However, its introduction introduced dissent among middle management, and it became a site of ongoing tension and struggle between creatives and creative directors. Managers perceive it as a threat to their managerial control and believe that it 'corrupts' the work ethic of their staff.

> You can create a good environment but making it work is a different matter altogether. When you are playing PlayStation in the recreation room, your boss will come and tell you, 'Hey you! What are you doing here? Aren't you supposed to work at this time? You think we're paying you for playing games?' It happens all the time and you're not going there any more. (Hwang Ho-joon, 44-year-old account executive at Cheil)

Samsung employees' reactions to Gregory's appointment are replete with

skepticism. Again, the skepticism is directed not only towards him but also towards the company. They were skeptical about whether Gregory would bring any significant change to the firm as they did not believe that Cheil would give him enough support. They are also skeptical about the company's intention to change as well as the seriousness of it regarding the appointment. From their point of view, the appointment is primarily management's attempt to please the Group chairman. As Samsung has increasingly focused upon global business, Cheil managers have every reason to show that the company is trying their best to handle Samsung's growing global demands. Employees believe that Gregory's appointment was made exactly for this purpose, that is, to show that the company is at least trying. In their eyes, it was a rash decision made in a desperate attempt to do something quickly. After all, Samsung controls the finances and personnel of Cheil. The parent company has the right to hire and fire top executives of the ad firm and to approve and disapprove its expenditure. At the same time, Samsung is Cheil's biggest source of income. This peculiar relationship of complete dependency often means that it can be irrelevant to approach Cheil's globalization efforts with the usual priorities of quality of service and level of performance.

> We are an in-house agency. We see things differently from other ad agencies. Our clients don't see us as an ad agency but as a part of the Group. […] Things like good creative service, good account service, client satisfaction… These are not our top priorities. […] We need to keep up-to-date with Samsung's business. We need to know what Samsung is up to and calibrate our manoeuvres in accordance to it. When Samsung goes all out for global success, we need to show them that we are working this hard to meet their global demands – adopting some brand, new foreign practices and hiring some foreign creative directors… and say, 'We pay this guy more than our company president!' (Kim Young-joon, 32-year-old copywriter at Cheil)

Gregory's role at Cheil is restricted practically to a figurehead not only with respect to Samsung but also with respect to foreign agencies. As discussed earlier, Cheil's role in Samsung Electronics' global business is that of coordinator between the client and foreign ad firms who handle Samsung Electronics' assignments. The problem Cheil identifies here is that these foreign firms are globally much better established and more respected than Cheil. The firm has been very conscious of its standing in the global advertising community and the disequilibrium in its relationship with foreign firms. Even though Cheil might soon become one of world's ten largest advertising agencies, they know full well that their reputation hardly lives up to that status. In this context, the presence of John Gregory, allegedly a world-renowned advertising figure, is

considered a useful strategy for empowering the company's position and garnering respect from its foreign business counterparts. Other than that, there is practically nothing he can or is allowed to do. He has a small number of staff, which effectively delimits his job to monitoring global and overseas local campaigns. In other words, he is consumed by the hustle and bustle of the daily routine which is far removed from the controversies entailed in his original job description.

> Gregory has 4 people in his team right now. What do you expect him to do with 4 people? One important role he plays is… When we monitor creative works by JWT,[19] we could say, 'We have John Gregory from Ogilvy' and we're on level terms with them. In that way, we could make ourselves heard more easily and push them rather than being pushed. (Hwang Ho-joon, 44-year-old account executive at Cheil)

It is apparent that Gregory's vision of Cheil's globalization is not well-received by the company, from its lower-level employees to top executives. They appear reluctant to accept his 'western' idea of globalization, which he tends to posit as 'the' way to globalize. Contrary to what he makes out, however, it does not necessarily mean that Cheil is resisting globalization. Instead, the company has its own idea of globalization and pursues it vigorously. What makes things complicated here is that while the firm appears eager to foreignize itself as a precondition for global expansion; they actually focus on (South) Koreanization of foreign elements. It shows the nature of Cheil's globalization which is centred on asserting itself against the 'global' rather than adapting to it. To an extent, it is no wonder as Cheil has achieved a great level of success without making any drastic changes to their 'local' practices. In this context, 'foreignization' might be their attempt to facilitate the existing process of globalization rather than to replace it. Despite the strong appetite for foreign practices and personnel, the case of the effective weakening of Gregory's power shows Cheil's ruthlessness in its domestication of foreign elements. In this respect, employees' assessment that Gregory's appointment is nothing more than a display has a point. The most significant role he is made to play is a figurehead which is determinedly a role cut out for a foreign executive. Apart from that, his duties are almost indistinguishable from his South Korean predecessors'.

Managing 'Side-effects' of Competitiveness

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[19] JWT is a WPP company which was assigned to handle Samsung Electronics' global advertising at the time of this research.

As the largest and arguably the most influential ad firm in country, Cheil has been a leading force in the industry in almost every way, including importing and implementing 'advanced' foreign practices. Although launching into global business might have added fresh fuel to the process, they have always been keen to adopt new practices and techniques in an attempt to consolidate their position as the forerunners of the industry. What is peculiar in their aggressive implementation of 'best practices' is that, however, they almost invariably treat them as abstract technical solutions. There is little problem in taking this approach when adopting research techniques or marketing communication tools. Cheil has co-opted and incorporated these things quickly and smoothly to their business without much hassle. However, the application of creative practices is not always as straightforward. Sometimes it requires meeting certain pre-conditions to make them work. Sometimes it takes drastic measures – such as overhaul of company's power structure, business priorities and work processes and so forth – to meet such pre-conditions. It poses Cheil with a dilemma: in so far as they try to keep the practices as purely technical as possible, they become ineffectual exercises unless certain conditions are met.

In recent years, Cheil has adopted quite a few creative practices and 'systems' including the posts of art buyer (the job that links art directors to photographers and illustrators), account planner (the job that maps out a market strategy and translates it into a creative brief), and grand creative director (the job where a creative director controls and manages lesser creative directors) and the creative organization of the pair system. Of all these practices, however, it is the pair system that is commonly considered the most important and controversial. The pair system is a creative workforce organization in which creatives are organized into pairs of one copywriter and one art director controlled by a creative director. At the heart of the system is the idea of improving creative standards by giving creatives more autonomy and introducing competition between pairs. Previously Cheil creatives were grouped in teams of 5-6 people led by an account executive and worked on the principle of collaboration. In this respect, one interviewee claims that the new system represents a 'revolutionary change' in management philosophy and creative organization.

To make the system work, however, it is said that the creative department needs to be established as a genuinely autonomous unit free from interferences and influences from account executives and the management. It is also said to require the abolition of the seniority-based hierarchy in the creative department to ensure fair competition. While it is not difficult to implement the practice and reshuffle the organization, it

proved to be extremely difficult to neutralize the external influences and abolish the seniority-based hierarchy. What is more, introducing internal competition has been also a daunting task, as creatives are accustomed to collaboration and shared responsibility. Many interviewees associate the practice with the increased workload and pressure, and the 'inhuman' atmosphere, rather than the expected effects of creative freedom and improved performance. The rationale for Cheil's introduction of the pair system is, needless to say, to improve creative standards. It is particularly pertinent for the firm, as it has a reputation of being 'strong on strategy but weak on creative quality'.

Cheil's modus operandi has always been 'scientific' advertising. It is an approach that values data over imagination. The company prides itself on the largest research facilities and market database in the industry, and these have served as their main selling points. However, their matter-of-fact, backed-up-by-the-data school of advertising has been often been accused of being uninspiring or just plain boring. The implementation of the pair system is apparently an attempt to correct this reputation. The problem, however, is that it is the company's self-recognized strength in strategy that works against the 'creative' advertising they attempt to practice. The main reason for this clash is that Cheil performs a specific idea of strategy that is designed to cover all aspects of the product. Cheil's strategy is constituted of the principle of the 'ten strengths'. Whatever the product, Cheil finds its ten strengths to inform consumers. This is a strategy geared to please clients but its efficacy on consumers is often questioned. As the focus goes on making a laundry list of a product's strengths, it is considered that it restricts the room for creatives to contrive a 'creative' way to deliver messages. However, the company does not appear to see it as a problem. They seem to think that creative advertising is a 'flourish' that can be added to their treasured 'strategy'.

> If you give me ten things I have to do, it's only going to turn out one way. But if you tell me here's one important thing you want to communicate, now I can go like a bouquet of flowers…. Tell me that product is unbreakable. God, I can show you some really cool ways to do that. But if you say to me, this is made out of this material, it's stronger than any other stuff in the market, we guarantee you for ten years,… if you try to get really specific about all that, then you are going to end up with real boring little… I would call [it] just a catalogue sheet – boring, boring, boring. (John Gregory, senior vice president and global creative director of Cheil)

It explains the way in which the pair system is practiced at Cheil. The system for them is a new fad which has to be adjusted to their existing ways of doing business

rather than their business being transformed by it. To realize the full potential of the system, it is believed that the company needs to create the conditions for it. First of all, this system requires a shift in power from account executives to creative directors. In order to protect creatives from external influences, creative directors need to have full control over creative staff and act as a shield against account executives' interferences. Account executives are not allowed direct contact with creatives. When necessary, they need to get permission from the creative director in charge to gain access to them. In Cheil's pair system, however, account executives remain central to the whole practice. They take charge of projects and are given power to control creatives. They access creatives freely and sometimes bypass the creative director to give direct orders to them. Creative directors, on the other hand, appear barely more than senior staff members. They rarely represent the creative team against account executives. When an account executive calls up for a project meeting, for example, it is common that they take the entire creative staff in his/her charge to the meeting. It all shows the undying powers of account executives and the centrality of their role in Cheil's business. Regardless of the system, it is creative directors' 'natural' position to be under account executives' command. It appears that it is a comfortable relationship for both parties. In these circumstances, the protection of creative autonomy is not only difficult to achieve but also hardly on the agenda.

> Compared to my experience in New York, the most different thing is creative staff's relationship with account executives. In New York, there is a clear division of labour between account and creative departments whereas here account executives take the position of 'project owners'. They select staff, organize timetables, and give orders. […] In New York, creative directors collect all the works submitted by pairs and go to meetings alone while here we all go to meetings and discuss things together. […] Here we are working more like a team. (Kim So-jin, 35-year-old copywriter at Cheil)

Kim So-jin spent a year at Cheil America in New York City when she was selected for an exchange programme. Although a Cheil company, the way Cheil America was run was closer to other American agencies that to the Seoul headquarters. She was one of few Cheil employees to tell differences in the pair system in two Cheil companies. As she implies, it is not only the institutionalized centrality of account executives but also creatives' discomfort in working independently and shouldering individual responsibility that contributes to making the system virtually

indistinguishable from previous systems.20 In particular, creative directors, arguably the most important post in the pair system, do not appear keen on giving directions, managing pairs separately, and taking the responsibility for their performance. They simply continue in the same way as they have always worked. One notable consequence of their persistence is the lack of competition. Raising the level of performance through competition is one of the main motives of the introduction of the pair system. As pairs are run practically as teams, however, it is difficult to stimulate competition between pairs. Interviewees say that that it only happens under foreign creative directors who induce competition by giving pairs the same direction but managing them as separate units. However, foreign creative directors at Cheil are a very small minority and their work method is rarely emulated by their South Korean colleagues. What underlies this lack of emulation is South Korean creatives' accustomed collectivist work ethic which produces a strong revulsion towards competition. Cheil creatives have a strong belief that competition is detrimental rather than beneficial to their performance. In these circumstances, Cheil's pair system is conducted in practically the same way as the old team system, only organized in pairs.

> Two people make one pair. But that doesn't mean two people have to do everything. When the project is big, two or three pairs are called to work on the same project. On this occasion, pairs are expected to cooperate not to compete with each other. If you were going to compete against each other, you would end up wasting your time on arguing with each other and nothing would be getting done. (Choi Kun-joon, 37-year-old art director at Cheil)

Cheil's application of the pair system appears to work, or not to work, on two levels. At the corporate level, it is difficult for the company to discontinue the account-centred operation. As an in-house agency, Cheil simply cannot afford to 'alienate' the in-house clients just for the pursuit of creative excellence. What is more, Samsung is known to be a 'hands-on' client who uses account executives as the main route for their voice in the creative process. On an individual level, Cheil creatives appear very reluctant to change existing ways of doing their job. This is particularly interesting considering that the pair system represents, among other things, an enhancement of their collective autonomy, independence and the value of their stake. What happens is a

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[20] Other than the team system, Cheil also previously practiced what is called the 'open' system. Although there are some minor differences between these systems, they are essentially the same practice. The main difference between these two systems is whether teams are permanent or temporary. In the open system, teams are formed temporarily on a project-by-project basis. The open system is said to be more flexible than the team system but tends to impose uneven workloads on different creatives.

virtual absence of power struggle between account executives and creative directors about the ways to implement the system. Both parties seem perfectly content with maintaining the old ways. The question here is why Cheil takes the trouble to implement the system? One possible answer is that the company practices it as a purely technical solution, on the assumption that a different grouping of creatives would produce an immediate improvement in their creative performance. After all, it is one of the 'best practices' widely practiced in many 'advanced' advertising industries. It is a 'credible' and 'proven' solution to creative problems. However, they appear to have no intention of changing the existing power relations. In a sense, the company has nothing to lose even if they fail to make the system work. Only by attempting it can they still claim to Samsung that they are trying hard to conquer their shortcomings and to strengthen their global competitiveness. Perhaps that might be the whole point.

5.2. Diamond Ad: Coping with the Global

Uncertainty, Disillusionment and Competitiveness

This research was undertaken during the period when Diamond Ad was making the transition from a 'tame but cosy' in-house agency to a 'competitive and obstinate' independent agency. It started a couple of months after Hyundai-Kia's departure from the firm and finished around the time when the launch of the new company was announced. At the beginning of the research, it was not difficult to see that the company was not in a good shape. The office was conspicuously half-empty and the visitor's area quiet. Employees were scattered around the office leisurely talking to each other. They appeared distracted and the place perceivably lacked vibrancy. Interviewees confirmed that their morale was indeed low and they were deeply concerned about the company's uncertain future. At the time, they had been already informed about the impending merger. However, they were still anxious to know its specificities, and particularly its effects on their jobs. They were about to go through a daunting task of re-defining their identity. The problem was, however, that they appeared to have little, if any, confidence in the leadership of the foreign management. South Korean employees believed that the business had been going downhill ever since CCG took over the firm, and that the foreign owners had done nothing to prepare for life without Hyundai-Kia, even though they had five years to do so.

> There have been rumours circulating in the industry that Diamond Ad would sink without a trace after Hyundai-Kia's departure. […] Last year's HR (Human Resources) consulting report shows that our morale was [at an] all-time low. It says that only 25 per cent of employees were satisfied with the company and 50 per cent wanted to leave. I heard the WPP headquarters worried a lot about it. […] I've been here for 3 years and [am] already one of [its] longest-serving employees. (Park Kyung-jin, 30-year-old copywriter at Diamond Ad)

What comes to the fore in this context is competitiveness. Regardless of what it constitutes, competitiveness is an assurance or 'insurance' against the period of uncertainty the ad firm was about to enter. Ever since its in-house agency days, Diamond Ad has never been known for its competitiveness. The widespread and longstanding reputation of the ad firm is that it lacks competitiveness. Despite occasional rhetorical reference to it, however, any attempt to address the problem had been deferred as the ad firm enjoyed a secure relationship with one of the largest clients

in the country with or without competitiveness. What is more, Hyundai is said to have been not very concerned about the competitiveness of their ad firm either. The alleged main purpose of their setting up an in-house agency was to protect their business secrets and technical information about their prized automobile business. In these circumstances, Diamond Ad's perceived lack of competitiveness has been compensated for by their monopoly position as the industry's sole automobile advertising specialist firm. However, it became a major issue in the ad firm's transformation into an independent agency, particularly since it involves the loss of automobile advertising. In this context, the fear and anxiety entailed in the transformation is concentrated on, and projected onto, their alleged lack of competitiveness. What particularly upsets Diamond Ad employees here is that they think that the foreign owners have failed to address the problem. They had high expectations that foreign owners would tackle and rectify this shortcoming with their 'superior' knowledge and deep understanding of the business. However, it did not take long for their expectations to evaporate and turn into feelings of betrayal and disillusionment. They came to believe that foreigners are there for short-term gain only, and suspect that the company might change hands yet again like a cheap commodity.

This antagonism has much to do with the differences in expectations and priorities between the foreign owners and South Korean employees. While the latter expected immediate performance enhancement, the former prioritized normalization of the company's finance and administration or 'infra'. It is said that Diamond Ad's finance and administration before the foreign takeover was shambolic: the balance sheet was never accurate; account cheating was a commonplace; and millions of dollars of deals were done without a written agreement. CCG and subsequently WPP identified these as main problems and took a hard-line approach to the re-figuration of the ad firm's financial and administrative structures. What CCG/WPP implemented was in essence bureaucratization. In finance, they introduced a strict bookkeeping regime and tighter control of expenditure that are overseen by the headquarters-dispatched foreign CFO. As for administration, they imposed thorough documentation of work procedures and processes. Employees' reactions to these measures have been mixed. Some hail new practices for fairer, more transparent and more predictable management. However, there is also strong suspicion that all the actions taken by the foreign owners are not for the good of the company but for fattening their wallets.

> The most important thing for [WPP] is of course profit. I'm not against moneymaking
> but… If it's not the case that you make money today and that's it, you need to make

some investment. If you want us to keep making money for you, you need to give us some training and education and build us some infrastructure first. [WPP] have done way too little in this department so far. (Kim Yu-jin, 40-year-old executive director of Diamond Ad)

It is apparent that the foreign owners' efforts to 'modernize' Diamond Ad's finance and administration are not the kind of modernization the ad firm's employees expected. As Kim Yu-jin suggests, they were disappointed by the foreign owners' lack of reinvestment from returns. It was easy to understand their complaints: foreign owners are reluctant to rectify the shortage of labour; they are stingy in remuneration; slow to react to a deteriorating working environment; and are unwilling to provide employees with re-education and re-training. It shows that these are the areas where employees were most eagerly waiting for an improvement. However, what they got instead was an increase in labour intensity and a decrease in real income as a consequence of corporate restructuring. In these circumstances, their perception of the foreign owners is hardly better than loan sharks. In their eyes, all the foreign owners are trying to do is to vacuum up all the money employees are making. Foreign owners' emphasis on financial transparency is interpreted as their intention not to miss a single penny. The dispatch of the CFO as the ad firm's only foreign executive is taken as a statement that they do not care anything else but money.

At first, I welcomed the foreign takeover because I hated the way the company was run. I expected a lot from the foreigners. After all, they came from the birthplace of advertising. But now I find it worse than what we had before. Since they took charge, we haven't been paid a bonus at all. What's the point of working our fingers to the bone when we are left with nothing? We are all a bunch of slaves now. (Yoon Hee-joon, 45-year-old executive creative director at Diamond Ad)

There are also clashes between different management styles. It is said that the previous management under Hyundai was based on the absolute authority of the Group chairman and had a strong tendency towards paternalism. It was the management ruled by the owner's 'hunch' or whim. In comparison, foreign management is said to be based on precise, strict and by-the-book applications of abstract and impersonal rules. The difference between the two is very evident in their attitudes to planning. It is said that Diamond Ad had been run practically without a plan under Hyundai ownership. If they had one, it was no more than a formal act which was made and scrapped at the owner's will. The company became serious about business planning after the foreign owners'

arrival. They introduced mid- and long-term plans and made sure that they were made accurately and observed strictly. While employees welcome this 'modernization' to an extent, they find it difficult to cope with such tight control and the rigid application of rules. They are accustomed to a culture where individual errors are often overlooked or tolerated. They are used to occasional 'impulse pay' handed out by the management for no apparent reason. However, the new management leaves little room for mistakes and little hope for unexpected extra income.

> Before the foreign takeover, Diamond Ad didn't have mid- or long-term plans. We worked on an ad hoc basis, and pretty much everything was decided by chairman's whim... But the flipside of the coin is that we were better paid. When the chairman was in a good mood, he splurged on bonuses and incentives without thinking too much about its consequences. It never happens in foreign-owned firms. (Kim Yu-jin, 40-year-old executive director of Diamond Ad)

In this respect, it is no surprise that South Korean employees have a deep-rooted nostalgia for the old management; it might have been unreasonable and corrupt, however, they felt it was more humane and beneficial to them. The problem is that it is not easy for them to openly support the old regime, particularly because of it has been implicated in business wrongdoing and ineptness, including account cheating, one-man rule, the lack of plan, and so forth. Here, the most common defence of the old practices is to resort to 'local realism' or to emphasize 'particularities' of the country and its culture. They base their claims on the 'backwardness' of South Korean business culture, and argue that the old practices work better on South Korean soil than those that are supposedly 'advanced' or 'civilized'. From this point of view, they relativize values such as transparency and fairness as 'western', and depreciate them as unworkable idealism.

> They don't know anything about doing business in South Korea. They don't even bother trying to know about it. They keep telling me about transparency because they want to keep control of every penny at the firm. But you need some secret cash if you are to do business in this country. You have clients asking you for backhanders all the time and you cannot keep ignoring them. Or else your business is doomed. You have talented young employees you don't want to lose but you cannot openly give them a big pay rise. They would be targeted and bullied because of that. These foreigners never understand any of these things and keep telling me to improve transparency and business performance at the same time. I feel like hanging myself.

Lee Yong-joon became a former CEO of Diamond Ad after this interview was arranged. His resignation from the position was mainly due to the establishment of Innocean, the in-house agency of Hyundai, and the subsequent mass exodus of Hyundai-related accounts from Diamond Ad. There was nothing he could do to stop it. He learned his trade at Hyundai-owned Diamond Ad, and found it difficult to adjust to new management practices enforced by WPP. His antagonism towards foreign owner and their management practices reveals, to an extent, his own frustration at the difficulty in adjustment. He was not against the rationale of the practices the foreign management implements. What he was against was these practices were forced upon him and his company against their wishes before they were prepared. What is involved in the process is the feeling of helplessness in coping with 'globalization' imposed from top/without by foreigners.

Overall, reactions of South Korean employees at Diamond Ad to WPP's globalization practices are divided into two – demanding an 'alternative' globalization which addresses problems and issues neglected in the company version, and an outright retreat to the past. At first glance, the former appears to be more widespread, as it comprises 'legitimate' claims regarding competitiveness, creativity and autonomy. However, the comfort and familiarity of the old practices, if less often spoken of, and rather insidious, still drives their actions and motives.

The Uses of the Global

While what the global Diamond Ad came to face was something very different from what they had hoped for, it did not deter them from making the most of their global pedigree. It is most apparent in their use of it in their promotional showcase. In a way, it is an interesting gateway to get into the globalization that they wish to foster. According to the now-defunct Diamond Ad Internet homepage, the company promises to provide a 'brand management service based on O&M's total brand management system Brand Stewardship upgraded to suit the South Korean market', 'global-standard market strategy in close cooperation with WPP', and 'creative service based on advanced advertising techniques and scientific concept derivation'. The website also shows a long list of foreign-based advertising agencies claimed to be connected with Diamond Ad: WPP companies including JWT, O&M, Y&R, Hill & Knowlton, and Landor; global partners including Euro RSCG (US), Asatsu (Japan), Youth Advertising

Corp (Vietnam), Far East Ad Public (Thai), Beijing Advertising Corp (China), and MADCO Group (Middle East); and Diamond Ad's overseas offices in China, Germany and Poland.

It is apparent that the company is eager to show its 'global credentials' to the outside world: Diamond Ad is physically connected to every corner of the world and up to date with technique and know-how thanks to the company being part of the WPP network. Even when discounting the hyperbole typical of the business, however, it raises a lot of questions regarding the substance of such operations and connections. What is the nature of the partnership and what kind of cooperation is taking place between the global partners? What is the substance of advanced advertising technique and scientific concept derivation? What is the content of the cooperation with WPP? What exactly is upgraded from O&M's Brand Stewardship? Perhaps not surprisingly, answers to these questions are in most cases rather anticlimactic. Regarding connections with foreign firms, they are mostly overblown claims if not blatant fabrications. First of all, Diamond Ad did have overseas offices but these were all closed down long before the time of this research. Secondly, the company has close connections with the WPP London headquarters and O&M Asia-Pacific but virtually no interchange with other WPP companies. Thirdly, the company does have partnerships with the above-mentioned foreign companies but there is practically no substance in these partnerships.

> Around 1995 when globalization was all the rage, our CEO at the time passionately developed new partnerships with foreign agencies. In this business, however, companies do not bother to help each other or exchange information unless there are some financial gains... You can see these partnerships as traces from the past that only exist on paper. (Kim Kwang-joon, 44-year-old account executive at Diamond Ad)

Upgrading of O&M's Brand Stewardship is another matter altogether. It is an abstract model that is designed to have universal applicability. The core of Brand Stewardship lies in the 360 degree brand management which is O&M's take on IMC. IMC denotes making all aspects of marketing communication such as advertising, sales promotion, public relations, and direct marketing work together as a unified force, rather than permitting each to work in isolation. IMC is the latest fad in South Korean advertising, which is applied in almost every advertising agency. For instance, Welcomm is using Publicis' La holistique difference which has few differences from O&M's Brand Stewardship but the name. What then is there to 'upgrade' or adjust when

the model is not market-specific? It looks as if what actually takes place is mere application of the model or, in fact, the lack of it. As an O&M-affiliated company, Diamond Ad holds the right to use Brand Stewardship in their marketing service. However, it is questionable whether it is frequently used in actual campaigns since employees do not appear to have much experience with it. It is very likely that the claim actually means that Diamond Ad has the model not necessarily that they use it.

> Well, translation of the text or terms into Korean could be an upgrade to begin with. Details in application process could also be modified. (Choi Young-jin, 29-year-old account executive at Diamond Ad)

This rather unconvincing answer implies that the word 'upgrade' does not have much significance. It is closely related to perhaps the most intriguing part of all these claims, the substance of 'advanced advertising technique'. Transfer of advanced techniques has long been claimed as one of the biggest benefits of globalization. It also made a strong case for the opening up of the South Korean advertising market in the mid-1980s when the market was still heavily protected (see Kim Ko Kwang-mi, 1994: 210-219). Advanced technique has always been a highly coveted asset among South Korean companies and, at the same time, the root of all their fears about incoming foreign ad firms. However, it does not seem that it has ever been precisely defined. Despite all the pompous claims, the Diamond Ad website also curiously leaves out what exactly it comprises. When asked about advanced technique, interviewees typically reacted with bemusement and embarrassment, as if it was the last question they expected to be asked. They rubbished the claims on the website by arguing that those are purely a marketing ploy to lure clients. They went on to argue that they do not buy the idea of advanced technique at all, since there is no substance to it. It seems to show that there has been a change in attitude towards advanced technique. In a way, it could be said that the myth of advanced technique is a product of rarity of information as a result of the relative isolation of the industry at the time of pre-Internet protectionism. In the age of extensive and instantaneous exchange of information, what might have been called advanced techniques become easily accessible and hence lose their lustre and mythical powers.

> South Korean people have always had great longing for the global. They believe there must be some kind of magical solutions out there. But there is no such thing. One of my jobs is sending our staff members to O&M programmes. Whenever they return, I ask them what they have learned. The answer is always the same, 'there

was nothing I didn't know before I went there'. (Kim Yu-jin, 40-year-old executive director of Diamond Ad)

There is, however, another aspect to Diamond Ad employees' disillusionment with advanced technique. After a few years of intense exposure to all sorts of advanced techniques as part of a foreign-owned global communications network, they seem to have reached the conclusion that advanced techniques are not what they thought. They are neither magical solutions that work miracles nor 'plug-and-play' applications that are instantly applicable and make an immediate impact. Sometimes the techniques require painstaking adaptations and still do not guarantee success. After this, they prefer to resort to the old tried-and-tested methods, which might not be advanced or cutting edge but are at least more reliable and risk-free. Their attitude to Brand Stewardship is a case in point. Unlike Welcomm employees, who take their communications model quite seriously, a point which is to be discussed later, Diamond Ad people tend to treat theirs purely as a tool for persuading clients. Rather than using it to create campaigns, they prefer to go ahead using the old ways, and use Brand Stewardship to justify what they did ex post facto. It is not difficult here to detect in this process an element of conflict of interest between creatives and account executives. Account executives have a vested interest in promoting advanced techniques, since this approach strengthens their case when persuading clients to buy their services. Creatives, on the other hand, have no incentive to try something new and make their lives more difficult when the existing ways appear to work perfectly well.

There is this thing called the *360 degree brand management* – integration of marketing and communication, putting together ATL (Above-the-Line) and BTL (Below-the-Line) and so forth. But you don't need that. You don't need it to advertise in South Korea. You only need to make sure you have a big name celebrity to appear in your ad. Girls will wet their panties and go out and buy anything he is endorsing. (Yoon Hee-joon, 45-year-old executive creative director at Diamond Ad)

However, it appears that these conflicts and struggles form the main conduit for the integration of new techniques and practices into the company's business. Advanced techniques are already there but are not activated. It is these conflicts and struggles which activate these practices and gradually increase the employees' understanding of them. This appears to emphasise what Kim Yu-jin pointed out earlier in this chapter – the lack of re-training and re-education by foreign owners. It is likely that all the advanced techniques are simply thrown at employees, without providing much

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instruction or motivation to use them. Employees might superficially understand what each technique is for, but perhaps not its practical implications in full. They can only learn by experience how each one works and how to make it work. It is the struggle between account executives and creatives that sparks the whole process of learning. However, these things are not learned and used as advanced techniques and practices; they are still treated as new fancy nametags reluctantly attached to lure clients.

Other than as a rather cynical marketing ploy, the term 'advanced technique' has lost all its power and attraction and become almost an object of ridicule. However, it does not mean that Diamond Ad employees have lost the appetite for the advanced or the global. Instead, they are moving on to a broader and more abstract notion of 'the advanced', leaving behind the specific easy-to-fix solution of advanced technique. Lee Yong-joon says that key to the advanced is 'infrastructure', Kim Yu-jin says it is 'the fundamentals', and Yoon Hee-joon says it is 'cultural environment'. Although given different terms and with different emphases, what they mean ultimately is the same thing – an advanced condition that makes advanced techniques and practices workable. It seems to include the right mindset, the right organization, the right clients and the right consumers. In this way, the prospect of appropriation of the advanced becomes even more difficult and remote. However, this fundamental, if a little pessimistic, vision of the advanced is what they seem to have reached after years of close encounter with the 'global'.

Think Locally, Act Locally

Of the three ad agencies in this study, Diamond Ad has arguably the strongest global pedigree, at least on paper. The company is a bona fide foreign ad firm, owned and controlled by a foreign company, whereas Cheil is South Korean through and through and Welcomm half-owned and partially controlled by a foreign ad firm. It is ironic in this respect that Diamond Ad has remained the most 'traditional' or 'local' of the three firms. The firm has no foreign clients, no overseas operation and has been least active in employing foreign practices. Such fashionable imports as account planning, art buying, and the pair system have been ignored. It is also striking that the main reason why they do not employ the pair system is to avoid free competition, for the sake of corporate harmony. It is thought that the individualization of the workforce, and progress based on the intra-corporate competition entailed in the pair system, are very Western values that run counter to the Korean virtues of collective harmony and cooperation. Whereas Cheil and Welcomm went ahead regardless, with a view to

improving their creative performance, Diamond Ad is said to have stopped halfway through its implementation as its damaging effects became apparent.

> The pair system means cut-throat competition and it causes a lot of harmful side effects. First of all, the bad atmosphere… Creative work is all about teamwork but competition destroys it. Also the stress each individual has to cope with increases a great deal. Work process is not very smooth either. It was stop-and-start all the time because nobody was there to back you up when you were absent or needed extra hands. In the end, the management decided enough is enough. (Park Kyung-jin, 30-year-old copywriter at Diamond Ad)

Diamond Ad's reputation in the industry is 'all advertising and no campaign', meaning that the company's advertising is predominantly direct sales pitch with little creativity and imagination. The adoption of the pair system was presumably an attempt to raise the company's creative standards. It is not certain whether the failure of its implementation is because the company puts particularly strong emphasis on corporate harmony or because the change of work culture proved too much for 'traditionally minded' Diamond Ad employees to handle. Whatever the case, however, the point is that the company has stuck firmly to the traditional team system. In Diamond Ad's formation, one team consists of one creative director, one or two copywriters and three art directors.21 The larger number of art directors in the team indicates that they handle laborious execution and sundry art-related chores, including drawing logos or characters for clients. Perhaps this is one of the reasons why the pair system did not work out as it prevents art directors from sharing their workloads. By maintaining the team system, the ad firm has been able to preserve their cooperative work culture and collective harmony. However, they have failed to address the shortcomings of the creative process in the existing team system. The team system is known to be a hierarchical system in which team members possess unequal degrees of power according to each one's position in the corporate hierarchy. It more often than not prevents the free exchange of ideas within the team by thwarting junior members' participation in the creative process.

The system felt rather strange for Jeong Hyun-joon who grew up in the United States and has work experience there at a small ad agency. He finds the system at

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21 For some reason, different advertising agencies have different names for art director, such as art director, designer, and art planner. In Diamond Ad, junior art directors are called art planners, who are promoted to become art directors later in their careers. In this respect, the three art directors in the team are in fact a combination of art directors and art planners.

Diamond Ad neither efficient nor effective. From his point of view, it wastes employees' talents and fail to deliver the best to clients. He appeared adept at making adjustments and quite cautious about deciding his actions. At first, he appeared quiet and timid rarely giving an interesting answer. On his suggestion, we moved to a 'safer' place from the office and only then he started to talk. It was his strategy to adjust to the life in Diamond Ad which is reflected in the following quote.

> In the United States, I learned that every team member has a responsibility of making contributions to the team. No matter how ridiculous your idea may sound at first, you are still expected to bring it up to the table. They believe good things will come out in this process. In this company, however, not everyone's idea is treated equally. Those of seniors have greater weight than those of juniors. When you are new, you soon find out that your contribution is not very welcome and learn to keep quiet. You are supposed to respect your seniors' judgments and follow their orders. (Jeong Hyun-joon, 29-year-old assistant art planner at Diamond Ad)

On the surface, the discontinuation of the pair system appears to represent a lack of ambition on management's part in pursuing creative excellence, particularly when it is considered that foreign owners showed no interest in pushing forward with the system compared to their aggressive drive to restructure finance and administration. However, what it represents is that, unlike South Korean-managed firms, they do not consider the pair system crucial to push the firm towards creative excellence. What they emphasize in this regard instead is competing at international festivals. O&M makes annual assessments of the performance of each firm in its network. One of the criteria in the assessment is the ad firm's results at international advertising festivals. Diamond Ad's festival results have been quite poor partly because, South Korean employees argue, the company previously had not given much importance to them. To a certain extent, there still is a widespread belief that international festivals are for personal glory-seekers and have nothing to do with real business, especially in the South Korean market. As pressure from O&M mounts, however, they cannot afford to keep ignoring international festivals and are being pushed to go out and compete.

Deep down, however, the main reason behind Diamond Ad's distance from international festivals is the lack of confidence in their ability to compete at international level. However, the process involved in this is far from straightforward. On the one hand, Diamond Ad creatives believe that international festivals are fundamentally Western-oriented. One of the main reasons they have not been successful

at festivals is that, they believe, Western-centric judges often misunderstand their ads. On the other hand, they tend to think that commercial and creative criteria for adverts are two entirely different things. They argue that the adverts they produce day-in day-out for commercial purposes are not suitable for international festivals and vice versa. For these reasons, they are sceptical about their chances of winning at international festivals. However, the O&M policy shakes up their belief and imposes a problem for them to solve. It forces them to learn and appropriate styles and aesthetics of 'world class' ads.

5.3. Welcomm Publicis: Learning the Global

Vorsprung durch Emulation

Welcomm is striving to become a 'genuine' embodiment of the 'global' or an ad firm capable of providing world-class advertising and marketing services to its clients. It sets a different pattern of globalization from what we saw in Cheil and Diamond Ad. The firm set the long-term goal of becoming a BBH or a Wieden+Kennedy of South Korea, a global creative powerhouse that wins lots of awards at Cannes, rather than a Cheil or a Dentsu who occupies the top echelon of Advertising Age's Agency Rankings, the rich list of the global advertising industry. To achieve this goal, Welcomm put their relationship with Publicis to good use in sharpening their competitive edge. Although they normally shy away from expensive practices like overseas dispatch of staff or hiring foreign employees, they are very active in seeking out and absorbing whatever 'advanced' techniques and practices are available in the Publicis vault. In this way, their liaison with Publicis appears more fruitful than most other foreign-owned firms in the industry.

> Many South Korean ad agencies have merged with foreign ad firms in recent years.
> But, for me, there are only two ad agencies – TBWA Korea and Welcomm – who
> share creative visions of their foreign counterparts. Other agencies are foreign-
> affiliated in finance only, not in creative spirit. (Jung Seo-joon, 38- year-old copywriter
> at Welcomm)

Although Jung Seo-joon claims otherwise, it appears that it is Welcomm's tie with Publicis that is most strictly financial. As discussed earlier, the French firm has taken a non-obtrusive stance in relation to the Welcomm management, except in financial matters. It allows Welcomm to take the initiative in adopting foreign practices and control their application. Welcomm's approach in this regard is the by-the-book application based on 'deep understanding' of the practice. For this purpose, they organize intensive education programmes to provide employees with in-depth knowledge of newly implemented practices. For example, the company ran a series of one-hour lectures on fellow Publicis company Saatchi & Saatchi's Lovemarks[22] every

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[22] The term is coined by Kevin Roberts, CEO Worldwide of Saatchi and Saatchi, and has become the hallmark of Saatchi & Saatchi's advertising philosophy. Roberts advocates *Lovemarks* in his book (2004) as the next step in the evolution from products to trademarks to brands. Lovemarks replace impersonal and insipid trademarks and makes love central to branding. He argues that the most important thing in branding is building a brand that is loved and respected by consumers and inspires long-term emotional

weekday morning for one month in late 2004. This arrangement appears to have not only improved employees' understanding of the particular practice but also considerably reduced the possibility of conflict and resistance entailed in the implementation of a new practice. It was indeed not difficult to see the effect of this conditioning in interviews as Welcomm employees tend to talk a lot more about marketing communication tools and new trends in advertising in a much more positive and enthusiastic fashion than those at other firms.

> The best thing about foreign affiliation is an easy access to the latest information. We are receiving a lot of brand new techniques and know-how from foreign firms in the Publicis network. […] a few years ago, we applied to our campaigns the Saatchi & Saatchi approach to developing concepts, writing up plans and so on, to great effect. It made our work look different and competitive since nobody else was using it. (Kang Sun-joon, 35-year-old copywriter at Welcomm)

While Welcomm has always been active in adopting 'advanced' foreign practices, the adoption of Publicis' IMC model la holistique difference has had particularly far-reaching consequences. Although there are numerous definitions, different emphases and various practical suggestions regarding IMC, it is understood and practiced at the firm primarily as a multiple-media and consumer-centred approach to marketing communication. 23 However, its appropriation crucially entailed devaluation of 'creative', arguably the company's forte. Welcomm's solution to this problem is to cast off creative entirely and fully embrace the new concept, Idea. In December 2004, Welcomm commenced a big corporate-wide campaign to launch the company's new identity, Idea Factory. In a typically flamboyant fashion, the company building was covered with two kinds of posters: one features a large white cross tombstone against a black background saying 'R.I.P. creative – On 1st December, Welcomm's creative is dead', and the other shows a skull with cross-bones underneath it on a red background saying 'Die if you don't have an idea'.

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relationships and loyalty beyond reason. To this end, Roberts advocates infusing brands with the fundamental Lovemark elements: Mystery, Sensuality, and Intimacy.

[23] One of the most frequently quoted examples during the interviews in this regard is company's 2005 campaign for Minute Maid, the fruit juice brand of Coca-Cola Co. After airing the television ad in which the popular television actors Ryowon and Daniel Henney kiss each other, Welcomm launched a campaign on Seoul underground trains in which pictures of the two actors' faces were put on each sides of train doors, so that they kiss each other every time the doors close. It was pointed out that this campaign is a case of marketing communication extended beyond the boundary of the traditional media of television, radio, newspapers and magazines.

To all intents and purposes, however, this move is a not-so-subtle copy of Saatchi and Saatchi's widely publicized transformation from an ad agency to an Ideas Company in 1997. Informed by the holistic approach of IMC, Saatchi and Saatchi defined advertising as a marketing activity confined to the traditional media of television, radio, newspaper and magazine whereas ideas do not have such a restriction. It is argued that the main difference between Ideas Company and advertising agency is that the former starts with ideas that determine the type of media to be used while, in the latter, the media determine and put limits on the type of ideas to be realized. In the same way as Saatchi and Saatchi 'deserted' advertising, Welcomm tries to move beyond the narrow definition of creative as merely an act of making advertising texts for traditional media. However, it does not necessarily discard the concept of creative as an act of presenting the advertising message in an interesting way. In this respect, Welcomm's claim of 'the death of creative' does not in effect amount to an abandonment of their forte but a readjustment of its application.

> Today, it's not enough to make a TV ad and done with it. TV advertising is not the last word in advertising but the beginning of a whole new process. When you make a TV ad, then you should explore all sorts of possibilities [that may be] derived from it. You can put posters on walls, dig the ground, and do whatever you can imagine [to promote the product]. This is the concept of *idea*. Welcomm is no longer an advertising firm but an ideas agency who provides ideas to raise product and brand values. (Lee Hwa-joon, 33-year-old copywriter at Welcomm)

There is, however, another aspect to Welcomm's shift in focus from creative to Idea. The ad firm has often been criticized for making 'great ads that don't sell'. Although Welcomm employees fiercely deny the claim, they nevertheless admit that they have often resorted to attention-grabbing shock tactics that sometimes lose their purpose and only serve their own ends. In this context, creative is reframed as attention-grabber or an act of employing shock tactics. In the consumer-centred approach of IMC, it is considered plain wrong, since that is essentially a manufacturer speaking without taking into account consumer insights. It might work in launching a new brand, it is argued, but is not quite effectual in the long-term maintenance of established ones. In this way, the new communication tool demands reconsideration of the company's approach to creative.

There is certain overzealousness and showiness about the Welcomm's re-branding exercise, as the ad firm is hardly alone in appropriating these practices. Practically all

the other ad firms have done it but in a much quieter fashion. What is more, it appears that it did not make much difference to Welcomm's business operation. Although they might be trying hard to develop various media platforms for advertising, television advertising still remains central to the company's business, mainly due to the fact that it generates the most revenue. In terms of creative, the company does appear to have adopted a different approach, but the general consensus is that Welcomm's creative has become toned-down, bland and less distinctive. However, they appear to see it as an improvement from the old attention-grabbing approach. All in all, it is apparent that Welcomm's implementation of the 'global' is as important a branding exercise as it is a pursuit of creative excellence. The ad firm appears determined to turn itself into a Saatchi and Saatchi and proudly trumpets its attempt at transformation even if results do not quite live up to expectations.

Impetus for Global Competitiveness

Welcomm has had a virtually monopoly on the title of the country's 'best' creative ad agency for more than a decade. However, its position has been challenged in recent years due to the emergence of a number of creative-oriented ad agencies, particularly that of TBWA Korea. Now, people at Welcomm freely admit that TBWA Korea is the most creative ad agency in business in South Korea. What is interesting here is, however, that they ascribe the success of the firm to their even more hardcore approach to foreign practices and no-holds-barred applications of them. It is said that Choi Chang-hee, the inaugural vice president and later CEO of TBWA Korea, keenly studied creative environments, organization and work procedures of foreign advertising agencies and faithfully reproduced them in transforming the agency from a mediocre in-house agency to a creative powerhouse. Having witnessed the remarkable rise of their rival, Welcomm employees feel that they are falling behind in adoption of 'best practices' and lacking in a creative environment.

> Welcomm is a pre-modern company compared to TBWA Korea. TBWA have implemented the very Western practice of the pair system from the outset, appoint young people at creative director posts and let them do whatever they want to do… At TBWA, It doesn't matter whether you come to work in the afternoon, spend all day at a coffee shop, or have a drink with your colleagues during working hours as long as there is no concern about your assignment. Here at Welcomm, you should come to work every morning by 8:30 and stay at your desk all day. At TBWA Korea, all you need to think about is creative, but there are too many things to worry about at this

company. (Kang Jae-joon, 36- year-old creative director at Welcomm)

A few weeks after the interview, Welcomm reshuffled the organization and introduced the pair system. The rationale for the reorganization is, needless to say, improvement of creative performance. However, it has another particular goal in mind, of achieving good results at Cannes.24 It is a case that shows the ad firm's increasing integration into the global advertising community. Cannes Lions is commonly considered as 'the' global standard in creative advertising. Although Welcomm had previously won a prize at Cannes, they have never taken it very seriously. First of all, the company believed that they did not stand a good chance of winning due to the different criteria applied at the festival. Further, it was deemed not very necessary since they had always been able to maintain good business and a good creative reputation without winning a lot of awards at Cannes. In other words, they were just content with being the best in South Korea. However, joining forces with Publicis quickly changed their outlook. Cannes is no longer a remote possibility but has become a close reality. As their connections with foreign ad firms have intensified, the ad firm's interest in Cannes Lions has become serious.

> Park Woo-deok used to say, 'Forget about Cannes. That's none of our business'! […]
> After we became part of Publicis, he has met a lot of foreign advertising people and
> they showed him a lot of their creative works. I think it hurt his pride and made him
> jealous because theirs are clearly better than ours. […] These days he has changed
> his mind and started to take Cannes quite seriously. He said the purpose of the
> introduction [of the pair system] is to see completely different creative works from
> what we have produced so far. (Lee Hwa-joon, 33-year-old copywriter at Welcomm)

Before the reorganization, the company was organized in four headquarters controlled by four different vice presidents. The headquarters functioned simultaneously as teams and separate companies. They shared the supporting functions of media buying, research, finance and administration but ran creative and account services independently of each other. The new system brought all these headquarters together and divided them into nine pairs except for the Publicis-controlled fourth headquarters. The system is said to benchmark Saatchi & Saatchi, a British ad agency in the Publicis network. Upon its implementation, Park Woo-deok gave a speech in which he claimed the new system was

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[24] Welcomm won a silver prize in the Film Lions category in 1998 for their advertising campaign for Daewoo Motor Company's *Leganza* brand. However, no South Korean entry so far has won Grand Prix at the festival.

a 'happy marriage between a copywriter and an art director'. It shows that they had studied the practice thoroughly, even down to its rhetoric (see Nixon, 2003: 119-126). In true Welcomm fashion, the company also gave employees full instructions on how the system works rather than just imposing the practice upon them.

> We watched an educational video the other day about a pair of creatives' creating a campaign for a Brazilian alcoholic beverage brand. I found the surroundings quite similar to ours. There is a creative pair in the office which has a small round table at the centre. Occasionally an account executive visits office to hand them a brief. Other than that the pair is left alone pretty much all day and they do whatever they want to do without any disturbance. (Im Dae-joon, 40- year-old creative director at Welcomm)

Welcomm identified that the key to successful implementation of the pair system was giving creatives more room for autonomy. For this purpose, they specifically focused upon cutting down on external influences, breaking down the hierarchy and simplifying work procedures. In the previous headquarters system, it is said that vice presidents and account executives exerted strong influence on the creative process as team members. What is more, the hierarchical multi-step approval process resulted in predictable and watered-down creative outputs. After the reorganization, creatives are separated from account executives, and vice presidents are reduced to brand managers who are no longer in command of creatives. The company also flattened the hierarchy to create a more egalitarian work culture by abolishing middle management positions such as department manager, deputy manager, and assistant manager. Compared to Cheil's application of the system, it shows the company's resoluteness in applying the practice. Welcomm specifically expected the pair system to provide an increased chance of survival of young creatives' fresh raw ideas to the stage of the final review overseen by Park Woo-deok.

While Welcomm's application of the pair system is, overall, 'meticulous', it has not been without some adjustments and alterations. To begin with, it is not exactly a pair system, as each pair is made up of three rather than two creatives. Two art directors are allocated to one pair [sic] with a copywriter. As we have seen in the case of Diamond Ad, it indicates art directors' handling of a lot of manual work. Secondly, there is no creative director in Welcomm's pair system. As discussed earlier, creative directors are central to all the creative operations in the pair system. Perhaps just because of its importance the company abolished the position, as they considered that creative

directors at the firm were not up to the job. As in the case of Cheil, it is said that most creative directors played the role of hardly more than a senior staff. Welcomm's solution to this problem is that Park Woo-deok assumes the role of the company's sole creative director. In this way, it is said that it serves the purpose perfectly well as it ensures a strong protection of creative pairs and a much simpler approval process.

Messiness of Mediation

One of the most remarkable things about Welcomm is the company's strong sense of unity. Despite management's relentless drive for reform, it is rare to hear a dissenting voice from employees. There is a sense of idealism and comradeship running through the firm. There is a feeling that the company is more than just a business enterprise but some sort of resistance organization fighting for a noble cause. Employees appear to have genuine respect for the management, perhaps because Park Woo-deok and other key members of the Welcomm management are advertising people themselves and have built the company's success under extremely demanding conditions. However, not everyone is happy with the way company is run. It seems that discontent comes from two different sources: one is the unsettling effects of frequent and sometimes 'radical' reform; and the other is the undermining effects of conventions on new practices. In a nutshell, however, both represent the same thing from different angles. It is the question of whether one is in favour of the old or the new. As if to support the argument that the pair system is the most controversial practice of recent years, criticisms regarding the company's management are directed mostly at its implementation. For those who are unsettled by the 'radicalism' of the practice, the pair system represents a brutal demolition of the familiar life-world of employees. From this point of view, warm comradeship is replaced by dog-eat-dog competition and the stable old order by total chaos. These effects are bad enough to put them off and lead them to condemn the current state of affairs at the company.

> I'm not sure if we could make the new system work. Diamond Ad tried it and failed because it didn't suit the South Korean environment. The pair system sounds good in theory but in reality it has a lot of problems… [The management] say they will introduce internal competition. I hate the idea that the pair next door becomes my biggest enemy… and [the management] abolished all the job titles and hierarchies. What am I supposed to call my boss then? By his name? That's bloody inappropriate. (Hwang Ah-jin, 29-year-old copywriter at Welcomm)

The radicalism of the pair system lies in its effect of producing subjects as competing individuals. Hwang Ah-jin's main concern about the system is also that it would undermine the sense of togetherness at the firm. She cherishes the feeling of fulfilment in collaboration and human bond develops from it. For her, it would be a big loss. She criticizes the management of not seeing this aspect of work. For this reason, she believes it would not meet the purpose as Welcomm employees are accustomed to working together. The pair system requires a particular habitus and people at the ad firm do not have that.

Closely related to this point is that the persistence of old habits and ways of doing things. They do not easily die out but survive in one form or another and mediate the functioning and outcome of the new system. In particular, it appears that hierarchy continues to make a great impact on the creative process. Even though the company officially removed it, hierarchy is still going strong and makes its presence felt at the informal level. In fact, it is difficult to imagine such a long-established tradition and behaviour patterns disappearing at the drop of a hat. For example, it is said that vice-presidents' interference in the creative process keeps occurring, only now it is in the form of personal advice. However, the nature of the relationship dictates that creatives cannot take what they say just as advice, but practically as an order. In this way, external influences infiltrate under the radar and it is difficult for the new system to produce its expected outcome. It frustrates creatives who expected increased creative autonomy from the implementation of the new system.

> In foreign firms, pairs are given both power and responsibility. The same applies here, only on paper. The vice-president comes to the office all the time and looks at what pairs are doing and says, 'No, you can't do that. Try this way'. The pair then say 'Yes, sir' and do it as they are told. The vice-president then goes to the CEO and says, 'They are doing this in this way and its rationale is blah-blah'. What you get in the end is that nobody is held responsible for anything. You have no power hence no responsibility. It's exactly the same thing as the division of duties that we have had for years in the old headquarters system. Nothing has changed. (Kang Tae-joon, 39-year-old producer at Welcomm)

Even though Welcomm has enthusiastically tried and adopted all sorts of brand new practices and techniques with a view to rubbing shoulders with elite firms on a global stage, there still persists deep-rooted scepticism among employees about whether the company will reach its goal. For example, one employee rates Welcomm's chances

of becoming a BBH or a Wieden+Kennedy less than one per cent, and another sees its prospects of winning at Cannes Lions as 'extremely difficult'. What they perceive here is a vicious circle: they do not know how to create a Cannes-worthy material since they have not done it. Therefore a paradox arises: that they could win a Cannes Lions only after they win one. They feel they need to somehow develop a 'feel for the game' but have no idea where they can get it. What they have found out is that all those 'best practices' and techniques are not enough to reach their goal. From this, they draw the conclusion, not dissimilar to that of Diamond Ad people, that what matters is not this or that practice but the more fundamental problem of culture. They point at the 'closed, hierarchical and collectivist' culture of South Korea in contrast to the 'open, egalitarian and individualistic' Western culture that spawned the practices they have adopted. To make these practices workable, they argue, they need a radical transformation of South Korean culture into something akin to 'Western culture'. In short, what they are saying is, 'That is impossible in South Korea'.

Chapter 6 Globalization and Localization of the Local

In this chapter, I introduce another actor to the category of clients. The importance of clients in advertising cannot be exaggerated. After all, they are the ones who pay for the service and who the service is made for. In this respect, Michael Schudson (1984) suggests that the aim of advertising from the agency's point of view is to persuade the client rather than the consumers. Likewise, one of my interviewees puts it, 'Who needs consumers when you have clients?' In this respect, it is impossible to provide a 'realistic' account of the workings of the advertising industry without taking clients into consideration. However, their introduction makes network dynamics much more complex. The complexity comes mainly from their peculiar position of being very powerful yet exogenous. For most clients, advertising is not their specialty. They do not normally follow the latest development in advertising with much interest. However, they have enough power to control the business at will. The implication of this is that they make a huge impact on the way globalization is practiced in the industry. They can thwart, suppress, and re-route the way the ad agencies practice their versions of globalization, as well as enforcing their own versions of it upon them.

First of all, however, there is a specific point to be made before discussing their impact on globalization practices in South Korean advertising. Corporate clients are not a singlular entity. They are a diverse group and constituted of a variety of elements. For example, one corporate client comprises a number of individuals with varying degrees of discretion and involvement in the business. There are those who deal with the ad agencies on a face-to-face basis; and there are those who make decisions without making any frequent contact with them. This multiplicity of clients and their positional differences often produces confusion and contradictory prescriptions for action for the ad agencies. Secondly, there is diversity in corporate clients. As noted previously, in South Korea, major clients are predominantly *chaebol*, the paragons of the 'old economy'. However, there are other types of clients such as foreign multinationals and newly emerged businesses – ICT (Information Communication Technology) or knowledge-based businesses – who represent the 'new economy'. Alledgedly, these new and, as some call them, 'smart' clients behave very differently from *chaebol* companies in their conduct of advertising campaigns. They are considered 'reasonable' in dealing with ad agencies and keen on adventurous and creative-oriented advertising.

In this chapter, however, I start with the *gab-ul* relationship, the commonly used term in the industry, which posits the client-agency relationship explicitly as a master-servant relationship. It provides a widely accepted premise to the client-agency relationship which determines the way in which one party treats the other. The *gab-ul* relationship is considered quintessentially local and 'pre-modern' in contrast to the equal partnership which represents 'global' and 'modern'. It also provides a context in which performances of globalization are situated as a focal point of contention between practices of the local and the global. Upon this premise, I follow the process of ad production and examine the ways in which agencies and clients interact and play out their respective positions in the process. At this point, it is the agencies who appear as keen performers of globalization whereas the clients appear as stubborn advocates of the local. However, the tables are turned when the clients introduce their own choice of globalization practices into the network. With this move, the network becomes a battleground of contesting versions of globalization. While different versions between ad agencies could co-exist peacefully side by side, those between clients and agencies produce routine clashes and conflicts. Here, I examine the ways in which this battle is played out; and the ways in which each party's globalization is actualized in practice.

The next topic I discuss here is fluctuations in the *gab-ul* relationship. While it remains the de facto client-agency relationship in the industry, there have been some changes in the dynamics of this relationship over the years with the entry of new actors into the network. Firstly, there appeared 'smart' clients following the Asian financial crisis, these constituted knowledge-based businesses and foreign corporations. More than anything else, they are praised for performing 'professional' relationships with ad agencies. For the South Korean advertising industry in general and creatives in particular, this marks important progress in the client-agency relationship. The next actors that entered the network are new local in-house agencies who brought back 'old ills' such as nepotism and the tyranny of clients to the industry. If 'smart' clients represented the 'global' in the sense of the modern and progress, new local in-house agencies represent the end of the globalization craze and the return of the old ways. In this way, changes in the practice of the client-agency relationship depend on the composition of actors in the network and the discourses these actors embody. Therefore it is necessary here to explore the ways in which connections between different actors create different relationship dynamics; and the ways in which different client-agency relationships produce different globalization practices.

6.1. Client-Agency Relationship

Perception of Inequality

Although there are exceptions – such as the Japanese ad agency Dentsu, who are said to be as powerful as their clients thanks to their virtual monopoly of advertising time on Japanese commercial television25 – ad agencies in general are thought to be in an inferior power position to their clients, albeit in varying degrees. In South Korea, the de facto relationship between client and agency is known as the *gab-ul* relationship. The term is an industry jargon which formally denotes the contractual relationship between two parties – *gab* means the purchaser and *ul* the service provider. In common use, however, it signifies a kind of master-servant relationship in which *gab* wields almost absolute power over ul. As the origin of the term implies, the relationship is not restricted to the client-agency relationship in advertising but common in any business relationship based on contract. For example, clients assume the *gab* position and the advertising agency the *ul* in the client-agency relationship, but ad firms become *gab* against production companies' *ul* in subcontractual relationships in ad production. One of the prominent features of this relationship is *gab*'s routine abuse of power and ul's inability to confront them.

> In Western countries, production companies receive 20-25 per cent of the production cost as a markup. In South Korea, there's no markup. If you put markup on the bill, [ad firms] say, 'Are you out of your mind? You don't want to do business with us anymore?' How on earth could you survive without markup? So production companies have no choice but to inflate the bill. Markup is zero anyway, so you increase costs of other items. Ad firms then complain that the bill is not transparent. In the end, they give their price and say, 'take it or get out'. Can you honestly expect production quality in these conditions? (Kang Tae-joon, 39-year-old producer at Welcomm)

It is often claimed that the relationship is a legacy of the South Korean tradition of in-house advertising. Historically, most large in-house agencies originate from the

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25 It is common practice in Japan that agencies secure media time/space independently of client demand. Dentsu, who is reported to buy up to 20 per cent of the media time of Japanese commercial television stations, accounts for nearly 40 per cent of their revenue. Dentsu owns stakes in major stations such as TBS and Fuji TV, and is deeply involved in their management. Thanks to the company's influence on the media, it is said that clients often have no choice but to hire the agency for their advertising campaigns (*Shisa Journal*, Nov. 24, 2004; Shin, In-seop, 2000: 24-25).

advertising departments of *chaebol* companies. Long after their separation from the parent companies, the initial internal hierarchy still remains. The relationship formed in this way is characterized by informality, the lack of a sense of division between client and agency, and the agency's absolute dependence on its parent company. This is a relationship where nepotism does the business and competitiveness takes a back seat. As we have seen in the case of Diamond Ad in the previous chapter, even one of the largest ad firms struggled to survive when the in-house client pulled the plug on it. To mock this 'excessive' power of clients, advertising practitioners often call them joo-nim. The word is pun on joo-nim or Lord Jesus Christ derived from its partial phonetic likeness to kwang-ko joo-nim or the client. There are two things implied in this expression. One is clients' 'God-like' almighty power to control advertising agencies, and the other is their 'God-like' status with which they can get away with literally everything in the advertising business.

There are a number of peculiar ways in which actors, particularly clients, perform the *gab-ul* relationship in advertising. Firstly, it is said that clients often leave the business of advertising entirely in the agency's hands, and do not bother to take any part in the process. According to my interviewees, a lot of clients do not produce an advertising brief and not attend PPMs (pre-production meetings). However, that does not mean they are trusting the agencies completely, or that they are not concerned about results. What it indicates is that they exibit their power to agencies by not following their requests and interferring with the process as and when they please. In this way, clients are sending a message to the agency that they must deliver the goods without bothering them. It is the agency's responsibility to find out what the client wants and to create a campaign according to their (unspoken) wishes.

However, there appears another aspect to the clients' performance of this calculated indifference. Apart from playing a power game with the agency, they are anxious not to reveal their lack of knowledge of advertising to their supposed inferiors. This is clear in the case of Samsung Electronics' global advertising. As discussed in the previous chapter, the company uses Cheil as the middleman in its global advertising campaigns. While there is undoubtedly an intention to provide Cheil with some experience of global advertising, another purpose of hiring Cheil is to use the ad firm as a buffer between foreign agencies and themselves. It is said that foreign agencies tend to demand more client involvement and contributions, which Samsung Electronics is neither familiar nor comfortable with. In this respect, it is easier for them to face Cheil rather than foreign ad firms. With Cheil, they can continue to practice the *gab-ul*

relationship whereas they cannot do this with foreign agencies. It re-affirms the relationship's local characteristic, as it does not work abroad.

> [Samsung Electronics] want to handle the ad agency exactly in the same way they do in South Korea. Cheil take care of everything from A to Z without asking a single question. But foreign agencies are different. They ask you to produce ad briefs, provide production funds, […] and they take very long time to finish an assignment. They spend 1-2 months on making a leaflet when we do it in two days. (Hwang Ho-joon, 44-year-old account executive at Cheil)

In addition to calculated indifference, another attribute that characterizes clients' performance of the *gab-ul* relationship is arbitrariness. It is a common complaint of interviewees that South Korean clients change their minds too often, apparently showing no concern for the agencies' having wasted their time and effort. It is said that a typical ad production process involves the client's snap decision, frequent changes of plan and rushed execution. It makes ad production unpredictable and prone to changes in circumstance. What is involved here is their lack of a clearly laid-out plan which is often mentioned as more evidence of South Korean clients' not keeping up with global standards. Everyone involved at the client company has a different and uncoordinated say regarding the campaign, which makes the process even more chaotic. Some clients are said to even abruptly abandon projects altogether for reasons unknown to the agency. Most of the time, however, clients' arbitrariness is not a power strategy but their taking advantage of the unequal relationship to divert their problems to ad agencies.

> Recently we made a television ad for Ann [the telephone brand of KT] with Ko Hyun-jung.[26] We finished the final production and were waiting for the client's approval before it got aired. But they rejected it for no apparent reason. They were saying that we had to take her clothes off… but I've never heard anything like that before the production. […] They said, 'That's your mistake. So take care of [the cost] yourself'. Eventually the case was settled and the ad is on TV now. But we still don't know what the real reason for the rejection was. (Seo Woo-jin, 34-year-old producer at Welcomm)

In practice, the *gab-ul* relationship is played out by individuals on a face-to-face

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[26] Ko Hyun-jung is a popular South Korean television actress and ex-wife of Chung Yong-jin, the nephew of Samsung chairman Lee Kun-hee. She was rated as one of the most highly paid actresses in South Korea in 2005.

basis at the working level. It is normally junior managers at the client company who perform this relationship on a daily basis. Although they have virtually no discretion in business, that does not stop them from playing the boss as they are the only contact points for ad agencies with client firms until the final days of the project. However, due to their lack of discretion combined with the lack of a formally laid-out plan, creative contents that are made on the basis of their requests are frequently overturned at the later stages by their superiors. Another peculiar practice often performed at this level is clients' handing on their duties to agency staff. For example, it is not uncommon that account executives write up the client company's marketing reports instead of their counterparts at client companies free of charge. In this way, the *gab-ul* relationship is reproduced through individual actors' performance in everyday business transactions.

Struggle for Recognition

It is no wonder that advertising practitioners are keen to abolish the *gab-ul* relationship. However, their choice of action is to raise the value of their stake against clients by way of professionalization. In his studies of the British advertising industry, Sean Nixon shows a series of aborted post-war attempts at the professionalization of advertising (2000; 2003: 65-72). He argues that the failure of these attempts is a consequence of the commercial success of the advertising industry in subsequent years. The language of professionalism is always about raising the standing of the occupation. However, because commercial success brought to the UK advertising industry the respect and elevation of status it hankered for, the institutionalization of professionalism has become unnecessary in the UK. It is an interesting contrast to the development of the South Korean advertising industry. Despite the astonishing commercial success in recent decades (see Chapter 3), South Korean advertising practitioners still show strong support for professionalization. In my interview, they were almost unanimous in the opinion that the job of advertising is a profession and needs to be institutionalized as such. Interviewees suggest things like state examinations, formal qualifications, and higher education to be implemented, as in the case of the legal and medical professions. However, it is not difficult to see that it is more a call for respect than genuine advocacy of the institutionalization of professionalism itself. In fact, professionalization was rarely mentioned without reference to the *gab-ul* relationship and equal partnership.

> Foreign clients recognize ad agencies as marketing communications specialists and respectable business partners. However, South Korean clients think, 'I'm *gab* and you're *ul*, I do the talk and you do the work' […] They aren't going to listen to your

suggestions. You try to persuade them over and over again and they finish off the conversation by saying, 'Whatever you say, I'm going to have it done my way'. (Kim Yu-jin, 40-year-old executive director of Diamond Ad)

As the above quote shows, the issue entails a difference in the client-agency relationship between Western countries and South Korea; and in South Korean advertising practitioners' aspiration for Western practice. The key theme here is recognition of expertise. Advertising practitioners claim that South Korean clients disregard the business because they do not consider advertising as a specialist field and agencies as experts. They argue that clients see it as an easy job that anyone can do, and that is why they keep interfering with the process and force their 'uneducated opinions' upon the agencies. From their point of view, recognition of expertise involves overcoming the *gab-ul* relationship – establishment of boundary or strict division of labour between client and agency, and formalization of business transactions that would regulate the client's abuse of power. As Kim Yu-jin's comment above suggests, most advertising practitioners ascribe this lack of recognition to the backwardness of South Korean clients, and compare them to foreign clients imagined to respect agencies' expertise and treat them as equals. It is difficult to agree them that client-agency relationship in foreign countries is equal partnership. However, the point here is that South Korean advertising practitioners imagine that as such and produce various discourses and practices to readjust power balance between them. For example, Cheil often organizes junkets to international advertising festivals for clients in order to 'enlighten' them and make them accept the claim of advertising as expertise. This strategy is based on South Korean people's common perception of the superiority of Western culture and practice. By letting clients see and experience 'world class' advertising, the practice attempts to reframe clients' conception of advertising. However, it might not necessarily affect their divided perception of South Korean and foreign advertising.

Copywriting is all about [Korean] language. The problem is that everyone speaks fluent [Korean]. Clients don't consider it as a special skill. I take great pains for days to put all the strategic and conceptual designs into a simple line of copy. But the client changes the whole thing offhand without asking why I wrote it in the first place… I hate to see him ruin my effort but… what can I do? He's my *joo-nim* after all. (Park Sung-joon, 34-year-old copywriter at Cheil)

As the UK experience shows, recognition of advertising's expertise happens not

by professionalization but as a consequence of the industry's commercial success, the common currency in the world of commerce. The main difference between British and South Korean advertising industries is that, however, the former has developed independently whereas the latter has not. In Britain, independence is considered as an important quality of the agencies as is evidenced in the criteria for membership of the trade body the IPA (The Institute of Practitioners in Advertising). The IPA specifies that, to be accepted as a member, an agency must demonstrate 'independence of both individual clients and media' (http://www.ipa.co.uk/membership/ membership.cfm). In comparison, KAAA (Korea Association of Advertising Agencies), IPA's South Korean equivalent, has no such criterion (http://kaaa.co.kr/sub1_5.asp). If they did, KAAA would have had very few major agencies as its members. It could be argued in this respect that the British advertising industry has been able to claim respect for their commercial success because it is their own achievement. However, the success of the South Korean advertising industry has been almost entirely dependent on the nepotistic support of parent companies. Therefore, it is difficult for South Korean agencies to garner respect on the basis of commercial success. It is not surprising therefore why agencies' claims about expertise constantly fall on deaf ears. What is more, it is often the case that *chaebol* subsidiaries have to hire in-house agencies against their wishes. It makes it even more difficult for clients to approach the agencies with any respect.

> When I was at LG Ad, I did a few campaigns for LG Electronics. LG Electronics were not at all happy about it because it was not their choice to work with us. They made our lives very difficult from the outset. They made a lot of complaints and never tried to listen to us. It was one of the most difficult times of my career. (Kwon Hee-jin, 34-year-old campaign coordinator at Welcomm)

Although the dependency of in-house agencies might account for clients' lack of respect for their expertise, independent agencies are not enjoying much respect for theirs either. At first glance, independent agencies appear to fare a little better in this regard. In particular, clients tend to give credit to companies like Welcomm, which has built a successful ad firm around its distinctive strength in creative advertising without the support of a parent company. For a start, clients' choice of Welcomm is more often than not based purely on the ad firm's merits. They expect different services from the ad firm and therefore are prepared to follow its initiatives. In this way, Welcomm, and other creative-oriented independent agencies for that matter, has a better chance of forming an equal partnership with clients. However, it is claimed that this often proves to be a limited prospect, since clients enter the relationship with the assumptions and

expections of the *gab-ul* relationship. It is usually the case that clients' initial respect for the ad firm's expertise quickly subsides, and their inclination towards the *gab-ul* returns as the relationship continues.

> Clients come to Welcomm because they need a better creative service. Therefore they treat us as communications specialists and at least try to listen to us. […] But they usually go back to their old ways within 1-2 years. They start to do the talk and refuse to listen. In some cases, our president comes in and says, 'Tell them we quit!'
> (Kang Sun-joon, 35-year-old copywriter at Welcomm)

Struggle for recognition is the focal point in the advertising industry's struggle to overturn the *gab-ul* relationship and to establish an equal partnership between client and agency. The struggle has a myriad of practical implications, including independence of the agency, establishment of division of labour, quality-oriented business operation and free implementation of 'advanced' foreign practices. As Kim Yu-jin's earlier comment suggests, however, the idea of equal partnership has been informed by either the advertising agencies' encounter with the 'global', or their precious few experiences of working with foreign clients. The experience provides them with a sense of professional partnership which they rarely had the chance to practice with South Korean clients. While their views on the client-agency relationship have gone through significant changes in this way, agencies still have to play by the rules of the *gab-ul* relationship in their daily business most of the time, as foreign clients are few and far between and big money clients remain predominantly South Korean companies. In this respect, professionalization and equal partnership are another way of agencies' playing the global which is positioned in opposition to the *gab-ul* relationship, the clients' local.

The Process of Ad Production in the *Gab-ul* Relationship

The process of ad production is a series of ongoing struggles and negotiations between client and agency. Specifically, it is a contest between what the client wants to say and what the agency thinks consumers want to hear. The struggle of this kind is in no way unique to South Korean advertising (see Miller for a Trinidadian case, 1997: 182-194; Moeran for a Japanese case, 1996a: 140-152). In the *gab-ul* relationship, however, as noted earlier, clients have a strong impact on ad production and the quality of output by selectively performing calculated indifference and arbitrariness. In the face of this, agencies constantly negotiate between the business imperative of complying with the demands of the *gab-ul* relationship and their own inclinations towards 'proper'

business practices. The final product emerges as an outcome of these struggles and negotiations.

The process of ad production typically starts with a client's handing an ad brief to agency. The purpose of the ad brief is for the client to inform the agency about the product to be advertised, the messages to be deliverd and other necessary information to be referred to in creating an advert. However, as already stated, it is common practice in South Korea that clients do not produce a written ad brief but give a verbal briefing to account executives. It is tacitly assumed that it is the account executives's duty to write up an ad brief in the client's place. So the account executive works out an ad brief on the basis of what he/she was told by client in order to complete the next step in the process. The problem is, however, that it often leaves the ad agency in a vulnerable position when a dispute breaks out at a later stage, as there is no evidence what the client told the account executive. The flipside of it is that it makes it easier for clients to change their minds or overrule previous agreements.

The ad brief is then translated into the creative brief. The creative brief is a strategic and creative guideline normally drawn up by account planners, based on the information in the ad brief and market research findings. The creative brief is then translated once more into the creative plan. The creative plan is what the agency shows to the client to decide whether they will buy the service or not. Due to this paramount importance, agencies have developed a peculiar practice of producing multiple plans in order to reduce risks and increase their chances. Here, common practice is to present three different plans, but there could be more, depending on the client. The problem in this practice is that, however, it goes directly against the industry's demand for recognition of its expertise. In sum, it is an endorsement of clients' 'uneducated' judgment over their 'professional' one. For this reason, the practice has been the subject of heavy criticism in some quarters. Welcomm, one of the most vocal advocates of 'global' practices in the industry, for example, proudly refused to adopt the practice in the early days. Their claim is 'There is only one best plan'. However, they have long stopped practicing this philosophy, since it became increasingly damaging to their business. Now, they compromise, trying their best to persuade clients to choose the best of the options.

> Recently we came up with a good idea for our new campaign. We really liked it but were fairly certain that the client wouldn't buy it. So we prepared a few more plans to prevent the loss. In this case, we always include one plan that is made with client's

taste in mind. And you know what? They never fail to pick that one. […] We are preparing for the second trial at the moment. We are trying hard to make our preferred plan more attractive so that the client chooses it but the chance of their buying it is still quite slim. (Lee Hwa-joon, 33-year-old copywriter at Welcomm)

After the client has bought the plan, the draft goes through further development for final production. It is at this stage that the struggles between client and agency, specifically creatives, become intense. On the one hand, there is a person in charge at the client company who is typically a lower-middle-standing management staff with virtually no discretion to make decisions. On the other hand, there are creatives who actually produce the product but communicate with clients only through account executives. These are conditions that make it very difficult for negotiation to take place. One of the most common contentions at this point is between the client's demand for value-for-money and creatives' priority of the efficacy of communication. Here, clients typically demand that the agency insert as many messages as possible into the ad, while creatives try hard to keep the message short and simple. Also, clients prefer matter-of-fact descriptions of the product, whereas creatives like to associate abstract values to it. It might sound like a typical case of culture clash in advertising which has nothing uniquely South Korean about it. However, South Korean advertising practitioners consider it is specifically a South Korean problem inflicted by clients who have no knowledge of the way advertising works. In this respect, it constitutes yet another example of the backwardness of South Korean advertising.

South Korean clients are not very knowledgeable about advertising. They think they can say everything they want in an ad and people will listen to it. [But] advertising doesn't work that way. You need to focus on one thing and try to give it maximum impact. But they want it all and won't give up anything. 'Our new car is fast, safe, beautiful, efficient, and employing the most cutting-edge technology...' That way they are just wasting money. (Choi Young-jin, 29-year-old account executive at Diamond Ad)

When plan is fully developed, it goes through the client's formal approval before final production. Due to client companies' strong hierarchy and lack of coordination, however, the procedure is typically very protracted, with much toing-and-froing. On the one hand, the agency has to receive approvals from every rung of the corporate ladder, from the bottom to the top. On the other, however, they receive different and often contradictory feedback at each step of the way, which invariably leads to constant

reworking and re-reworking of the plan until it meets with approval at the very top. As it is the president or top executive that normally has full powers in this matter, it would have been much more efficient if he/she were to see the plan and give a verdict right at the beginning. However, the corporate hierarchy ritual dictates that he/she comes last, after everything is prepared. In these circumstances, persons in charge develop a vested interest in giving their inputs to the process not only because they need to show their superiority over the agency, but also because they needs to give their superiors evidence that they have done the job. It is said that client feedback at this stage is mostly about details and trifles, such as background colour, font size and the location of the headline. It shows that they have a compelling need to leave their mark but have no intention of wrecking the project altogether. However, it is argued that creative contents are watered down and (locally) standardized in this process.

> When I was doing Coca-Cola campaigns at McCann-Erickson [Korea], approval was a simple procedure. Everyone involved in the campaign came together, discussed things and made decisions. However, South Korean companies are so hierarchical that they don't come together in the same place. Therefore a typical approval procedure goes like this – the junior manager looks at the plan and says, 'Rework this and this and that', the senior manager, 'Rework this and this and that', the department chief, 'Rework this and this and that', the executive manager, 'Rework this and this and that' and finally the president looks at it and says, 'What the hell is this? Do it all over again'. Creative ideas cannot survive in this environment. (Hwang Ho-joon, 44-year-old account executive at Cheil)

The final stage of the process is production of the ad. This is the step where the plan is transformed into an actual advert. The process is usually outsourced to production companies, photographic studios, recording studios and so forth but overseen by the agency. After the long development and approval processes, however, it is normally the case that there is very little time left for production. It is said that the normal production period for a television ad is one month and for a print ad a few days. Advertising practitioners ascribe this tight schedule to the short-sighted and slapdash management of South Korean big businesses. In these circumstances, production companies put aside production quality and concentrate on meeting the deadline, as it is difficult for them to experiment with different approaches and techniques on such a tight timetable. Regardless of the size of the project budget, it reduces the operation essentially to a quick job or a mechanical application of the same formula. It is a great source of discontent and frustration for creatives. They think they are far behind foreign

advertising in terms of creative quality. However, when they came up with something approaching the standards of foreign advertising, they are let down by production quality which fails to realize the uniqueness of the idea.

> In foreign countries, ad firms are given 6-8 months and sometimes a year to complete a project. [But South Korean clients] do not even think about the new campaign until they are pressed to do so. Typically, preparation for the new campaign starts only a couple of months before the end of the current one. After a month of plan developing, we have less than a month to finish the entire production from shooting to preview. In these conditions, it is simply impossible to beat [foreign ads]. We could win Cannes. We could make an Adidas ad, only if we were given as much time. (Im Dae-joon, 40- year-old creative director at Welcomm)

The process of ad production is the locus where all the conflicts and struggles surrounding the global and local in the South Korean advertising industry are contained and condensed. It involves power relationships within client firms, within ad firms and between clients and ad firms at the corporate level and at the individual level. Perhaps wit the exception of the power relationships within client firms, the main discursive premise that governs these relationships is the *gab-ul* relationship that gives the primacy to the 'local' which clients appear to represent. In this particular configuration, the local embodied in the *gab-ul* relationship exerts substantial power to stop the 'global' from being performed in the business. The exertion of the power of the 'local' via the *gab-ul* relationship operates at four different levels: between the client firm and the ad firm; between client firm employees and ad firm employees; between the ad firm management and ad firm employees; and between account executives and creatives. However, the power of the 'local' is not restricted to its explicit exercise. It also pervades organizational and business practices in the form of norms and conventions that are constantly iterated in everyday business activities and corporate lives. As ad firms and advertising practitioners are increasingly drawn into discourses and practices of the global advertising community, however, the local becomes problematic, and questions arise at every possible juncture of the process of ad production. In this context, ad firms' and advertising practitioners' intercourse with the global becomes increasingly politicized and gains ever stronger power-political implications.

6.2. Competition and Partnership

Introducing Competitive Presentation

South Korean businesses' self-conscious adoption of 'advanced' advertising practices started in the early 1990s when globalization emerged as a new buzzword and global standards the way forward for any business in the trumpeted new era. In this context, adoption of 'advanced' advertising practices came packaged in the broad co-option of global business standards. Although there were some notable imports such as practices of marketing and branding, arguably the most important practice introduced at the time was pitching. Pitching denotes the business practice in which the client chooses its advertising agency on the basis of their performance at a speculative presentation. It represents a radical break with the past as it marks a shift in business practice from internal trade to open competition. In this respect, pitching had a potential to put an end to the *gab-ul* relationship and fundamentally transform the client-agency relationship. Since its introduction, the practice has been called by various names among practitioners, including the bidding system, competitive presentation or simply PT[27] of which the most popular term is PT or competitive PT. In practice, the client typically invites 3 to 5 ad agencies to a pitching. Upon the agencies' acceptance of the invitation, the client gives them the assignment and an instruction. Agencies are normally given three weeks to prepare for it. On the day of the speculative presentation, agencies compete with each other in front of the judges made up of people concerned with the client company. A speculative presentation could be performed as many as three times.

The introduction of pitching indeed had the significant effect of weakening the in-house agencies' stranglehold. The practice started in 1994 when Samsung Electronics organized a speculative presentation for their forthcoming refrigerator advertising campaign (Kim Heung-ki, 1997: 37). Welcomm was the winner of the competition, beating the Samsung in-house agency Cheil in the process. Major companies including LG Chem, CJ, and Dongyang Brewery soon followed suit and pitching quickly became an established practice and caused a fracture in the existing order, previously characterized by the virtual absence of competition (Kim Sang-hoon, 2003: 19). For more than a decade, in-house agencies had taken for granted that they would handle the advertising campaigns of their parent companies. However, the introduction of pitching forced them to accept competition not only with independent agencies but also with

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[27] For some reason, the term PT is used as an abbreviation of PresenTation.

each other. Even at the very early stage of its implementation, LG Chem handed some of their assignments to Oricom, the in-house agency of Doosan Group, instead of their own LG Ad. Dongyang Brewery of Doosan Group, on the other hand, shifted an assignment for their beer brand Nex from Oricom to Diamond Ad (Kim Heung-ki, ibid). The purported purpose of this move was to find more competitive advertising and marketing services, as in-house agencies are often criticized as complacent and stale.

> In-house agencies are fully accustomed to having it easy. They are not hungry and have no motivation to try hard. […] They are all too happy to follow clients' every word and do whatever they are told to do. [But] you won't be able to produce anything good by doing that. You cannot make your products perform well in the market by following orders. When a campaign fails, it's your fault. You cannot come up and say, 'We only followed your orders'. (Jung Seo-joon, 38- year-old copywriter at Welcomm)

However, there is a dilemma that most big-money clients have their own in-house agencies. For them, practicing pitching often means inflicting losses upon their own businesses. Perhaps for this reason, the popularity of the practice has never grown into full-blown open competition. Instead, it has been used for different purposes. Firstly, pitching has been employed to strengthen the competitiveness of in-house agencies; and secondly, it has been adopted to improve the image of the company. In this context, the original purpose of getting the best service is often relegated to the back seat. Although it is no longer the case that in-house agencies are guaranteed to handle the entire Group assignments, they are nevertheless backed by in-house clients at least 50 per cent of their revenues. With the advent of pitching, however, clients changed the way in which they support in-house agencies. Concerned with criticisms regarding the competitiveness of in-house agencies, clients started to make them go through pitching and win the competition rather than giving them assignments directly. Although it is not difficult to imagine that in-house agencies are in a better position to win the competition, it nevertheless rings alarm bells and they desperately try to defend their home turf by any means necessary. The 'means' in this context sometimes includes illicit measures such as bribe and rebate. At this point, things are reversed in terms of what I have discussed so far about globalizing ad firms and localizing clients. As clients make a move towards a global standard, agencies resort to what are considered as 'backward' local measures to protect their interests.

> Clients sometimes call for PT's simply to send a warning signal to their in-house

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agencies. They find in-house agencies are not trying hard enough and making money too easily […] [But] in-house agencies have no experience in competition and don't know how to deal with it. Rather than trying to win fair and square, they panic and turn to all sorts of unfair advantages to influence the outcome. They make the most of their access to internal information, personal connections, bribe and so on. And more often than not they win. Fair competition is never a possibility in this country. (Lee Hwa-joon, 33-year-old copywriter at Welcomm)

In this respect, it is difficult to say whether pitching is producing the expected benefits for its adopters. However, companies have continued to practice it regardless and its popularity appears to have grown over the years. It is said that one of the main reasons for the popularity of the practice is that it is considered as 'the' quintessential practice of globalization among clients. South Korean big businesses or *chaebol* have long been criticized for the country's economic ills of monopoly and corruption (Kang Myung-hun, 1996a; 1996b; Kim Yun-tae 1998; Jwa Sung-hee, 2002). More damningly, they were marked down as the main culprits in causing the country's financial turmoil in the Asian financial crisis (Chang Ha-sung, 1998; Hahm, Joon-ho and Mishkin, 1999; Hong Jang-pyo, 1999). In this context, South Korean business's approach to global standards has been particularly centered on 'atonning' for their damaged images and reputations (see Jeon Young-jae, 1997: 4). Pitching appeared to be a perfect answer as the practice represents fair transaction and open competition. In this respect, there is an element in the adoption of the practice that it is more important for companies to practise pitching itself than to get any substantial benefit from it. In other words, practising pitching is the purpose itself and any benefit that comes from it is a bonus. Perhaps this is the reason why they often appear rather indifferent to its results.

Open pitching appears fair and transparent. But you can't do it too often. If you do so, you won't be able to build a long-term brand image. […] I think global standards are grossly misunderstood in South Korea… like pitching is good and frequent pitching makes you look fair and transparent. But that's far from the case. (Kim Yu-jin, 40-year-old executive director of Diamond Ad)

Rather than modernizing the client-agency relationship by introducing free competition, however, it looks as though pitching has resulted in the reproduction and consolidation of the *gab-ul* relationship. Although in-house agencies have always been in the subordinate position, they were in no danger of losing accounts before the introduction of the practice. However, pitching pushed them into an even more

vulnerable position in which they became fearful of rejection. They react to the pressure of competition in the way that fortifies the supremacy of clients both at the corporate and the individual levels. Perhaps due to the lack of clearly defined goals and their apparent unconcern with the alleged benefits of the practice, clients appear to respond well to in-house agencies' 'efforts'. In this way, the frame of competition is constructed in the way in which 'lobbying' or under-the-table deals and private contacts gain central importance, often more than the quality of service on offer. In this way, in-house agencies maintain their dominant positions in the market and independent agencies are dragged into the system and forced to accept rules of competition set by the former. In this context, ad firms' call for equal partnership and global standards appears frail, as they behave pretty much like guardians of what they themselves consider as backward 'local' practices.

Competitiveness or Waste?

One of the notable side-effects of pitching is the losses and waste inflicted on all parties involved. With its introduction of competition, pitching brought an unprecedented level of pressure to the industry which results in an almost uncontrollable war of attrition between advertising agencies. Although agencies are expected to present sketches of ideas at a speculative presentation, it is said that some wealthier ad firms go all-out to present fully realized productions in order to advance their chances. As competition intensifies, more and more ad firms follow suit and the costs of pitching have escalated. It puts ever greater strain on the agencies' finances. For an assignment worth USD 10 million, for example, it is said that ad firms' typical pitching budget is USD 40,000-50,000. However, it is not uncommon that some agencies go as far as to double this figure (*Advertising Information*, May 2005: 11; 14). It is said that, in Western countries, it is common practice that every entry is paid a rejection fee at a pre-agreed rate, and compensation for the costs incurred by the time of rejection. In South Korea, however, there is no established rule regarding rejection fees and compensation, which shows the selective nature of its adoption of the practice. It is said that no ad agency so far has dared to claim a rejection fee when it is not paid. It depends entirely on the client's generosity whether a rejection fee and/or compensation are paid and how much. One anonymous advertising practitioner speaks about the cost of pitching to the South Korean trade journal *Advertising Information* (May 2005: 15):

> There are about 300 PT's held in one year. Let's say one ad agency spends about
> USD 50,000 on each PT. Since three agencies normally compete in a pitching, it

means that in the industry as a whole we spend nearly USD 50 million a year on PT's alone. Any agency will tell you that their entire marketing budgets are pretty much sucked up by PT's. If we saved that money and spent it better, the South Korean advertising industry would have won Cannes Lions every year.

Even when rejection fees were paid, however, it is said that some clients consider it not as compensation, but as payment for the ideas presented, and freely adopt bits and pieces from them in the making of adverts. Considering clients' general attitude towards the business, perhaps it is not surprising that some clients do it without paying a penny, never mind the permission of the ad firms concerned. It is said that there are also cases in which clients made the agency that won the competition drop their plan and develop the campaign from the concept of one of the failed entries. These cases appear to confirm my arguments: firstly, that the *gab-ul* relationship drives the practice of pitching and is reproduced and consolidated by it; secondly, that it constructs a multi-dimensional frame of competition that has different levels of implicit and explicit reward criteria. It keeps clients unconstrained by the rules and enables them to get anything they want. They can have their favourite agency and favourite concept at the same time, even if they do not coincide. In this way, pitching effectively becomes competition between agencies rather than between ideas, which again works as an advantage to in-house agencies. It is also apparent in the fact that, even when the winner is decided, and purely based on the strength of their idea, the winning concept seldom makes it to the actual campaign. It is because clients often find what looked good at pitching does not feel appropriate for the campaign. For this reason, it is normally the case that agencies discard the plan altogether and create something new from scratch for actual campaigns. In this way, the money and time they spent on developing the plan for pitching is literally wasted.

> If you had an excellent creative idea, it stands out at PT and you have a better chance of winning it. In the real campaign, however, clients get frightened and become anxious to play it safe. They say, 'Well, we like the plan but isn't it too wild for consumers?' They tell us to either rework it or scrap it. We protest at first but conform to their order in the end. (Lee Hwa-joon, 33-year-old copywriter at Welcomm)

Whereas losses made by advertising agencies are instantly recognizable, clients' are said to be more gradual and less tangible. Ever since pitching was hailed as a quintessential 'best practice', it is said that clients have practised it with great frequency to the point that it has almost become an annual event. In these circumstances, having a

long-term relationship with one agency is generally avoided as it makes them look nepotistic. What is more, it is said that clients see frequent pitching and changing agencies as actually beneficial to them in that they can enjoy plenty of options and try something better all the time. From this angle, they appear to associate frequent pitching with constant progress while sticking with one ad firm. However, advertising practitioners generally agree that changing agencies too often is damaging to business as it makes it difficult to build a long-term brand image. They criticize clients for only seeking short-term benefits in the practice of pitching while remaining blind to long-term losses. It is debatable how much loss this practice would incur to a brand in, say, 10 years' time. However, it seems clear that clients have repeated the pattern of abandoning and starting brand building every time they changed agencies.

> Hyundai Card, for example, has had a successful brand-launching campaign. But that didn't stop them from calling for PTs and constantly changing ad firms. This time it was because they didn't like one creative plan. If you hired an ad agency, you need to give them at least 2 years to make any difference. But these clients have no patience. When you think about the money they spent, it's a shame they still haven't got a recognizable brand image. Even the least competent agency could have created something worthy with that money. (Kang Jae-joon, 36- year-old creative director at Welcomm)

As a popular 'best practice', pitching is almost a pure exercise of globalization detached from business interests at the height of the globalization craze. Its main purpose is 'presentation' that shows that large corporations are doing their businesses in the 'right' way. Ironically, however, it is something that would have been impossible to do were it not for the *gab-ul* relationship which the practice was supposed to replace. Instead, it turned out that it did not replace the *gab-ul* relationship but was merely superimposed upon it. It is a product of the aggregate actions of the actors involved. In practicing pitching, actors with resources, whether it is clients or ad agencies, negotiate their way not to undermine the *gab-ul* relationship, by playing it to the logic of the *gab-ul*.

The Rise of 'Smart' Clients

After the Asian financial crisis and the IMF bailout, the newly elected South Korean government, committed to strong economic reform, concentrated on the restructuring of the *chaebol*-dominated economy, as *chaebol*'s debt finance was

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considered as the main cause of the country's financial har*d*ship (Chang Ha-sung, 1998; Hahm, Joon-ho and Mishkin, 1999; Hong Jang-pyo, 1999). The reform was focused on the restructuring of corporate debts and the strengthening of corporate balance sheets, mainly through the sale of assets and the exchange of debts for equity. At the same time, the government pursued an alternative development strategy centered on raising small- and medium-sized knowledge-based businesses or venture businesses with a view to replacing *chaebol* as the engine for economic growth. Thanks to the government's strong support and *chaebol*'s busy engagement in restructuring, new businesses flourished during the early period of 1998–2000 when the number of venture companies increased from 304 to 6,004 (http://www.smba.go.kr). It is in this context that the new breed of clients emerged. These clients are said to be distinguished from older manufacturing-centered *chaebol* clients in a number of ways: firstly, they tend to recognize the importance of creative advertising as they identify that it is their interest to have a creative image; secondly, they tend to have a more practical attitude to advertising in which they prioritize the efficacy of advertising over control of the process; thirdly, they tend to have young, marketing-savvy and often foreign-educated executives who are knowledgeable about global cultural and advertising trends. In short, they are the agents who embody the values and attitudes of the burgeoning 'new economy'.

> When I started this job in 1996, there were few clients who had even the most basic knowledge of marketing. They were always worrying, 'Is it going to work?' We had to reassure them all the time that it would work brilliantly. […] Now clients are becoming young and smart. A lot of them studied abroad and watched a lot of foreign ads. They have a good grasp of marketing and strong opinions on creative. Sometimes it's more difficult to deal with these people than older clients. (Kim So-jin, 35-year-old copywriter at Cheil)

The emergence of new clients is potentially subversive to prevalent *the gab-ul* relationship as they are in favour of the more 'civilized' practice of equal partnership. However, they are said to be more practical in their approach to advertising than their older counterparts. For them, equal partnership is important as what they are trying to buy is agencies' expertise rather than underlings to boss around. As they take expertise in advertising seriously, they do not attempt to interfere with ad production or tame ad agencies by playing power games. What is more, they have a quality-oriented idea of value for money compared to the quantity-oriented *chaebol*. They explicitly demand agencies more creative and distinctive output rather than more services with the same
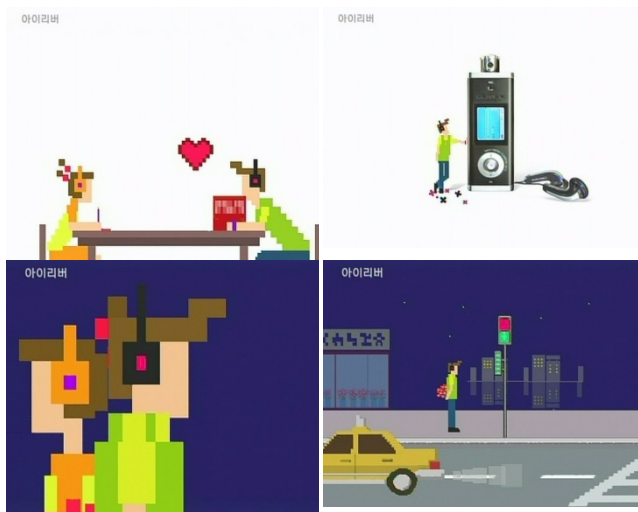
(Figure 6-1) Iriver Television Ads

money. One example in this case is Iriver, the portable digital media player manufacturer. In 2004, Iriver hired Diamond Ad for its brand launching campaign which is said to have been enthusiastically received by both consumers and critics. One particular talking point at the time was the employment of crude-looking early computer animation technique in its television adverts (see Figure 6-1). Although the themes remain hackneyed clichés such as love and fun, it is said that daring adoption of the antiquated visual technique made the ads immediately stood out from more or less the same-looking crowd. The campaign's success has been a great boost for not only Iriver but also Diamond Ad who previously had not been known for its creative ability and was struggling to reestablish itself as a competitive independent agency after Hyundai-Kia's departure. Diamond Ad employees credit the success of the campaign to the client and claim that Iriver is one of very rare South Korean clients who would approve such a novel and unconventional advert.

> We have tried hard to get rid of Hyundai influences from our creative work. Hyundai was extremely averse to trying something new or different […] [But] our new clients like Iriver allow us more creative autonomy and let us focus on more creative ideas. […] Iriver is quite special in that they specifically demanded one thing that is something you have never seen before. It was a great challenge for us since we were used to the Hyundai style of advertising. But fortunately we came up with some good ideas and […] after the Iriver campaign, the whole industry began to see us differently. (Park Kyung-jin, 30-year-old copywriter at Diamond Ad)

It sounds a reassuring testimony to the importance of clients in creative advertising. However, what is more interesting at this point is the way in which agencies or creatives react to a client's initiative in creative advertising. Although Diamond Ad creatives' verdict on Iriver is all-round positive, a few doubts were expressed from time to time. Some interviewees said that the challenge posed by Iriver was even more demanding than that of the likes of Hyundai. This is primarily because they are not accustomed to operating in that way. Although they have aspired to creativity in foreign

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advertising and complained about the lack of support and arrangements for it in the local industry, they become reluctant to get out of their comfort zone when they are actually given an opportunity. After the successful brand launching campaign with a pointedly creative approach to advertising, Iriver and Diamond Ad soon retreated to the tried-and-tested formula of celebrity endorsement in the next campaign featuring Kim Tae-hee, one of the hottest female stars at the time. Celebrity endorsement is arguably the most common practice in South Korean advertising. Creatives often openly dismiss it as the most conventional and least creative genre of advertising (see Chapter 7). In this respect, it indicates the fear and anxiety entailed by creative advertising. Despite the huge success of the previous campaign, Iriver and Diamond Ad, at the ad firm's suggestion, decided not to take the same approach, saying that creative advertising is less effective than celebrity endorsement, which is a dogma that prevails in the South Korean advertising industry.

> The previous campaign was great. Anyone who is interested in advertising rates it very highly. However, the general public much prefer the one with Kim Tae-hee. I personally don't like it but that's the way it works in South Korea. […] South Korean people are obsessed with celebrities. It's much easier to get their attention with a popular celebrity than a creative idea. (Kim Hyung-joon, 34-year-old art director at Diamond Ad)

As ICT industries grew bigger, *chaebol* companies soon jumped on the bandwagon. As the newly appointed champions of the 'new economy', they started to practice business in a 'new economy way'. Regardless of their success, Iriver, for example, is essentially a small venture company with 120 employees. In comparison, SK Telecom, one of the leading proponents of the 'new economy' among *chaebol* companies, has 4,500 employees. The company is part of SK Group, the 4th largest conglomerate in South Korea. They are well known in the advertising industry for 'unusual' keenness on creative advertising for *chaebol*. The company has made a series of critically acclaimed campaigns with TBWA Korea, the former in-house agency of SK Group. Thanks to the successful partnership with the ad firm, the company is lauded as one the most forward-looking clients in South Korea. The creative partnership between SK Telecom and TBWA Korea culminated in arguably the most celebrated advertising campaign in South Korean history, *Be the Reds* in 2001–2002, SK Telecom's FIFA Football World Cup campaign which became a global phenomenon and landed TBWA Korea a Cannes Lions.

However, it is said that the campaign was not a product of the company's concerted effort but one employee's audacious stunt. The anecdote goes like this: after completing the plan, the agency got worried that the client's usual tinkering and fiddling would lead to the demise of the plan. Fortunately, the person in charge at SK Telecom liked the plan and single-handedly saved it by deliberately underreporting the process to his superiors. In this way, he protected the plan and secured the agency creative autonomy. What this anecdote suggests is that, despite their keenness on creative advertising, the way SK Telecom conduct their advertising is hardly different from the way other *chaebol* companies do it. The *gab-ul* relationship, corporate hierarchy, and bureaucratic red tape are all in action here. In this particular case, trying something different required one employee's risking his job. What is more, the way he did it was by exploiting loop-holes in the practice of the *gab-ul* relationship. Here, the client's customary lack of involvement in advertising effectively entrusted the person in charge with full power in handling the operation. However, he not only decided to use his power to give the agency more autonomy but also chose to neglect his duty of reporting the process to his superiors. Because of his superiors' lack of commitment to the business, his neglect of his duty remained unchecked and the process went ahead undisturbed. In this way, he used one element of the *gab-ul* relationship to neutralize the other.

> Timing is everything in a campaign like this. It is all about preempting the issue and outmanoeuvring the competitor. The biggest hurdle in this regard was the inefficiency of the client. There was a good chance that we might completely mess up the opportunity in endless to-ings and fro-ings. Thankfully, the person in charge at SK Telecom, who was only a thirty-something junior manager at the time, was very understanding and supportive. He said, 'I'm not afraid of losing my job. I'll do whatever I could do to make this one come true'. The campaign proceeded at his discretion and he protected us from all the nonsense. After the campaign's great success, he got promoted to a top position. (Kang Jae-joon, 36- year-old creative director at Welcomm)

The rise of the 'new economy' produced its agents in the form of 'smart' clients. They are dot com companies, ICT businesses and knowledge-based enterprises. They are 'smart' because they enter the market as keen customers of advertising services. They seek expertise and value creativity and efficacy. They treat agencies as partners. The relationship between them is formal, pragmatic and professional. Ad agencies welcome their arrival with open arms since they make the kind of clients they have

always dreamed of. However, they soon find it difficult to keep up with their demands, so they drag them back to their accustomed ways. Soon after that, there emerged another kind of 'smart' client. This time, they are *chaebol* companies who are doing ICT businesses and knowledge-based enterprises. They try to do the 'new economy' but they are too old and large to do it adeptly. They are interested in creative advertising but try to do it in an 'old economy' way.

Foreign Clients

Foreign clients stand out from the crowd with their markedly professional approach to advertising. There are two kinds of foreign clients. One is foreign-based companies who work with foreign agencies exclusively, e.g. Nike, L'Oreal, Channel etc. The other is those who are located in South Korea and hire South Korean agencies, e.g. GM Daewoo, Renault Samsung etc. This distinction is related to the two different ways in which South Korean agencies experience foreign clients. One is indirect experience via media, Internet and hearsay, and the other is direct experience in a business relationship. The former provides a fantasy about foreign clients and the latter the reality. Until quite recently, direct experience of foreign clients has been in short supply due to their weak presence in the market. Therefore, it is the former that has been South Korean advertising practitioners' main way of forming an idea of them. The foreign clients in this form – an imagined entity – have provided an archetype of global standards by which local clients are judged.

> I heard HP's recent campaign took more than a year to create. [Foreign] clients do not hurry things and accept trial and error as part of the process. They concentrate on the campaign's quality and its efficacy. […] South Korean clients might have become smarter but they still believe it's advertising's fault when products don't sell. Foreign clients have a clear idea of what advertising can and can't do. They are aware that advertising is only one element in the marketing mix. They don't say things like, 'You're out if it doesn't sell'. (Kim So-jin, 35-year-old copywriter at Cheil)

South Korean ad firms' first-hand experience of foreign clients started in earnest in the aftermath of the Asian financial crisis. Before the crisis, foreign companies in South Korea worked almost exclusively with local subsidiaries of foreign-based agencies. After the crisis, however, there emerged a new kind of foreign company as a consequence of frantic foreign takeovers of South Korean corporations such as Daewoo Motor Company (acquired by GM), Samsung Motor Company (Renault), and OB Beer

(Interbrew). While owned and managed by foreign interests, these companies have retained the local brands, played down their foreign identity, and continued to work with local agencies. However, foreign managements at these companies altered their advertising policies and practices quite radically in congruence with those of their headquarters. It provided South Korean advertising practitioners with fresh new experiences of 'global standards' in advertising practice. One of the typical reactions of advertising practitioners to this experience is that they tend to process it as confirmation of their stereotypes. They identify foreign clients with exemplary clients who are knowledgeable, thoughtful, rational, practical, civilized, and sophisticated. It further highlights the supposed backwardness, ignorance and irrationality of South Korean clients. When some foreign clients deviate from this stereotype, they are considered 'over-localized'.

> I did a campaign for Mercedes-Benz a few years ago. From the start, their CEO gave us a briefing himself and said to us, 'This is a very important campaign for us. We'll do anything to support you. Don't worry about anything and just give your best'. They did make some complaints during the making, but in a very different fashion from South Korean clients', 'We like your idea, but we have a concern regarding this and this. Please consider'. After we finished the ad, they thanked us again and again. I have had a few more experiences with foreign clients and the majority of them are all like this. Of course not every foreign client is good. There are some bad guys too… like Motorola who is no better than South Korean clients in their behaviour… like saying 'Shut up and do what I say!' They are localized just a bit too much. (Cho Jung-joon, 45-year-old creative director at Cheil)

In general, South Korean advertising practitioners are quite impressed by foreign clients' treatment of them as genuine experts and business partners. According to them, top managers at foreign companies are very committed to advertising and do not mind lowering themselves for the sake of good business. Interviewees say that it makes them work harder as it makes them feel they are engaged in a very important business. Another often-mentioned attribute of foreign clients is their systematic approach to advertising and efficient organization in handling the job. As we have seen earlier, it is said that they have much simpler and shorter decision-making process thanks to a less hierarchical corporate structure and the deep involvement of their top executives in advertising. Also, they enter the business with elaborate plans and clearly defined goals that ensure the efficiency and coherence of the operation. Here, agencies are provided with guidelines which strictly detail what is to be done. Agencies are allowed full

autonomy outside these guidelines. Advertising practitioners say that it enables them to concentrate on the job without distracted by power games and guesswork regarding the client's intentions, unlike working with South Korean clients.

> P&G is good. They know what they are doing. They have a clear idea of campaign's objective and how to apply it. Their demands are clear and specific. Sometimes it is quite difficult to meet those demands because they expect very high standards. But that's just about the only difficulty in working with them. They never confuse you or give you a hard time with some absurd things. (Kim Yu-jin, 40-year-old executive director of Diamond Ad)

However, there appear to be some advertising practitioners, particularly among creatives, who have started to show disillusionment with foreign clients and the industry's worship of 'best practice'. They claim that foreign clients often put greater constraints on creativity than South Korean clients with their rigorous and meticulous approach to advertising. They argue that South Korean clients are much more flexible and easier to deal with in comparison to them, albeit they are authoritarian and interfering. The main difference here is foreign clients' strict guidelines as opposed to South Korean clients' lack of them. Although the former appear more permissive and understanding of the agencies, their guidelines are often absolute and non-negotiable. In contrast, South Korean clients impose no such restrictions and, thus, agencies could enjoy greater autonomy. The key to this autonomy is building a close personal relationship. Once the agency establishes good personal terms with a powerful person at the client company, there is a good chance that they are able to control the lion's share of the business. With foreign clients, however, no amount of personal ties is enough for relaxing or changing their guidelines. In this way, foreign clients are portrayed as stubborn, and their practice rigid which is not beneficial to creative advertising.

> Foreign clients are rational and have clear ideas of what they are doing. They respect your expertise and rarely make unnecessary complaints so long as you meet their guidelines. Having said that, however, meeting their guidelines is often a creative disaster. There is no room for the unexpected or surprise. All you get is something obvious and predictable. South Korean clients might be overbearing but you can still persuade them to take what is really exciting. Foreign clients are, however, hopelessly impenetrable. There is no chance they would relax and accept your suggestions. These days, a lot of South Korean clients are trying to follow their way as if it's the way forward. I'm not sure if that's that. (Kang Sun-joon, 35-year-old

copywriter at Welcomm)

Here, foreign clients appear coldly formal, professional, and impersonal as opposed to South Korean clients' seeming to be informal, amateurish and emotional. As Malefyt (2003) suggests, however, they are far from 'ice people' who impose 'iron rules'. The personal emotional bond is a crucial part of the client-agency relationship everywhere, not just in South Korea. In this respect, what the above comment suggests might be a projection of South Korean advertising practitioners' perceptions of foreign clients and their feelings of inferiority with regard to them. They enter the relationship with foreign clients with the preconception that they are knowledgeable and experienced, and calibrate their actions accordingly. For some, it could be intimidating. They might feel fear and anxiety that the client might see through them. It means that foreign clients remain a fantasy, as South Korean practitioners' experience with them is still limited. There is a striking difference between the way they see foreign clients and the foreign managers/emloyees at their own firms. They make daily contact with the latter and become quickly disenchanted by them, whereas their view of the former is still simplistic, which does not appear to be very real.

For South Korean advertising practitioners, foreign clients are simultaneously a fantasy and a reality. As a fantasy, they are a Platonic Ideal of the 'global' and the antithesis of the local convention of the *gab-ul* relationship. As a reality, they are empirical evidence that confirms practitioners' ideas and beliefs about them. They are seen by default from a positive angle in a way that highlights the shortcomings of South Korean clients. What is most striking in the eyes of advertising practitioners is foreign clients' impeccable professionalism and South Korean clients' lack of it. This difference, or their perception of it, requires them to readdress their business priorities and readjust their practices in relationships with foreign clients. They feel they need to concentrate on the job and the quality of the output while eschewing personal non-business activities. However, it is in this context that some advertising practitioners find that foreign clients and their 'best practices' are not such a great improvement on South Korean clients and local traditional practices. They realize that the problems they have had with South Korean clients are hardly solved in working with foreign clients. They still have restrictions on their creative autonomy, and it is almost as difficult with foreign clients as with South Korean clients to produce an excellent creative output. Perhaps it is due to their unfamiliarity with the way foreign clients work, or excessive focus on the professional side of the relationship. Whatever the case, however, their initial enthusiasm for working with foreign clients in a 'proper' professional way

appears to be waning.

6.3. The Return of In-house Agencies

The Local Strikes Back

Before the Asian financial crisis, analysts predicted that it would be difficult for foreign advertising agencies to succeed in the South Korean market due to the stranglehold of the in-house agencies of *chaebol* companies (Seo Beom-Seok, 2003: 30). Contrary to their prediction, however, most in-house agencies fell into foreign hands by 2002. In 1997, there were nine in-house agencies among the ten largest agencies in South Korea. In 2002, the number of in-house agencies in top ten dropped to just two. On the other hand, foreign-owned agencies in the top ten increased from none in 1997 to seven in 2002. At the time, it looked as if foreign-owned agencies would finally put an end to decades of in-house agency domination and open up a new era for the South Korean advertising industry. There has been much discussion about this 'historic' transformation, ranging from concerns about the collapse of the domestic advertising industry and a national wealth outflow (Kim Sang-hoon, 2003; Seo Beom-Seok, 2003) to expectations of improvement of service and the advancement of South Korean advertising (Han Sang-pil et al., 2002; *Advertising Information*, May 2005: 9-24). In all these discussions, there was a common underlying assumption that foreign-owned agencies would prevail due to their formidable competitive power against South Korean agencies. However, it was not long before this prediction was proved wrong as new in-house agencies soon poured onto the scene.[28] More than anything, the resurgence of in-house agencies represents the reemergence of the local as the dominant force in the advertising industry, not only in the sense of a vastly increased market share for South Korean-owned agencies but also the reinstatement of practices once considered 'backward' and 'pre-modern'.

> At the moment, foreign-owned agencies dominate more than 60 per cent of the market. But the structure could collapse anytime once clients start to shake it. […] There are reasons for the return of in-house agencies. Most importantly, clients' priority is always on cost-reduction particularly in a difficult economy. Also, they might

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[28] In 2005, there emerged Innocean of Hyundai-Kia, Silver Bullet of GS Group, AdRich of Ottogi Co., Medi Communication of Myung-in Pharm., Well Media of Mirae Asset and Switch Corporation of Coreana Cosmetics (KOBACO, 2006). In 2006, Force One of Hanil Cement, YoungComm of Prime Integrated Development Co., and GNS of Genesis were added to the list (*Advertising Information*, Jan 2007: 43). Among them, Silver Bullet is technically not a new ad firm. The firm started in 1999 and existed as a tiny creative boutique. GS chose to take over the ad agency and turn it into their in-house firm rather than taking the usual route of setting up a new company (*Money Today*, May.16, 2005).

want to have an exclusive relationship with agencies that are specialized in their specific business areas. (Kim Kwang-joon, 44-year-old account executive at Diamond Ad)

The main driving force for the new in-house agency boom is *chaebol*'s desire to reclaim old territory. At first, it was deterred by, among others, the public criticisms targeted at the practice. These criticisms are mostly based on the notion of 'global standards'; according to the critics, in-house advertising is not 'global' hence it is 'backward'. These views were very much a product of the time when globalization was considered as the undisputed cause of modernity. By the mid-2000s, however, the discursive power of globalization has been in decline. There emerged counter discourses that undermined its reign. For example, Samsung Economic Research Institute, the in-house research institute of Samsung, published a report in 2004 that reduces global standards to 'Anglo-American' standards (Chung Moon-kun and Sohn Min-joong, 2004). It relativizes 'global standards' and discredits their alleged benefits for the national economy.[29] In this context, the discursive terrain has changed, which created a favourable environment for *chaebol* to stop doing unfamiliar foreign practices and revert to the familiar in-house advertising.

This U-turn effectively put an end to the germinating practices of competition and equal partnership. As Kim Kwang-joon suggests, the main motivations behind *chaebol*'s setting up in-house agencies are money and power. Their priorities are keeping the money flow within their own organizations and controlling the business as they like. They opened in-house agencies not because they were unsatisfied with the performance of the independent agencies but because they have a profound dislike for paying money to external parties. In these circumstances, foreign-owned agencies' established brand power and alleged competitiveness amount to almost nothing. It also makes it difficult for independent agencies to concentrate on market strategy and creative quality to strengthen competitiveness as it often fails to translate into business success. Thanks to

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[29] The report targets specifically the centrality of the stock market and market-finance. It claims that too great an emphasis on the stock market and shareholders' interests constrains free investment, slows down corporate reactions to changing market environments, and eventually obstructs the development of the national economy. It then defends the customary *chaebol* practices of debt-finance and autocratic domination of owners, on the ground that they work best for South Korean economy and its aim of fast growth. The report does not advocate the wholesale abandonment of global standards. Its main argument is to establish Korean standards that combine the transparency and ethicality of the Anglo-American market economy and the dynamism of the South Korean *chaebol* economy. However, it is nevertheless an attempt to vindicate *chaebol* practices, and shows a great change from the business world's wholehearted embrace of global standards in the early days (see Jeon, Young-jae, 1997).

their blood-ties with *chaebol* companies, in-house agencies easily beat independent agencies in competition without necessarily being more competitive. However, it does not mean that *chaebol* are uninterested in in-house agencies' competitiveness but means that their approach to competitiveness is a bit different from others. They boast well-built hardware infrastructure, and more than enough financial clout to attract the best creatives in the industry. In this way, they produce competitiveness as something money can buy. However, it still remains a common opinion in the industry that in-house agencies are generally lacking in creativity due to their limited creative autonomy.

> Most creatives at Welcomm and TBWA Korea are from Cheil. […] The funny thing is that they were not that creative when they were at Cheil. I'm not sure if the ads they are making are necessarily good. But I admit that theirs are different and have a better quality. There must be a lot of reasons for this difference. First of all, these companies have a different corporate culture and orientation from ours. They are all for creative but we help clients selling goods and making profits. […] In advertising, creative is not an outcome of individual talent but a product of collective construction, negotiations, reviews and approval. If people at the top, creative directors or account executives have a fear of risk, you'll get bland and boring ads regardless of creatives' talent. And Cheil culture is a bit like that. (Kim So-jin, 35-year-old copywriter at Cheil)

Deep down, however, there appears *chaebol*'s deep-rooted scepticism about advertising in the resurgence of in-house agencies. As clients, they tend to see advertising first and foremost as a tool for a short-term sales-boost. Even when they venture into the latest trend of branding, they often try to pursue a short-term sales boost simultaneously, to the agencies' dismay. It is the reason they will spend a fortune on advertising. Marketing strategy and creative quality means nothing unless they see a positive and immediate effect on sales. Despite the advertising industry's unremitting claims about its effectiveness,[30] however, clients often fail to see it. In fact, many analysts argue that efficacy of advertising on sales is very difficult to establish and has

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[30] While talking about efficacy of advertising, one interviewee claimed that his firm increased sales of SM5, the family saloon of Renault Samsung, seven times with two ads. However, business analysts have different opinions regarding this. They attribute the rapid increase in sales of SM5 to: firstly, sales of Samsung cars were especially poor before Renault's takeover because of uncertainty regarding the company's future; secondly, Renault's strategy of selling SM5 for taxis first paid dividends as taxi drivers spread by word of mouth their views about the product's quality; thirdly, Renault's payment scheme of paying half the price now and the rest 3 years later worked; fourthly, Renault was one of the few available foreign brands in the heavily protected South Korean automobile market at the time (*Hankyoreh* 21, Oct. 24, 2002). In short, few business analysts consider advertising as a significant factor in the increase of sales of SM5.

always been open to debate (Schudson, 1984; Nava, 1997; Miller, 1997). In most cases, clients spend money on advertising out of anxiety about losing out to competitors rather than because they believe in its efficacy. Many clients consider, if only implicitly, that advertising is a spurious business that charges a stupendous sum for something very dubious in its effect. It is not surprising in this respect that the in-house agency emerges as a potent solution to their anxiety. With an in-house agency, they have the positive benefits of saving costs and assuming full control. It might not provide an answer to the question of efficacy but at least it alleviates their anxiety about whether they are wasting money on a project.

Clients' scepticism applies not only to advertising's efficacy but also to its business potential. As owners, they rarely set up an in-house agency in order to make money, more often it is simply for their own use. They might not deliberately stop other companies from using it, but they do not appear very excited about the prospect of making a lot of money from it. This de-commercialization of advertising might be attributable to their manufacturing-centred self. In many ways, advertising is different from their core business of manufacturing; firstly, it sells ideas and concepts that look insignificant and valueless compared to manufactured goods; secondly, it is not a big money business that requires a heavy investment in plant and equipment; thirdly, it does not appear to involve cutting-edge technology or great skill. In short, there is nothing in advertising that makes it a proper and serious business from their point of view. There is a common feeling among *chaebol* that running an in-house agency is little more than a non-commercial charitable act. An advertising agency is considered as a business unable to generate income on its own. This view contributes to in-house agencies' lower status in conglomerates and to their routine deprivation of autonomy.

> It costs peanuts to set up an advertising agency. Once you have an office and a few desks and staff some people, you have an agency. Once you have a client, you are in business. But you don't need to look further for a client because you are the one. As a business, there is nothing easier than this. But precisely because of that, we get no respect from clients. They think we are making money too easily and treat us with contempt. They behave like the king doing a great favour to his poor subject. (Yoon Hee-joon, 45-year-old executive creative director at Diamond Ad)

Perhaps because of in-house agencies' non-commerciality, conglomerates have devised many different ways to turn them into useful business units. These are mostly extraneous to their original function of advertising and designed specifically to fit into

chaebol business practices. First of all, one of in-house agencies' primary functions is protection of business secrets. It is one of the official reasons for Hyundai-Kia's launch of Innocean (*Financial News*, May 13, 2005). Essentially family businesses, *chaebol* companies have a strong tendency to distrust other clans, and want to keep things in the family. They are very reluctant to share the technical details of products and other important business information with any outside party. In this respect, an in-house agency provides clients with at least psychological assurance that their confidential information is in safe hands. Secondly, among the younger generation of *chaebol* family members, in-house ad agencies are considered as a perfect training ground for their managerial skills. For example, Chung Sung-yi, the eldest daughter of Hyundai-Kia chairman Chung Mong-koo and one of the largest shareholders of Innocean, was a housewife with no previous experience in business before she entered the advertising business. One of the main attractions of the advertising business is that it is virtually risk-free as the in-house agency has a guaranteed big-money client regardless of its performance.

Thirdly, what is often considered by some critics as the most important function of in-house agencies is their frequent involvement in the various business wrongdoings of *chaebol*. There have been numerous cases of this, including creating bribe funds, illegal inheritance and wrongful multiplication of owner families' private assets (People's Solidarity for Participatory Democracy, 2006). For example, it is alleged that Lee Jae-yong, son of Samsung chairman Lee Kun-hee, bought USD 2 million worth of convertible bonds from Cheil at face value in 1996 with money given to him by his father. The ad firm was listed on the stock market 2 years later and he sold all his convertible bonds off immediately after the listing. As a result, he pocketed USD 14 million and used it as seed money for his future takeover of Samsung (*Shisain*, Apr 15, 2008). Based on this precedent, critics suspect that the launch of Innocean is another ploy to multiply the Hyundai-Kia owner family's property. Chung Sung-yi owns 40 per cent of the company, Chung Eui-sun, son of Chung Mong-ku, another 40 per cent and Chung Mong-ku himself 20 per cent (*Money Today*, Apr 17, 2007). The ad firm is not listed on the stock market yet but it is not difficult to imagine that the Chung family will be a few million dollars richer when it finally happens. The main reason why they use ad agencies for this purpose is that they are cheap to set up and easy to increase in value. It cost the Chung family USD 3 million to set up Innocean, but the ad firm is estimated to be worth USD 27.8 million after two years, thanks to its exclusive handling of Hyundai-Kia advertising worth more than USD 200 million a year (*Financial News*, Oct

29, 2007).

The resurgence of in-house agencies signifies a counter-action of the local against the global, of concentration against diversification, and of manufacturing against creative business. It is a *chaebol*-led move that attempts to consolidate their power and domination over the South Korean economy. It pushes independent agencies to the fringe and imposes *chaebol* rules and practices on the whole industry. In this course, it brings to a close *chaebol*'s brief and reluctant experiment with globalization practices, particularly fair competition and equal partnership. They return to their priorities of cost over quality, control over autonomy and private interest over corporate interest. In the course of this development, the agencies' main function of advertising is sidelined and human creativity gives way to blood-ties as the most valuable asset. Competitiveness is redefined as economy of scale and industry's approach to the global shifted to the technical and hardware aspects of it.

Blood is Thicker Than Water

The return of in-house agencies re-establishes the traditional duality of the advertising market. In-house agencies handle big businesses, and independent agencies medium- to small-sized businesses. In-house agencies operate through blood-ties, and independent agencies through competition. An individual in-house agency's market share reflects the position of its parent company in the business world. Samsung's Cheil is by far the largest agency and Hyundai-Kia's Innocean fast becoming the second largest. However, the new in-house agencies of the bigger conglomerates LG and SK could soon catch up. On the other hand, the growth of in-house agencies means they are encroaching into the market occupied by the independent agencies. Every time a new in-house agency emerges, it results in a reduction of income for the independent agencies and intensification of competition between them. Independent agencies normally react to this challenge by focusing upon improving their creative performance. However, it is often the case that this strategy is used not because it is effective but because it is practically the only thing they can do.

When Kumho Asiana Group took over Daewoo Engineering & Construction in 2006, Welcomm suffered a loss of the Daewoo Prugio Apartment assignment, worth USD 40 million. The assignment was shifted to Sangam Communications, the in-house agency of the Daesang Group. Park Hyun-joo, vice-president of Sangam Communications, is wife of Daesang honorary chairman Im Chang-wook and sister of

Kumho Asiana chairman Park Sam-koo (*Biz & Media*, Feb. 6, 2007). Kumho Asiana does not have an in-house agency, thus they chose to help their in-laws' business instead. In this way, the scope of in-house agency business extends beyond intra-Group trade to inter-Group trade when they are linked by blood-ties. This transaction is done more as a gift than as a business deal. What it indicates is that advertising is not taken seriously as a business activity but is rather to maintain solidarity between extended family members is. In this way, advertising is used as a means to maintain exclusive networks of *chaebol*, and protect their wealth from those outside their circle. It is said that this behaviour has become stronger and more explicit among second-generation in-house agencies.

> It's very depressing to see that companies like Hyundai Card and Hyundai Merchant Marine are shifting their assignments to [Innocean]. They had quite productive relationships with their agencies and the agencies did their utmost to build their brands to what they are now. […] When you hear that these companies are changing agencies because the chairman's daughter set up a new ad firm, you are devastated. It's absolutely ridiculous and disgusting. Where else do you see such behaviour? It happens only in the advertising business because they think advertising is nothing.
> (Lee Hwa-joon, 33-year-old copywriter at Welcomm)

In these circumstances, it becomes tougher and tougher for independent agencies to survive, let alone flourish. Due to their limited resources, they tend to build or rebuild their business around human creativity to stay in business. As we have seen in the previous chapter, Diamond Ad has been one of the ad agencies most affected by the new in-house agency boom. The ad firm chose to transform itself from one of the least creative ad firms to a devotedly creative-oriented agency as a survival measure, and has produced a number of highly acclaimed campaigns since then. It is considered as the cheapest and the most potent way for independent agencies to distinguish themselves from wealthy but creatively limited in-house agencies. In this way, the proliferation of new in-house agencies inadvertently triggered independent agencies' development into a creative-oriented business and the establishment of creative quality as a main competition criterion between them. Although creative excellence does not necessarily bring agencies great prosperity, it is one thing that in-house agencies still lack, and hence attracts *chaebol* clients from time to time. Therefore, it is no surprise that independent agencies try their best to encourage innovative and distinctive creative, and to create a creative environment for their employees.

> Effective communication comes from effective creative, and the power of the

message comes from good creative. It's one thing that everyone in this business agrees [about] including clients. Who wouldn't want it when it gives your message a much stronger impact? Whatever you say, creative is the most important thing in advertising. It is a lifeline and the best salesmanship for any agency. (Kang Tae-joon, 39-year-old producer at Welcomm)

The division of the advertising market pushes an increasing number of independent agencies to focus upon creativity. As a consequence, independent agencies' creative performance in general is considered superior to that of in-house agencies. However, it is usually the case that 'superior' in this context does not necessarily mean 'original' or 'innovative'. What it usually means is 'foreign-looking'. As foreign ads are commonly identified as the epitome of high quality, it is usual that agencies study foreign ads intensively and try to reproduce their look and feel. In this respect, what independent agencies pursue is original-looking and innovative-looking advertising in the South Korean context. Although many in-house agencies try to do the same, they are in general more conservative and less aggressive than independent agencies in pursuing it. In this context, there emerges a pattern in the practice of creative advertising of the duality of the market, where independent agencies emulate foreign advertising and in-house agencies emulate independent agencies. In a sense, independent agencies here inadvertently play the role of guineapig, as in-house agencies choose to adopt new styles only after the independent agencies have tried and tested them in the local market.

Chapter 7 Aesthetics, Styles and Globalization

In this chapter, I discuss the aesthetics and styles of South Korean advertising, as I consider them to be symbolic practices of globalization. The main purpose of this chapter is to illuminate the ways in which the 'global' is co-opted and mediated at the level of the symbolic through the stuggles and negotiations between the various agents. Ad production is a collective practice that involves a multiplicity of actors. Each one contributes to the creation of symbolic texts one way or another. Advertising texts reflect their tastes, views, aspirations and power, as expressed in their struggles in the process of ad production. Therefore, advertising texts are a battleground on which contesting tastes, views and aspirations fight each other. In the same way, completed advertising texts are the epitome of all the previous struggles and negotiations. By the same token, adverts are both an arena in which symbolic struggle between different versions of globalization takes place and, simultaneously, texts to read the way in which globalization takes shape in symbolic forms through struggles between actors. Here, the actors involved are clients, the vetting board, agencies and creatives. At the centre of contention are creatives, who fight on both fronts, against clients and the vetting board. The main stake for them is to raise their job's standing by achieving creative excellence and transforming the South Korean advertising industry into a full-blown creative industry. It entails challenging the established local advertising aesthetics and styles as well as existing business practices.

At this level, the struggle creatives are facing can be summed up as the global versus the local with, needless to say, creatives assuming the position of the advocates of the 'global'. However, it needs to be specified that there are two different kinds of the local at play here. One is the 'local' represented by the vetting board which is synonymous with the 'nation' or national culture. The other is the clients' local which indicates the 'traditional' or status quo. Whereas the vetting board's local has a nationalist or preservationist agenda, the clients' local is a reflection of their aesthetic conservatism. However, this distinction does not take into account creatives' weaker power position. When it is taken into account, it becomes clear that creatives are already fighting a losing battle. Therefore, in practice, they tend to adjust their strategies and take a cautious approach in order not to upset their counterparts with 'daring' creative contents. Further, they are deployed at different types of ad agencies. There are those at in-house agencies and those at independent agencies. As a norm, the latter are allowed more creative autonomy than the former, and hence can afford to be more adventurous.

Upon these premises, this chapter explores: firstly, the ways in which *chaebol* companies and their in-house agencies perform creativity and globalization in what is considered the quintessential local genre of 'big model' advertising or glorified celebrity endorsement; secondly, the way in which independent agencies attempt to bring themselves closer to the 'global' by the practice of 'referencing' or plagiarism; thirdly, the way in which the vetting board enters the action and adds another agency to the network, and the way in which existing agents respond to it; fourthly, the ways in which interconnected actors re-inforce aesthetic conservatism in the industry by cancelling out each other's attempts to break with convention, by transmitting fear and anxiety to each other.

7.1. 'Big Model' Advertising

Creativity or Efficacy?

(Figure 7-1) KTF *Have a Good Time* **Television Ad**

One of the most prominent features of advertising in South Korea is the centrality of celebrity endorsement. The popularity of celebrity endorsement is hardly unique to the country. However, it is considered almost as 'the' advertising in the industry. One newspaper reports that there appeared 2,000 television ads in 2004 and approximately 65 per cent of them were celebrity endorsement (*Joongang Daily*, Sep 20, 2005). However, the report only refers to ads that feature top celebrities. The number would skyrocket if all celebrity-endorsed ads were included. The South Korean variant of celebrity endorsement is specifically called 'big model' advertising. This is not just advertising using celebrities but big-name celebrities. The basic premise of this advertising is to take advantage of the established image of an A-list celebrity and associate it with the brand image. The primary concern in big model advertising is to get the right celebrity for the brand but it is often interpreted so that the one most in-demand is the one to go for, regardless of his/her image.

One example in this regard is KTF's *Have a Good Time* campaign in the summer of 2005 which features Moon Kun-young, one of the hottest female actresses at the time and commonly dubbed, the 'nation's little sister' due to her sweet and endearing image (see Figure 7-1). The campaign was created by Cheil and presents a series of ads in which Moon Kun-young does various cutesy things, including pretending to be a ghost, putting teabags on her face or pouring water over her brother. Looking at the ads, it is not difficult to see that there is no purpose in those ads other than the gratuitous display of the actress.

> We decided that what KTF sells is not a telecommunications service but time. The
> time when you use your mobile phone is the time you meet KTF. KTF will make this

time a good time for you. […] What then is the good time that KTF wants to give their customers? […] We found the image of Moon Kun-young fitted the bill perfectly. […] She is so cute and wholesome that you forget your unhappy life while you watch her on TV. We thought just showing her making sweet gestures could lift people's mood and transform the moment into a good time. In this sense, the campaign is not just designed as sales pitch but also a gift from KTF to the public.[31] (Kim So-jin, 35-year-old copywriter at Cheil)

The concept is quite simple and clear: To visualize a good time, show Moon Kun-young. But it could be anyone. The person who is the most popular is always the one people want to see the most. Big model advertising does not need a narrative or even a message. Creatives' job is casting the right celebrity, designing the right backdrop and writing a catchphrase. Celebrities do the rest – grabbing attention and making the ad memorable. Kim So-jin admits, 'Moon Kun-young makes half of the campaign'. In general, creatives do not like this kind of advertising. First of all, they regard it as the nadir of creative advertising, as it is relegated to playing second fiddle to the celebrity in the ad. Secondly, they consider 'over-reliance' on celebrity images a bad way to run a campaign. They point out that celebrities often, if unintentionally, hijack advertising, overshadow the product or service and effectively turn advertising into promotion for themselves. What is more, celebrity behaviour is often precarious and their popularity transient. In these respects, they believe it is a very risky way to build a brand image.

I […] found great reliance on celebrities which to me is a problem… a very big problem because the brand becomes the celebrity instead of the brand on its own. And when a brand's persona is a celebrity, you have problems because as soon as the celebrity falls off the map, your brand is out. (John Gregory, senior vice president and global creative director of Cheil)

To a large extent, creatives' critical stance to big model advertising is a product of their increasing exposure to foreign ads. Thanks to the broadband Internet and increased

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[31] However, it is doubtful whether the ad met their expectations. Moon Kun-young was one of the most in-demand celebrities at the time. She was simultaneously endorsing six different brands including KTF at the time of this research. Television advertising slots were virtually saturated with her image. She often appeared three times in a row in television adverts for three different brands. What is more, all the ads portrayed her as the same image, that of an innocent, cute young girl. In these circumstances, it is not likely that showing her face was received as a special gift or that KTF was building a distinctive brand image. This is big model advertising's inherent shortcoming. The number of big models at a given time is always limited. Therefore, it is common for about a dozen celebrities to cover almost all major brand advertising and dominate primetime television advertising slots.

information about foreign advertising, South Korean advertising practitioners have become more and more familiar with diverse styles and trends in advertising. What is particularly pertinent here is their exposure to international festivials, as discussed in an earlier chapter, e.g. Clio Awards, New York International Advertising Awards and Cannes Lions International Advertising Festival, and to creative journals, e.g. *Shots* and *Lürzer's Archive*. In this way, they discovered that the world's best or most celebrated adverts do not rely heavily on celebrities but on creative ideas. From this experience, they learn 'legitimate' advertising styles and aesthetics, and aspire to co-opt them. However, they find that they have to keep producing those creatively 'inferior' big model advertisements, mainly under pressure from clients. What emerges here is a power relationship inscribed in the genre. It is expensive to hire a big-time celebrity. So it is no wonder clients are eager to have their money's worth. It makes the celebrity the focal point of the ad which excessively exhibits his/her image.

> Big model advertising is the biggest obstacle to our approaching global standards. There is no room for creative ideas in this genre and it constrains our creativity. Think about it. When you spend millions of dollars to get a big-time celebrity, there is nothing more important for you than to exploit his/her image as much as you can. […] They don't do advertising like that in other countries. They create great campaigns with no celebrity. It's embarrassing to show our ads to foreign creatives. They say ours are rubbish and I admit that. (Im Dae-joon, 40- year-old creative director at Welcomm)

There are various reasons why big model advertising continues despite the ever-increasing costs and severe criticisms. However, arguably the strongest reason is the widespread belief that it is the most effective form of advertising in South Korea. I specifically use the word 'belief' since no interviewee during research gave convincing evidence of big model advertising's efficacy. However, they nevertheless appear to have no doubt about the claim. It is repeated time and time again, not only by industry insiders but also by the mainstream media, to the point that it sounds like an established fact. For example, one newspaper reports the success stories of Anycall V540 and V4400 mobile phones from Samsung Electronics and attributes their successes to Lee Hyo-ri and Kwon Sang-woo, the celebrities who endorsed the products. The report points out that these phones are better-known as *Lee Hyo-ri Phone* and *Kwon Sang-woo Phone* and sold three times more than other phones from the brand thanks to the pulling power of the celebrities in question (*Hankyung Daily*, Nov 2, 2006). Stories like this consolidate their belief and produce 'theories' that justify it, such as that South Korean

consumers are not culturally sophisticated enough to appreciate creative-oriented adverts; and big model advertising perfectly suits South Korean consumers' cultural standards and level of intelligence.

> If you have a choice between a great idea and Moon Kun-young, 10 out of 10 South Korean [consumers] go for Moon Kun-young. The best advertising in this country is one that shows Moon Kun-young smiling, talking and winking to camera as often as possible. It's stupid but that's what works best here…Forget about anything philosophical or meaningful. Nobody wants that. (Yoon Hee-joon, 45-year-old executive creative director at Diamond Ad)

There are a number of 'established' criteria for advertising's efficacy, including sales increase, recollection, concentration, and intention to buy the product. In the case of big model advertising, it appears that the claim is based primarily on its popularity. It is no coincidence that big model advertising's foothold has been vastly strengthened ever since the emergence of TVCF (www.tvcf.co.kr), the influential advertising portal website that organizes a weekly popularity poll of television adverts. Since its inception, the TVCF chart has been dominated by adverts that feature 'big models'. Clients and agencies not only took it as a 'positive' proof of said-advertising's effectiveness, but also made it an agendum to get their ads to the top spot in the chart. Although it is not difficult to see the problems of validity and reliability entailed in the chart, it still provides a talking point in the industry which could shame some agencies. In this respect, what matters here is that it is a rare case of an open public verdict for adverts that is there for everyone to see. While creatives argue that the popularity is not at all an important criterion for measuring the performance and quality of advertising, they nevertheless pay keen attention to it since everyone in business does that.

> Look at TVCF and you'll see why. If you want to put your ad in the top 10, you definitely need a big model. At least 80 per cent of ads in the top 10 have big models. These days it is either Won Bin or Kim Tae-hee. These two celebrities are sweeping the chart from number 1 to 10. If you are able to get hold of one of them, the game is over and you have nothing to worry about. (Kim Hyung-joon, 34-year-old art director at Diamond Ad)

The majority opinion of creatives regarding big model advertising is that they are making it against their wishes, just to cater to the low cultural standards of South Korean consumers. However, there are some creatives who are critical of this claim.

According to them, it is mere pretext for their inability and unwillingness to try something different. As we have seen in previous chapters, although almost every South Korean creative admires creative and innovative foreign advertising, they would rather choose to stay in security and comfort with the big model advertising they are used to making in their everyday business. In this respect, the efficacy claim of big model advertising appears self-serving. It is more the case that big model advertising *should be* efficacious than it *is*. To an extent, the overwhelming popularity of big model advertising is a product of its prevalence rather than a reflection of consumer taste. Consumers have had few alternatives when it comes to advertising styles and they have to choose their favourites from what they are fed.

> 'I have good ideas but consumers prefer big model advertising?' If they said that, they are kidding themselves. Let them do whatever they want to do. Give them maximum creative autonomy. They won't be able to come up with anything remotely creative. They've never done it. They have no clue how to do it. They don't even understand what it is. They would go, 'What is this, no big model?' 'Isn't something with Lee Na-young better than this?' It's a vicious circle. You don't need a good idea to make big model advertising. So you don't have one. Since you don't have a good idea, you can't make anything other than big model advertising. (Kang Tae-joon, 39-year-old producer at Welcomm)

The proliferation of big model advertising goes in a circular fashion: the industry provides consumers with big model advertising; consumers respond well to some of them; the industry interprets it that consumers prefer big model advertising and increase its supply. In this process, public preference for big model advertising is fixed as a local cultural peculiarity and becomes a ground for claiming the unworkability of 'advanced' foreign styles on the country's soil. What runs through this process is contradictions and the ambivalence of creatives towards big model advertising. On the one hand, they have a low regard for its in-built restrictions and marginalization of creativity. On the other hand, however, they keep producing it for the sake of their security and comfort. The practice is justified by the efficacy claim which reassures not only clients but also creatives themselves. In this way, they maintain the practice which they do not openly support.

Reproduction of the Genre

Big model advertising is often considered as *chaebol*'s genre of choice in

advertising, and the emblematic style of in-house advertising. There is distinct conservatism in *chaebol*'s preference of it. The basic idea is that they have had no problem in doing advertising in this way. So there is no reason to change it. In this respect, the main attraction of big model advertising for clients appears to be safety. They calculate that the ad is likely at least to appeal to fans of the celebrity. Therefore it is absolutely important to hire celebrities with the widest possible fan-base. In this respect, celebrities are employed as a security measure both in terms of business risks and the client's anxiety. It is said that clients often feel insecure and scared when agency suggests an ad with no celebrity. What is more, they encourage agencies to produce big model advertising by frequently choosing one from competing plans. As we have seen, from the agency's point of view, big model advertising is usually a no-brainer in terms of business. They do not need to engage in a lengthy and rocky process of persuading clients to buy it as clients already know both the format and the celebrity suggested. In this respect, perhaps the efficacy of big model advertising is not about selling goods to consumers but about selling ads to clients.

> There are brands like Eagon Industry and Hansaem Kitchen who hire celebrities for their ads. But they are not major brands and have little media exposure. Among larger brands, companies like Renault Samsung do not use big models. They don't make adverts like Hyundai. However, I could say that more than 70 per cent of major brands still do mostly big model advertising. When there is no big celebrity, they feel that the campaign is not big enough. They become insecure and worry about its efficacy and lack of public response. (Im Dae-joon, 40- year-old creative director at Welcomm)

However, safety is not the only reason that big model advertising flourishes. There is also an element of conspicuous consumption that is attractive to clients. Big model advertising is invariably big-budget advertising and commonly considered as a symbol of a company's status and power. It shows both the public and their competitors how big they are. As most major brands chase a handful of top celebrities, competition to land one is always stiff and the fee astronomical. For example, in 2007 Rain, the male pop singer and actor, signed a one-year contract worth USD 1.8 million with Lotte Duty Free Shop, and BoA, the female pop singer, made USD 1 million from her one-year appearance in Olympus Camera campaigns (*Sports Hankook*, Feb. 22, 2007). [32] There

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[32] In comparison, even the most expensive actors in the country are paid less than USD 500, 000 per film. Therefore, advertising is known as the most lucrative source of income for top celebrities. What is more, it is one area where domestic celebrities are frequently paid more than Hollywood A-listers. It is said that

is often a sense of triumph in landing a top celebrity for a campaign. Stories of top celebrities' signing multi-million-dollar contracts with large companies regularly hit the media headlines. In this context, big model advertising occupies the top seat in the hierarchy of prestige in advertising, which shapes the way in which clients approach advertising. Many smaller clients do what could be called 'small model advertising' and aspire to do big model advertising. Creative-oriented non-big model advertising is, on the other hand, often regarded as an eccentrics' choice or utter pretension. As one of its main purposes is ostentatious display, it is no wonder that clients are very keen to see their ads' performance in the TVCF chart. They put pressure on agencies to take the poll result seriously, which gives agencies another reason to concentrate on big model advertising.

> The popularity contest is plain wrong. The number one ad should be the one that sells best. But number one these days means the most exposed rubbish with the most popular celebrity in it. […] At first, I didn't care about it at all. But what can you do when your clients say, 'Hey, why is our ad not in the chart?' We then call up all our staff and everyone at the production company and click it all the way to the top 10. After spending all day clicking, we say to each other, 'Job well done'. (Yoon Hee-joon, 45-year-old executive creative director at Diamond Ad)

Needless to say, there is nothing more important than celebrity in big model advertising. It keeps the creative process simple and straightforward. It is said that choosing a celebrity is half the job. Another half is devoted mainly to creating a design which makes him/her look good in it. From the clients' point of view, the biggest concern here is getting their return on their investment. After spending a stupendous sum on a celebrity, they are desperate to get their money's worth. More often than not, it is a question of how much rather than how well the celebrity is used. In response, agencies concentrate on exploiting the celebrity image in every possible way. Their job is to glorify his/her image and maximize its exposure. Creative ideas become either superfluous or cumbersome for this purpose. This is one of the reasons why in-house agencies are short on creative prowess. They are in a weaker position to their clients and

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Drew Barrymore's fee for the 2005 South Korean television campaign for Baskin Robbins was USD half a million, while Gwyneth Paltrow's for the fashion brand Bean Pole the same year was about the same as BoA's. This close symbiosis between the advertising industry and the entertainment industry has a unique effect on the shape of both industries. On the one hand, it is responsible for a lot of actors' and singers' abandoning their original careers and concentrating on advertising. On the other hand, it makes monitoring celebrities and collecting celebrity-related information – down to unfounded rumours – an important job of advertising agencies.

more accommodating to their demands. Their way of doing business is providing technical proficiency to clients in achieving what they want rather than expert knowledge to achieve what is good for them. In *chaebol*-dominated economy and in-house agency-dominated advertising market, it is no surprise that *chaebol*'s preference of big model advertising prevails.

> The basic idea is this: 'A fridge ad? Get the most popular girl. Pay her millions and fill every second of the ad with her image'. She's the one who represents the brand. So there should never be an iota of negativity in her portrayal. She's going to be presented in the most stylish and elegant way you can imagine often to the point of being unreal. After all that, it's not easy to find a place for creative ideas. (Kim So-jin, 35-year-old copywriter at Cheil)

Unlike the ambivalence of creatives, (*chaebol*) clients appear more single-minded in their pursuit of big model advertising. They consider it more effective and safe mainly because it is familiar to them. Also, they use it as a platform to show off their wealth and power which provides a model for lesser clients to aspire to. In this way, big model advertising prevails particularly with *chaebol*'s forming creative alliances with in-house agencies. Creative-oriented independent agencies are largely excluded from this game which results in the marginalization of creative advertising. In this respect, big model advertising embodies clients' power, wealth, aspirations, tastes, fear and anxiety as well as agencies' creative practice, struggles between clients and creatives, and between in-house and independent agencies. It represents the prevalence of the local over the global as agents of the latter are excluded from the game and, thus, unable to change it. However, it does not necessarily mean big model advertising is stagnant. It keeps changing by taking elements from various styles, albeit not in the way many critics wish it to.

Challenges and Responses in the Battle of Styles

In the face of the prevalence of big model advertising, most creatives complain of its effects of restriction on creative scope and its plain 'low' creative quality. For some ambitious creatives, however, it is practically an invitation to challenge. It gives non-big model advertising, especially adverts for big businesses, an extra significance, and an aura of creative advertising. There is a much bigger chance for non-big model advertising to be critically acclaimed and receive various end-of-the-year awards than there is for big model advertising. In this respect, some creatives consider non-big

model advertising more rewarding symbolically which is a good enough incentive for them to challenge the stranglehold of big model advertising. There is a sense of heroism involved in this venture which suits the alleged personality traits of creatives. It is not difficult to see that they take great pride in their involvement with successful adverts with no big-time celebrity. They point out specifically that the ad achieved success 'despite' the absence of a top celebrity. For them, it is nothing short of a testament to their creative prowess.

(Figure 7-2) SK Telecom *Human and Human… and Communication* Television Ad

One such example is SK Telecom's 2002 campaign, *Human and Human… and Communication*. The campaign is based on the concept, 'exchange of human warm-heartedness via communication'. *The Parking Place*, the fifth episode in the series, has been deemed particularly successful (see Figure 7-2).[33] It received rave reviews and the annual Consumers' Choice Award for best television ad, which challenges the belief that South Korean consumers only respond to big model advertising. The campaign is made by TBWA Korea, the foreign-owned creative-oriented independent agency. TBWA Korea's stock-in-trade is 'insight advertising' and the ad is an example of

that.

While the idea of consumer insight has been adopted and circulated in the industry for many years, it is recognized that TBWA Korea has been its most ardent

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[33] The ad begins with the close-up shot of a slip of Post-It attached to the wall at a residential parking area. It says, 'Please feel free to park before 8 p.m. when I come back'. Female voice-over then goes, 'Who is it that speaks such beautiful words? – SK Telecom'. It is said that the ad is inspired by 'parking wars' that take place everyday on residential streets of Seoul. More specifically, it is based on the observation that housewives sit down on parking lots every evening to occupy a place for their husbands coming back from work.

advocate and applied it aggressively to their advertising campaigns. It is their belief that good consumer insight is a much more effective and economical means of advertising than top celebrities. In this respect, they have consciously eschewed big model advertising and concentrated on consumer insights. However, it is also recognized that their ascendency to a creative powerhouse is largely owing to SK Telecom, the largest client of the firm. SK Telecom is one of the rare *chaebol* companies who have a penchant for stylish creative advertising. In this regard, TBWA Korea's successful challenge to big model advertising is an outcome of the fortunate combination of an ambitious globally attuned agency and an unconventional *chaebol* client who is keen on approaches that are different to the mainstream genre of big model advertising.

> When KTF [SK Telecom's main competitor] spent millions on celebrities, SK Telecom beat them with models cost USD 3,000 each. All you needed to make *The Parking Place* was these cheap models and a slip of Post-It. […] If you get your consumer insight right, you don't need a big model to make your advertising work. It is ads like this that make the SK Telecom brand today. They owe their success to those 3,000-dollar models. (Kang Jae-joon, 36- year-old creative director at Welcomm)

Informed by innovative foreign ads and the success of TBWA Korea, smaller independent agencies have started to focus on non-big model advertising and broaden their market niche. To respond to this challenge, in-house agencies have tried to incorporate more 'creative' elements into big model advertising by introducing into it narrative structures, unusual graphic layouts, unconventional settings and/or different angles in the manipulation of celebrity images. It is *chaebol* and in-house agencies' attempt to make the rather flat and tired format interesting without necessarily sacrificing its merits of safety and ostentation. However, it is likely that it is simultaneously creatives' effort to enhance the value of their stake and clients' desire to catch up with 'advanced' aesthetics of non-big model advertising. On the one hand, creatives wish to have more influence on creative processes while managing the risks by maintaining the format. On the other hand, clients wish to have ads with more depth and substance while not losing the benefits of big model advertising. Some interviewees hail it as a big step forward for South Korean advertising but others point out that it is nothing but a poor makeover of fundamentally uncreative advertising. Whatever the case, it appears to constitute an interesting juncture where tensions between the global and the local arise within the space of mainstream South Korean advertising. It is here that local clients integrate discourses of the global creative industry via the mediation of works produced by local independent agencies.

We are moving away from the simplistic and primitive big model advertising of the old days. We no longer employ big models only as spokespeople for products. Although we are still undeniably relying on their personalities, they are now used in a more creative way as a creative element. For example, you see innocent-looking Moon Kun-young break-dances or trendy Lee Hyo-ri meets a North Korean girl. I think these are the cases that show how creative ideas could be fused into celebrity images. (Park Kyung-jin, 30-year-old copywriter at Diamond Ad)

As the mainstream genre of advertising in South Korea, big model advertising fills major television networks' prime time advertising slots every day. We have seen that it is a big-budget operation which not many clients can afford. It makes it *chaebol*'s genre of choice in which they show not only their products/brands but also their financial power. There are a number of devices that contribute to its prevalence, such as the news media and the TVCF website. Big model advertising proliferates on the discourses of efficacy and popularity produced and spread by these devices. However, it has been continually criticized for its formulaic and conservative creative quality. Agents of the 'global' consider it as a backward 'local' practice that needs to be challenged. They attempt to introduce non-big model advertising, in which the focal point is not top celebrities but creative ideas. With the critical and allegedly commercial successes of some campaigns of this kind, it became fashionable to give big model advertising some 'creative' flavour. However, it nevertheless remains 'the one to go for' for most major clients, despite the ongoing criticisms and skyrocketing costs as all parties involved, including its critics, believe that it is the surest way to bring products to market.

7.2. Referencing

Referencing, Parody, Copycats

In 1992, the US advertising trade journal *Advertising Age* published an article on plagiarism in South Korean advertising. The article presented a few examples of copycat adverts and condemned the fact that approximately 25 per cent of country's adverts are classified as plagiarism. In 1997, a South Korean newspaper article claimed that more than 70 per cent of country's ads are copies of foreign ads (*Hankook Ilbo*, Oct 20, 1997). Plagiarism in advertising has been a never-ending controversy in South Korea simply because it is very difficult to corroborate it. There is no clear-cut yardstick for plagiarism. How much resemblance is qualified as plagiarism and how much is accepted as original? Which is more important in deciding plagiarism, resemblance in the concept, the narrative or the appearance? These are virtually unanswerable questions. In this respect, it is not productive to try to prove or dispute the claim that plagiarism is chronic and widespread in South Korean advertising. Instead, it is more interesting to explore how such a claim has been established; how the industry handles it; and what it implies about the industry's approach to the global.

In literature, art and music, there are two competing views on plagiarism. One is the Romantic view which considers originality as a quality of genius and creation *ex nihilo* (Macfarlane, 2007). The other is the neoclassical view that sees originality as the child of imitation (Reynolds, 1997; Macfarlane, 2007). From pastiche to cut-up techniques, contemporary practitioners of art, music and literature appear to endorse the neoclassical view, whereas the Romantic view has been developed to form the basis of modern legal thought on copyright (Kaplan, 1967: 24). The oft-conflicting co-existence of these views has a strong presence in the South Korean advertising world. On the one hand, consumers and the media tend to have stricter views about the visual resemblance of ads. On the other hand, the industry appears to embrace borrowing and stealing as an essential part of the creative process. This difference makes it difficult to avoid controversy, as accusations of plagiarism regularly break out in the media and on the Internet. However, the controversy takes place not only between the industry and external actors but also within the industry. Even though 'lifting' is considered as an acceptable method of creation, there still remains the question of where to draw the line. In this respect, it is revealing that John Gregory, one of the few foreign contingents in the South Korean advertising industry, strongly accuses his South Korean colleagues of plagiarism:

(Figure 7-3) Suspected Copycat Adverts and Alleged Originals (from top left to top right: LG Cyon mobile phone television ad and Mitsubish Motors print ad; from bottom left to bottom right: Sharp Korea print ad and Pianegonda print ad)

So many creative people in this industry copy something from other countries and say that it's creative. That's not creative. That's not original thinking. […] from [the point of view of] a creative person, I don't want to do someone else's idea, I'll do my own idea. That's what motivates us. So I'm wondering […] where the motivation is in this creative and in this creative people… […] *The Economist* magazine, [for example], have an outdoor board run in London, run in Europe. When you walk underneath it, the light bulb turns on. The phone company here did exactly the same commercial. It's a red/white bulb. When people are underneath it, it lights up and it sucks the people inside. Well, that's not an original idea. It's running on TV. If I was *The Economist*, I would sue them. But *The Economist* would probably be going, 'Well, it's just running in Seoul. Forget it'… (John Gregory, senior vice president and global creative director of Cheil)

Gregory makes three points: first, there are lots of copycat adverts produced in South Korea; second, plagiarism is a professionalism issue; third, plagiarism is a legal concern. As he suggests, however, there is practically no legal concern regarding it in South Korea. Therefore what count are two remaining questions. Regarding the first question, only a small minority of South Korean interviewees say that plagiarism is widespread. Some even claim that there is no such problem at all in the industry. However, there is noticeable ambivalence in their reactions. They appear not much concerned about the issue but still very conscious of criticism. It is most apparent in their choice of the word. They prefer to call it 'referencing' rather than plagiarising or

copying. In their view, the difference between referencing and plagiarising is whether the composition is an exact replica of the original or not. From this criterion, only the most blatant copies could qualify as plagiarism. They could freely lift elements from other ads without feeling guilty in so far as they do not make an exact copy of other's work. In this respect, Park Kyung-jin presents a very different view regarding the example John Gregory gave in the above quote:

> I don't see it as plagiarism. There is a question whether it copied the Economist ad or just used it as a reference. It is a normal creative process that advertising people refer to magazines or foreign ads for inspiration. If you changed it or added something to the original, I think it is too harsh to call that plagiarism. Is it plagiarism when you get inspiration from an ad and not when you get one from a book? (Park Kyung-jin, 30-year-old copywriter at Diamond Ad)

It appears that the South Korean advertising industry's very narrow definition of plagiarism is integral to its work process. It is normally considered that studying foreign ads is an important part of creatives' job. It is an established routine that creatives spend days flicking through foreign magazines and watching videos of foreign ads. Other than deciding on a popular celebrity for big model advertising, creative process typically begins with intensive research of foreign ads – mostly European and North American but also Japanese and South East Asian. The aim of the research is often more practical than just finding inspiration. It is the process of searching for templates for new campaigns. More often than not the 'mix-and-match' approach, or lifting elements from other ads and creatively rearranging them, is precluded for the sake of efficiency and risk-reduction. The popular method of creation is to pick up one advert – one that has not been shown in the South Korean media – and make a few modifications to it. In this way, the original does not lose much in compositional balance and effects while being sufficiently modified to avoid the charge of plagiarism.

> South Korean creatives heavily rely on overseas ads for reference particularly non-global or local ads […] The problem is everyone uses the same references such as Shots, Lürzer's Archive, Getty Images and so forth. So we all know where this ad came from even though we're all hush-hush about it. […] It is a typical process that, when you come across a foreign ad you like, you slightly change its form, colour or a few details and hey presto! You created a new ad and it's not a copy because you changed it. (Jeong Hyun-joon, 29-year-old assistant art planner at Diamond Ad)

There is an element of creatives' desire to quickly catch up with global trends in this practice. There is an anxiety that, by the time they have mastered a new form of expression, it already has become a thing of the past. It is closely related to their lack of confidence and fear of failure. Although they wish they could try out their original ideas, the pressing timetable in their everyday business does not allow for failure. Therefore, it is much easier and safer for them to go for imitation rather than creating something original from scratch. What is more, it is actually beneficial to employ this method. It makes it easier to sell ads to the client as quality is already there in the original. It also saves time and cost as there is much less need for trial-and-error. With the advent of the Internet, however, this method has become more and more vulnerable to challenge as more and more consumers have direct access to foreign ads. There are numerous websites and personal blogs that name and shame copycat adverts. In the end, however, the practice continues as these accusations have no legally binding power.

As usual in the advertising business, the practice is not entirely down to creatives or agencies. Clients also play a big part in its reproduction. Interviewees say that clients' influence regarding the issue is exerted in two ways: first of all, plagiarism is sometimes done on the client's instruction; secondly, they indirectly make creatives to do it by creating difficult conditions. The first is straightforward. Most clients are not much concerned about the ad's originality. What they want is an ad that looks 'pleasant' to them. Particularly when some top manager found a foreign ad that he/she likes, it becomes an imperative for subordinate employees to give him/her something like it. What it indicates is that, however, clients are seeing creatives purely as craftsmen or technicians rather than creative artists. As for the second, it refers to the tight timetable clients give agencies. It is usual for companies start new projects at short notice and make agencies rush things to meet deadlines. Creatives argue that it deprives them of time to gestate creative concepts and makes them focus on purely technical processes such as drawing story boards and preparing presentation materials.

> Schedules are too tight. Even when you handle large projects worth USD 10 million or 20 million, you are normally allowed 1-2 weeks to prepare for it. How can you possibly come up with something in such a short period? It's not enough time to even prepare for a presentation board. It's obvious what you are going to do in this situation and that's the only way to satisfy the client. I've never thought I was doing wrong even though it hurts my pride. (Jeong Hyun-joon, 29-year-old assistant art planner at Diamond Ad)

Without starting a plagiarism controversy, we could still argue that South Korean creatives rely heavily on foreign references for their composition of ads. It is an established practice to select ads that creatives think might suit the South Korean market – and the client – and add some embellishments to them. It is performed on narrow criteria for plagiarism which enable it to continue despite constant outbreaks of criticism. In this way, they inadvertently introduce the styles and aesthetics of foreign advertising to South Korean advertising, and transmit aesthetic tastes and sensibilities along with them. However, it does not necessarily convey the values of creative advertising, in which creative work should be original. Instead, it re-produces their self-appointed status as followers or emulators of the West. The practice effectively places South Korean creatives a step or two behind their Western counterparts in creative advertising. In this respect, the creative advertising they practice here is a locally situated category as what it signifies is advertising that is 'creative' in South Korea.

Creativity as a Style

What is interesting in this plagiarism controversy is that it is agencies renowned for creative prowess who are most frequently suspected of the offence. The Hankook Ilbo report quoted earlier claims that about 90 per cent of ads from one particular ad firm are copycat adverts (Oct 20, 1997). Although the paper does not mention the name of the company, industry insiders have a pretty good idea that it is one of the leading creative-oriented independent agencies. It is not verifiable whether the ad firm is particularly culpable of the offense or simply singled out because of their public advocacy of creative advertising. However, it could nevertheless be assumed that those ardent proponents of creative advertising are also often responsible for copying and imitation.

Plagiarism or not, what it means is that what is recognized as the most creative advertsing in the country is not necessarily the most original. Creativity and originality is the same thing in the sense that both signify newness and distinctiveness. In the context of the South Korean advertising industry, however, what new means is primarily what is new to the local market rather than what is inventive or innovative. As long as the original or reference has not been previously seen in the market, therefore, a derivative piece of creative work could be appreciated as creative. What is important in these circumstances is to *appear* creative rather than to *be* creative. What then is an advert that appears creative? What is the meaning of unoriginal creative advertising? It should be mentioned here that the industry regards foreign advertising as the paragon of

creative advertising. Of course the term 'foreign ad' does not indicate any ad of foreign origin but ones that they see in reference materials, i.e. collections of award-winning ads or outstanding creatives. Humdrum or ordinary foreign ads are not readily available to them in the first place. In this respect, creative advertising means more or less the same thing as advertising with a foreign ad-like appearance and feel.

This separation of originality from creativity indicates the industry's local-apprentice approach to the global. In the earlier quote, John Gregory questioned South Korean creatives' motivation as he sees copying as not creative work. However, he appears to be missing the point. South Korean creatives are not lacking in motivation but have a different motivation from his. For them, achieving creative excellence is practically synonymous with achieving technical perfection to replicate the appearance of foreign ads. It is akin to an amateur footballer emulating the tricks of his/her heroes, or aspiring guitarists' replicating his/her favourite guitar solos. In these contexts the exact replica is encouraged and praised in peer groups. In the same way, some of the highest praise one can give to a South Korean creative is, 'Your ad looks like a foreign ad!' For this purpose, they avidly study foreign ads and try to reproduce them as closely as possible. Perhaps this is one of the reasons why creative-oriented independent agencies are accused of plagiarism more often. They are considered to be more enthusiastically following foreign advertising and keener to appropriate its styles and aesthetics than average South Korean agencies. In this respect, they are more liable to emulate foreign ads. All these factors show their assumptions regarding the global and their position in relation to it. For them, the global is transcendental. It is not the space they live in but a world that exists 'up there' and high above them. They are not members of this world and therefore do not need to follow the same rules, i.e. they can copy. They consider themselves as professionals in the local context but position themselves as apprentices against the global. Foreign advertising is not considered as something they compete with but something they should learn from and absorb as much as they can.

> [South Korean advertising is] not very competitive. We are not creating anything new. We are always chasing in the footsteps of foreign advertising and not getting ahead of it. We are studying, practicing, and imitating foreign ads. Strictly speaking, we are all copycats. (Kang Sun-joon, 35-year-old copywriter at Welcomm)

Creatives say that what they want to learn most from foreign advertising is its creative thinking or the imaginative and interesting ways of delivering the message. In

the everyday business situation, however, the emphasis is usually on replicating what is often referred to as the '*Shots* look', named after the style bible of the industry. It is also what clients specifically want and actively encourage. Clients are often said to demand that practitioners 'give it more butter flavour', meaning 'make it look more like a Western ad'. It means that they also share the assumption of foreign advertising's aesthetic superiority while not necessarily supporting its novel communicative styles. Within this total preoccupation with appearance emerges the centrality of tone-and-manner. The term refers to the sensory design of an advertising text that evokes a certain mood or feeling. It means that creatives must concentrate on the technical aspects of ad production, or giving a surface sheen to the text by the use of particular camera angles, filters, lightings, props and computer graphics. In this way, the creative idea becomes sidelined and often emerges as an afterthought. In particular, when there is a strong reference to base the ad upon, the primary concern is the reproduction of its aesthetics; only then comes the creative idea as a means to connect the product to the advertising text.

> The Nike Tag commercial… It was shocking from a creative's point of view. Anyone in this business would be dying to make an ad like that. At production meetings, however, we hardly discuss the ideas or concepts of that ad. What we're talking about are its style, visual, and tone and manner. We're trying hard to make our ads look like that. Anything more than that is, I think, asking too much to us. (Lee Hwa-joon, 33-year-old copywriter at Welcomm)

Whereas the industry's avid following of foreign advertising reflects its cultural distance from the 'global', its emphasis on surface sheen appears to be a product of the lopsided client-agency relationship within the local industry. The latter is closely related to the industry's concentration on technical proficiency, as clients generally trust technique much more than creativity. Creativity is amorphous, uncertain and uncontrollable while technique is discrete, easily recognizable, controllable and predictable. In this environment, South Korean creatives have a keen interest in technical proficiency. They can identify all the technical details of a foreign ad and how to reproduce it. They are also blessed with all the latest technologies and equipment thanks to the growing financial strength of the industry. However, this preoccupation with technique effectively turns creatives into operators and separates execution from conception. One art director says, 'If you were a very talented creative but did not know how to use a Mac, you have no chance of getting a job here'. This technique-worship leaves creatives relatively untrained in using their creativity and imagination, and more

importantly saps their confidence in their creativity. What follow are self-doubt and questions regarding their 'intrinsic' ability.

> I've always thought that what I learned at school was completely useless. In this business, you need a different kind of brain. You need this creative and unpredictable quality. Some foreign-educated people have it. They are the ones who suit this business best. [But] we're not trained that way. We don't know how to think differently. I believe this is why we are making the same old crap time and time again. (Kang Sun-joon, 35-year-old copywriter at Welcomm)

Over the years, South Korean culture/creative industries, such as music, film, television soap opera and computer game industries, all have grown into global forces both commercially and critically (Hua, 2005). This fact challenges Kang Sun-joon's statement about South Korean education's hampering the creative development of its people. John Gregory sees that the advertising industry is a particular case that lags behind the collective rise of the country's culture/creative industries. What is interesting here is not the accuracy of Kang Sun-joon's comment but the fatalism and despair expressed in it. South Korean creatives have always dreamed of competing with foreign advertising in the global arena. However, they have constantly followed it without being able to find a breakthrough. In this respect, what the comment shows is that their pessimism regarding their creative ability has almost become part of their collective identity. At the same time, however, it provides them with another ground for justifying the practice of heavy referencing as it effectively means, 'It is impossible for a South Korean to be creative, so what else can we do?' The crucial difference between the advertising industry and other culture/creative industries is, however, its dependency. The advertising industry is the one culture/creative industry owned and controlled by manufacturers. Notwithstanding the existence of independent agencies, it is in-house agencies that constitute the mainstream of the industry. In these circumstances, creatives are encouraged to demonstrate their technical skills but discouraged from using their creativity.

Referencing is a major means to transmit global trends in advertising to the local advertising scene. It has been a controversial practice because of its frequent association with plagiarism. The practice is a product of tension between the attraction of the 'global' and the constraints of the local. Referencing in this context is a 'quick fix' which enables South Korean creatives to 'narrow the gap' with foreign advertising in a short period of time. It involves selective adoption of the 'global' in which safe

elements are quickly appropriated while risky elements filtered out. However, the safe and the risky in this context are locally constructed. Here, what is considered safe is technically replicating the tone-and-manners of foreign ads, while the risky is the controversial or daring subject matter. Again, it shows the strong conservatism contained in the practice. Technique is commonly considered value neutral. What it does, or what it is believed to do, is making texts look good rather than making 'good' texts. In this way, referencing does not necessarily contribute to a change in styles in South Korean advertising. What it does is adding lustre to already existing styles.

7.3. The Creative Network

Reproduction of Convention

Creativity is an abstract entity of human aptitude that takes a specific shape only in particular conditions. South Korean creatives get their inspiration from foreign references, set their standards according to them and try to emulate them. However, their creative aspiration is conditioned by and situated in the surrounding environment. In this context, their creativity is routed in a particular direction and takes a particular shape. One notable characteristic of South Korean advertising is its strong conservatism. It is polite, positive and pretty with virtually no trace of sarcasm, irony or grotesquery. This characteristic is considered to be a reflection local consumers' cultural taste but it is more likely a product of the conditioned and situated actors who are involved in ad production. Following Warde and Lury (1997), Miller (1997) and Cronin (2004), I consider fear as an important factor behind the prevalence of cultural conservatism in South Korean advertising. While previous studies attribute fear mainly to advertisers or clients, it appears that it is equally conspicuous in other actors in the business, including advertising practitioners. In this respect, I consider fear not as an emotional property but as a discursively constructed agency which actors transmit to each other. On this premise, I explore in this section the ways in which discourses of fear offset each actor's attempts to break with the conventions; reproduce conservatism; and thereby shapes the way the 'global' is mediated.

Firstly, there is creatives' own fear of failure. As discussed, their stance in relation to creative advertising is usually ambivalent. On the one hand, they have a strong desire to create something that could stir consumers' emotions and produce strong reactions from them. On the other hand, however, they are reluctant to go down that route for fear of failure – it is a different matter altogether whether they can actually create such a creative text at will. Here, failure means many different things. One typical answer from my interviewees is that failure is advertising that fails to sell. However, it also means those ads that fail to get approval from the client; and those that fail to produce consumer response. What is intriguing here is that, in all these cases, they associate failure specifically to strong rather than to weak creative content. What it indicates is the belief that bland advertising never fails, therefore they would rather make uninteresting adverts than unusual ones. It also suggests that the fear they specifically talk about in this context is fear of rejection by clients. Among all these fears, that's the most damaging thing for them. However, clients are another set of frightened subjects.

As we have seen, most of them instinctively prefer the safer option, which is often identified with the bland.

> If you want to try something new, you need to persuade the client, and your boss, and your colleagues and so on. You simply have too many barriers. After all that, you still have no guarantee that you would be able to make it. You can't afford to fail in this business because you simply can't. You're always in fear of failure. So you don't even try. (Choi Kun-joon, 37-year-old art director at Cheil)

Fear of failure is diffused in the industry. Interviewees say that they have been constantly warned by their superiors and peers not to make an ad that is well-received but fails to sell.[34] For many of them, this kind of ad is even worse than ones that are instantly forgotten. However, sales are not in their control. Therefore they tone down the expression to control the 'well-received' bit. There is also strict adherence to formulae such as big model advertising, avoidance of unusual subject matter, and anything that is deemed unconventional. When referencing, they take a cautious approach to the foreign ads to be referenced. They filter out ads that are deemed offensive (e.g. ones that show impertinent attitudes towards parents or elders), overly artistic (e.g. the surreal pseudo-art-house short film *Le Sacrifice* of Stella Artois), incomprehensible (e.g. Budweiser's *Scary Movie* parodying *Wassup*), and some outright unfit for the presumed sensibilities of South Korean consumers (e.g. ads that show blood or death). In this way, they voluntarily narrow down the scope of expression. Contrary to their beliefs, it is not choice made with consumer reaction in mind, as they have never tested such texts on consumers. Instead, it is a decision made within the industry between people who share the same fear. The self-imposed restrictions on expression predictably result in what is called 'vanilla ads' or bland and boring ads.

> *Lürzer's Archive* and Cannes […] There are lots of really great ads in there but [...] sometimes they make you remember the ideas but not the products. […] I think the most important thing in advertising is getting your product remembered and placing it in the right market position. If your product was not remembered or put in a wrong position, it's a serious problem. I'm not keen on ads that only look good or have good

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[34] Del Monte orange juice's 1990 television campaign is considered as a popular cautionary tale in the industry. The ad was phenomenally popular and its catchphrase *Ta Bom* – 'very good' in Portuguese – a big hit with the public. However, it is said that Del Monte's market position remained unimproved despite the ad's success, but sales of its rival brand Sunkist increased for no particular reason. It is suggested that it was because the catchphrase *Ta Bom* gave the audience so strong an impression that it effectively stole the spotlight from the brand in the ad.

ideas. (Hwang Ah-jin, 29-year-old copywriter at Welcomm)

What come next are clients. It is a well-worn cliché that advertising is a business that sells creativity, and risk is part and parcel of a creative business. The problem is, however, that it goes against the wishes of most clients. Clients' biggest concern is always their return on investment. They are anxious to have some guarantee or assurance that their money is not wasted on fancy artworks and catchy slogans. What emerges here is a difference in language between clients and agencies. Clients trust numbers, mathematical models and metrics. In order to persuade them, agencies need to translate essentially qualitative creative work into numbers, figures and tables. In this way, ad production becomes a research-heavy and predictable operation, and it drives creatives to adhere to tried-and-tested tricks of advertising.

> The clients here… huh… they are even more conservative than we are. They don't want to tell the CEO why they did some crazy idea. They worry about their return on investments. So 'if the numbers don't support [it], don't do it'. You know many famous advertising campaigns in the world were done on gut feelings. 'We think it's going to break through. We know that consumers think it's exciting. Let's connect with them like this and let's take chances'… and huge success! That's not done here. Chances are not good. Risk is not good. (John Gregory, senior vice president and global creative director of Cheil)

Clients' negative approach to creative advertising is also related to their inclination for collectivism and uniformity. They tend to perceive distinctiveness as isolation rather than uniqueness and thus become anxious when they are different from others. They prefer following the herd and try to avoid difference. However, they are well aware that the whole point of advertising is to make a difference. Their solution to this conundrum is to pursue quantitative rather than qualitative difference. In other words, they prefer to make their campaigns bigger and better and to beat their competitors in the same game rather than starting a new one. At the time of this research, for example, what was in vogue was so-called 'premium advertising'. It denotes the advertising aesthetic centered on evoking feelings of luxury. Most major brands, whether it is an automobile brand or an ice cream brand, adopted a luxurious tone-and-manner and filled the media with more or less the same lavish- and sumptuous-looking images. It is said that behind the craze of premium advertising were strong demands from clients. It shows their fear that they would be lagging behind if they failed to keep in step with others in the pack. In these circumstances, creatives are pressured to keep

producing premium ads with a stronger and stronger luxury-feel rather than trying out different ideas.

> [Every client] wants a piece of luxury-feel and there is nothing you can do about it. It pushes you to a creative dead end. You are left with no choice. Your props have got to be designer brand items and your backdrop five-star hotel interiors. Now that everyone has jumped on the premium advertising bandwagon, it's no longer special. But their reaction is, 'Rival brand's campaign is this luxury-looking. So you must give ours more of a luxury look than that.' […] This is also one of the main reasons why big model advertising is so popular [among clients]. Top celebrities are a very useful tool to enhance an ad's luxury-feel. There are many creative ways to use celebrities but they are always used invariably with the same old luxurious backdrops, luxurious costumes and stylish postures etc. (Choi Kun-joon, 37-year-old art director at Cheil)

Fig. 7-4 Tylenol Television Ad

Premium advertising is one of the successful cases of the adoption of a foreign style in recent years. What is specifically adopted here is the luxurious tone-and-manner. Foreign ads are usually considered as the epitome of style and class, perhaps as a consequence of South Korean advertising people's limited exposure to foreign adverts with high production value. Since it is crucial for premium advertising to have a high-gloss appearance, it is a rather obvious choice for the local advertising industry to emulate the look of foreign ads. As discussed earlier, the nature of this adoption is mainly technical. Welcomm's 2005 campaign for Tylenol is a case in point (see Figure 7-4). Welcomm tried to position Tylenol as the ultimate up-market anodyne. Accordingly, they decided on the campaign copy, 'Your head aches because you live a passionate life'. The copy is designed to convey the message that 'You' – highly educated upwardly mobile professionals or those who aspire to be one – have a job that requires you to use your brain more. Therefore your headache is the sign of your engagement in a high quality job. The message is presented in a deliberately foreign ad-like look which evokes the feelings of

the stylish, elegant and classy. For a start, ads in the campaign all feature foreign people and foreign settings. The visual is also unusual by South Korean standards in terms of colour, sharpness and movement.

> When you look at *Shots* or *Lürzer's Archive*, you'll find they have this specific look and feel. There is a hint of green. It is a bit monochromatic, a little smooth-edged, slightly compressed, and not very bright. We tried hard to replicate all the details and subtleties of this look. We then used jump-cut technique which augmented the modern and stylish feel of the ad. (Jung Seo-joon, 38- year-old copywriter at Welcomm)

The mediation of the global in creative production is situated in the local conditions of cultural conservatism embedded in the client-agency relationship. In their daily transactions, clients and creatives/agencies exchange and re-inforce each other's fear of failure. Here, creatives/agencies are running on the fear of rejection by clients, and clients' on the fear of upsetting consumers. These fears are inscribed in their aesthetics which produces toned-down and bland adverts. Aesthetics is also the way they practice globalization symbolically. The underlying fear sets limits to their adoption of foreign advertising aesthetics. While they appreciate the wider range of foreign creative works, they employ considerably narrower critera when choosing the ones they co-opt, in an attempt to avoid potential controversy. Many creatives say that they prefer making serene, calm and quietly moving adverts to crazy, bold and attention-grabbing ones. The former are considered more serious, profound and refined whereas the latter often frivolous, shallow and vulgar. The idea appears to be derived from the traditional distinction between high and low culture, which illustrates their inclination towards a conservative aesthetic. However, it also reveals their fear of risk and their approach to creative as damage limitation. There is little danger of controversy in adopting widely accepted aesthetics such as, say, the solemn beauty of the sunset or the angelic grace of a baby, even if it is rather boring and hackneyed. In this respect, foreign advertising provides them with technical information that helps them elaborate and consolidate their taste rather than a creative awakening that makes them challenge existing symbolic practices in ad production.

Vetting and Moral Conservatism

Arguably the most controversial subject in this regard is the depiction of sex. It is a conventional wisdom in advertising that 'sex sells'. Perhaps for this reason, neither

clients nor agencies appear reluctant to exploit sex in advertising. What is more, the industry has been consistently exposed to foreign advertising which depicts the subject matter in a more relaxed fashion. Through their frequent contact with foreign advertising, they also have adopted a relaxed attitude to sex and developed an aspiration to use it in their ads. However, it clashes with the board's moral standards which have a negative stance towards any public display of affection, not to mention sex. South Korean vetting does not allow kissing in television adverts despite the fact that it is frequently shown in the television soap operas they sponsor. The vetting board considers that kissing falls under the clause 'indecent exposure of body or obscene or lascivious expression'. In these circumstances, sex is practically out of the question for television advertising.

Sex is a peculiar subject in advertising in that the industry is eager to exploit it despite the strong regulations against it. For other sensitive or risky subject matter, such as disability, religion, prostitution and so forth, the general attitude is that they are not appropriate subjects in advertising. The industry perceives them as potentially explosive and regards them as no-go areas. Kang Jae-joon gives an example of one of his previous campaigns in which a Catholic nun and a Buddhist nun ride a bicycle together. Although it does not sound controversial at all, it is alleged that the ad is deemed exceptionally brave simply due to its depiction of religion itself. It means that there are two different sets of regulations at work: one is the official regulations and the other is everyday self-regulation to avoid failure at vetting. Kang Jae-joon's ad passed the official vetting but could not even have been made had it failed to pass self-regulation. In this respect, creatives have a contradictory relationship with vetting. On the one hand, they are critical to its ultra-conservative moral stance. On the other, they have internalized its criteria and apply them even more conservatively in their ad production. In this process, they find themselves trapped in the middle between the global and the local. They are strongly influenced by foreign advertising which boasts wide range of creative expression. However, they are forced to operate in a narrow creative scope, and suppress their desire to use their imagination.

> When you show young people dancing in the nightclub, [the board] says that's corruptive. We say, 'That's what young people do these days. That's their lifestyle'. They say, 'That's not very Korean'. We say, 'What's Korean? Is being polite and sitting up straight Korean? Is sitting up not straight not Korean?' They stop everything this way and there is nothing you can do creatively other than a filial piety campaign or a patriotism campaign. When you look at foreign ads, you are amazed by their

imagination and originality. In South Korea, you can't make ads like that because vetting always stands in your way. (Kim Dong-joon, 38-year-old producer at Welcomm)

One other area of conflict between the vetting board and agencies pertinent to the issue of the global-local is the use of foreign language words in advertising. According to regulations, it is not permitted to use a foreign language word when there is a Korean equivalent of it. Its rationale is to preserve and protect the Korean language from the threatening intrusion of foreign languages, particularly English, into the county's linguistic life. Unlike stipulations on morality, however, the rule is more clear-cut and its application more technical than interpretive. It results in a far greater number of violations than the moral regulations. In 2006, for example, 9,132 ads were turned down for unnecessary use of foreign language words which is more than 10 times as many as for violations of moral rules (Kim Min-ki, 2007: 30-35). The regulation is criticized for being so strict and out of step with the times that it even rules out fully adopted expressions like 'leader', 'good morning', and 'cool'. However, the result shows not only the strictness of the rule but also the advertising industry's strong inclination to use English. English is considered as one of the most effective tools to communicate the image of the 'global' and 'modern'. Apart from a small number of brands that put on a local-traditional image for a particular market, the 'global-modern' is a highly sought-after image for the majority of South Korean brands. For them, English signifies a brand's relevance and up-to-datedness, whereas Korean-only advertising feels increasingly archaic and unsophisticated. It might also be the case that it is an expression of creatives' preference for foreignness. As they keenly follow foreign advertising and absorb its influences, they might feel that English is the more attractive and 'natural' language for advertising. For whatever reason, however, English is so highly in demand in advertising that agencies often go any length to include it in ads.

They don't allow you to use English. But that doesn't mean you can't use it. There are plenty of ways to do it if you try to take advantage of loopholes. When we were doing the SM7 campaign for Samsung Renault, they did not permit us to use the expression 'look and feel'. In this case, you can register 'Look and Feel SM7' as a trademark. The problem is that the registration process takes from six months to more than one year. Theoretically we are unable to use it during that period but we used it claiming that 'look and feel' is the company slogan. (Kang Tae-joon, 39-year-old producer at Welcomm)

Vetting adds another dimension to creative conservatism. It has a strong preservationist agenda and a strict moral stance against foreign cultural influences, which goes against the alleged 'Western-orientedness' and hedonist tendencies of advertising. However, it is not a straightforward local-global contention. The 'local culture' the board tries to defend is not local culture per se but a particular interpretation of it. It is a patchwork of selected cultural and moral elements masquerading as orthodox South Korean culture and imposed by the legal authority. By the same token, what the advertising industry tries to convey is not global culture, if there is one, but a selective and interpretive appropriation of its elements according to their situated assumptions and preferences. In this respect, what appears as the struggle between the local and the global surrounding the institution of vetting is in fact that between contesting local definitions of the global. As definition of the global presupposes definition of the local, however, the struggle is simultaneously about how to define the local or local culture. While the vetting board sees local culture as a complete 'organic' whole, agencies consider it defective and underdeveloped. However, these views are not contending in equal terms as one is regulating and the other regulated. It is usually the case that the preservationist view of the vetting board prevails but, with some shrewd tactical manoeuvres, it is not impossible for agencies to pass the test without necessarily dropping their creative ideas.

Hierarchy of Tastes

All this conservatism is culminated in what is called *humanism advertising*, the archetypal local creative advertising. Humanism advertising denotes advertising that is centered on the portrayal of human good will delivered in a quiet, earnest and melodramatic fashion. *The Human and Human… and Communication* campaign of SK Telecom we have seen earlier is a typical example of the genre.[35] It is 'nice', heart-warming and moving advertising that is sometimes considered not just advertising but also as 'art' and culture. For this reason, it is one of the most preferred advertising genres among creatives. It is also quite popular among major clients and often

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[35] The Ssangyong Engineering Construction's 1984 newspaper advertisement is commonly considered as the first advert in this genre. The ad shows two rugged tin lunchboxes – one wrapped with cloth and the other opened. The head copy goes, 'I have stomachache today'. The ad tells the story of a 40-something man and his recollections of his childhood when the country was poverty-stricken and food shortages were commonplace. He says that his teacher used to come to school with two lunchboxes – one for him and one for his starving pupils. Sometimes he feigned stomachache and gave away both lunchboxes to students. He was later seen filling his stomach with tap water. It is argued that the ad changed South Korean people's view of advertising forever. It was the first ad that was praised in the mainstream media and allegedly put advertising on the cultural map (Shin In-seop and Seo Beom-seok, 1998: 443).

combined with their customary big model advertising in which top celebrities become protagonists in 'touching human stories'. An added bonus in this style of advertising is that it boasts universal appeal thanks to its strong moral stance. In this respect, it is virtually fail-free. Whether it is clients or the vetting board, it is easy to receive the seal of approval with humanism advertising. The flipside is, however, that it is sometimes over-serious, forced and humourless as it is desperate to move the audience.

> I don't like humanism ads particularly recent ones. I'm not against advertising's touching people. But there are so many ads that simply force humanism upon the audience. […] They show their people helping some disadvantaged people and say, 'We help these people. Isn't it great? Let's all do it together' […] It is a cynical exploitation of humanism. They do this only because they know humanism sells. (Lee Hwa-joon, 33-year-old copywriter at Welcomm)

This aesthetic preference appears akin to what Pierre Bourdieu (1984) calls 'petit bourgeois taste'. He characterizes petit bourgeois taste by its liking for pretentious, accessible, and popularized versions of legitimate culture which he argues is an outcome of 'the gap between knowledge and recognition' (319). From South Korean creatives' point of view, legitimate culture is foreign or Western advertising which they learn from the pages of *Shots* or *Lürzer's Archive*. For them, appropriation of this 'legitimate culture' is linked to raising the value of their stake. However, their appropriation is based upon locally situated aesthetic sensibilities, and according to locally formed criteria, which produce 'the gap between knowledge and recognition'. In their adoption of 'legitimate culture', what South Korean creatives are concentrating on is visual spectacle rather than 'challenging' and innovative creative ideas. As discussed earlier, this choice of action is conditioned by their fear of failure. It often results in the production of creatively bland adverts with high production values.

It is pertinent here to quote Brian Moeran (1996) as he argues that, in a broader global context, Asian peoples have become the petite bourgeoisie of the world by 'constantly educating themselves in western tastes, styles and lifestyles' (289). However, in the context of this study, it is difficult to agree with his classification of Asian people as the *new petite bourgeoisie* of the global society. According to Bourdieu, the new petite bourgeoisie are distinguished from the old petite bourgeoisie by their symbolic defiance or challenge to legitimate culture (360). In this respect, South Korean creatives appear more similar to the old petites bourgeoises that loyally follow bourgeois culture but somehow fail to appropriate it due to 'the gap between knowledge and recognition'.

It is telling in this respect that, despite their avid following of 'legitimate advertising', the South Korean advertising industry has had little success at major international festivals. As discussed in Chapter 5, South Korean entries are often tailor-made to meet festival standards. However, their consistent failure means that their interpretation of festival standards might not be congruous with the ones that are applied there.

> So far the South Korean advertising industry has entered about 100 ads in Cannes. Most of the time, they fail to make the shortlist. Can you believe it? You have the world's 6th and Asia's 2nd largest advertising industry and cannot even make the shortlist! […] At Cannes, there are three kinds of crowd reaction – enthusiastic applause, booing or, in the worst case, complete indifference. Most South Korean ads face indifference or get booed if lucky. It's extremely humiliating to be there. (Kang Tae-joon, 39-year-old producer at Welcomm)

In the South Korean advertising industry, opinions are sharply divided regarding their poor showing at international festivals. There are two opposing views on the topic that could be called, in the absence of any better expressions, 'localist' and 'globalist'. Basing their argument on cultural relativism, the localists argue that South Korean ads' poor performance is largely due to the ethnocentric views of Western judges. They claim that South Korean ads suffer unfair disadvantages due to Western judges' lack of understanding of South Korean culture. The globalists, on the other hand, claim that it simply shows that South Korean ads do not live up to the required standards. However, it is usually the case that they do not hold consistent views as localists also say things like 'Russian ads are still rudimentary' or 'Chinese ads are rapidly catching up'. In this respect, this local-global polemic tells us less about the creative level of South Korean advertising and more about the narratives of global-local advertising they are using. Here, the localist narrative serves two practical purposes: one is an excuse for poor results; the other a justification for continuing their existing 'local' practices without concerning themselves too much about global recognition.

> There is a big difference between South Korean culture and Western culture. […] The SK Telecom campaign [*Human and Human… and Communication*] is a good example. In my view, it is the kind of ad that reflects authentic South Korean life and the real feelings of its people. Unsurprisingly, the ad was a big hit in South Korea. If you showed it to the Cannes audience, however, everyone would become quiet because they would have no clue what it's all about. It is no different from some foreign ads that flop in South Korea. You cannot ignore the cultural factor in

advertising. (Kang Jae-joon, 36- year-old creative director at Welcomm)

A related but slightly different issue in this global-local advertising debate is which road South Korean advertising should take. They could choose to remain local and keep their South Korean 'identity' intact, or could follow the 'global' and eventually reach the 'global modern' they have dreamed of. The most common answer to the question is 'a bit of both'. Their favourite method here is 'eclecticism' in which they combine Western-looking finish and South Korean insights. However, it is unclear what constitute 'South Korean' insights. There are some categories that could be justifiably classified as South Korean, such as shared practices and historical memories. However, their idea of South Koreanness often includes such dubious notions as the intrinsic distinctiveness of South Korean culture and the uniqueness of national traits. They often believe that what is not unique to South Korea is unique to South Korea, and reduce it to a national trait, and base their practice of 'eclecticism' upon it. In this respect, their eclecticism is simply refashioned localism in that it involves an act of drawing boundaries around what they believe is local rather than using elements of what is local.

> My favourite is the Renault Samsung campaign. […] It looks classy, very foreign ad-
> like. But it has a South Korean insight at its heart. 'Don't Dare Look at It!' is the kind
> of message you can only find in South Korea. It sharply depicts South Korean
> people's penchant for ostentation. It is the kind of ad that anyone in this business
> would be proud of. (Hwang Ah-jin, 29-year-old copywriter at Welcomm)

Despite the wide endorsement of eclecticism, however, it fails to alleviate the pervasive feelings of inferiority and frustration among creatives, who believe that their creative level is nowhere near the standards of their Western counterparts. In these circumstances, they secretly doubt whether eclecticism means blending good and bad together which would only produce the mediocre. In this unsettling relationship with foreign advertising, they swing wildly from following foreign advertising to trying to discover their own voices; and from cultural relativism to globalism. One moment they claim South Korean creatives are as good as any in the world, the next they say they are far from good enough. Sometimes they direct their frustration to their surroundings – managers, clients, consumers, and South Korean culture in general. Sometimes they blame themselves for not being capable enough. It shows their despair that they cannot find a way out of the situation. It is not enough just for them to make an effort. It requires all the other actors to change their attitudes. However, that is very unlikely. What is more, creatives themselves are also ambivalent about the cause of the 'global-

modern'. In this way, the 'global' remains distant, at least in their minds, and South Korean creatives continue their chasing game.

> Everyone who's been to Cannes says that foreign creatives are not that great and we're not far behind. I often find that many ads from *Lürzer's Archive* and Cannes have exactly the same ideas I once had. The trouble is I can't convert it to the real thing while they can. Here, you have hard time getting permission to use such ideas. Even if you got the permission, you have no photographer, no operator, no fashion coordinator, and no makeup stylist to realize them. You might have a world-class creative brain but, in this country, what you get in the end is the same old crap. (Kim Young-jin, 30-year-old art director at Cheil)

The process of ad production is at the same time a process of proliferation of conservatism. The actors involved in this process are creatives, clients and the vetting board. While all these actors perform different conservatisms, they nevertheless hold together by transmitting to each other their own discourses of fear. The resultant aesthetic – which is a reflection of these discourses – looks good and feels good but is actually clichéd and one-dimensional. Conservatism is also prominent in creatives' practice of 'globalization'. In their adoption of an 'advanced' foreign aesthetic, they opt to concentrate on visual techniques rather than creative ideas as, in their eyes, so many of them are unsuitable for the South Korean market. By doing this, they produce South Korean advertising as 'old petite bourgeoisies' of global advertising. However, it produces the problem that they are unable to close the gap between their own practice and that of foreign advertising and reach global creative excellence. It is particularly disconcerting when they come back from international festivals empty-handed time and again. Even if they try to address the issue, it is soon apparent that actors in an intricately woven network saturated with fear are not very likely to change their actions anytime soon.

Conclusion

Appadurai (1996) points out that sameness/difference are not an empirical phenomena but political rhetoric deployed by actors operate at different scales – namely, nation-states and global markets. The political significance of sameness and difference is, however, not fixed but polyvalent. Sameness can be constructed simultaneously as a threat to familiar patterns of life and a symbol of better life depending on conjunctures and positions of actors. So can be difference. Whether touching on textual representation or business activities, the majority of previous studies on globalization of advertising (Anderson, 1984; Sinclair, 1987; 2007; 2008; Leslie, 1995; Frith, 1996; Frith and Frith, 1989; Mattelart, 1991; Kim Ko, 1994; Jory, 1999; Po, 2006) tend to take it for granted an assumption of the "nexus of postcoloniality between the former colonies and their subjects in the Third World against the continued dominance of their metropolitan masters in the West" (Berger, 2002: 1-17 cited in Yin and Liew, 2005; see also Ong, 1996). Thus, the nexus itself, in whatever forms, implies the relation of domination and subordination/resistance. This frame attributes the global unreflexively to multinational companies (including ad agencies) and produce locals as passive or at best reactive subjects of globalization.

Methodologically, this fixed attribution of global and local constructs Western-based multinationals as protagonists of globalization and produces it as their stories. Globalization without them is thus unthinkable. To an extent, it is understandable given the shape of the transnational advertising networks in which a handful of Western Europe- and U.S.-based advertising groups form 'obligatory points of passage' (Callon, 1986). However, it is blind to cases in which globalization is locally driven and the involvement of multinationals not prominent. This thesis has been concerned with one such case in which local advertisers, ad firms and advertising practitioners constitute main agents of globalization. What they engage in here is local enactment of globalization as projects rather than confronting it as a 'reality' (for globalization as project, see Franklin et al., 2000; Chaudhuri, 2001; Larner and Le Heron, 2002a; 2002b). Attending to the project side of it, the global-local distinction demands reconfiguration. It no longer appears as a spatial division between masters and subjects but two competing imaginaries or possibilities of action that multiply into a diversity of performative programmes constructed and mobilized by actors strategically and opportunistically. From this point of view, globalization does not loom as an exogenous process but locally constituted assemblages, a series of temporary effects of co-

performances of globalization.

In this context, this thesis attempted to explain how the discourses of globalization is translated into practices of competitiveness and how these practices are mediated in co-performance of actors in South Korean advertising focusing on constitution of the creative. For analysis, I chose creatives at three different ad firms and investigated their relations of production with clients, the ad firm management, and the vetting board as well as differences in organizational configurations in which they perform advertising. Methodologically, adopting a descriptive strategy of ANT, I tried to capture contingent dynamics of globalization by following relational effects of actors produced in their co-construction of ads. The main argument of this thesis is that globalization as micro local processes cannot be reduced either to homogenization or hybridization but a complex series of permanent path-dependent transformations that produce ongoing construction of diverse assemblages.

To be specific, advertising industry's pursuit of creative competitiveness was translated into practices of monitoring 'world-class' ads and learning techniques, standards and discourses associated with them. These citational practices worked on the creative body and created new spaces of embodiment. New creative subjects were no longer conforming 'company men' but autonomous and risk-taking 'creative' experts. It took place simultaneously with other practices of competitiveness such as flexibilization of employment and intensification of labour. The former coincided with foreign ad firms' inroads into the South Korean advertising market and an increase in creative-oriented independent ad firms. The joint effect of these mediations was, on the one hand, the promotion of the status of advertising as expert knowledge and, on the other hand, reconfiguration of the market and redistribution of workforce into two camps of newly emerged creative-oriented independent agencies and traditional in-house agencies. The former attracted new creative subjects and facilitated their further formation and the latter tried to follow suit. However, intensification of labour starved creative subjects of accumulating cultural capital and the omission of creative management in the appropriation of 'best practices' failed to provide these subjects with corresponding material and discursive arrangements to their identity and habitus. In these contexts, creative subjects are developed as ambivalent, overdetermined self.

This overall development is differentially distributed to three agencies in this study, which generated different translations of globalization. Cheil's translation of globalization was determined in the tri-partite relationship with the Samsung Group

headquarters and Samsung Electronics. It was dictated by Samsung Group and designed to serve Samsung Electronics' global business needs. In this context, globalization within the Seoul headquarters was operationally defined as overcoming language barrier, which gave priority to improving employees' English skills. Its immediate effect was marginalization of creatives and downgrading of their creative skills. Simultaneously, however, the company employed a technique to strengthen creative competitiveness which was hiring foreign creatives aiming at absorbing their 'superior' skills and know-how. However, the company management tried to maintain the existing order by keeping the number of foreign employees to a minimum. It produced isolation of the foreign staff and South Korean employees' antagonism towards them. In addition, their implementation of the pair system, a 'best practice' for creative competitiveness, was effectively 'de-activated' in the absence of its associated arrangements through mediations of the employees who were not comfortable with the new practice.

Diamond Ad's globalization was translated in the conflicting imaginations between the foreign owner and South Korean employees. For the owner WPP and the controlling firm O&M Asia-Pacific, Diamond Ad was a new addition to their global network. Their concern was to localize in order to exploit the new market. For South Korean employees, however, the main concern was their lack of competitiveness dating back to their in-house agency days. They imagined WPP and O&M to be their saviour to strengthen their competitiveness including creative competitiveness. However, WPP and O&M did not change anything other than financial and administrative structures of the company since the firm was performing well domestically. For this reason, ironically, Diamond Ad, the only ad firm in this study wholly owned by a foreign advertising group, appeared most 'local' in the sense that it is least active in adopting 'best practices' and continuing local ways of doing business. Welcomm's globalization, on the contrary, was translated into the rigorous disciplinary regime of governmentality of self with necessary tools and fuel for the machine supplied by Publicis. They have aggressively adopted 'best practices' and relentlessly and rigorously inscribed them to employees' bodies. It appeared to produce ever-programmable, updatable creative subjects. As their ill-fated implementation of the pair system showed, however, it sometimes produced resistances, the system malfunction that prised open the black box of this seemingly well-oiled machine.

Clients add another complication to the process. They are outsiders to the game but able to determine its rules and frame. On the one hand, they can 'de-actualize' ad agencies' 'best practices' by refusing to play them or bend them to neutralize their

effects. It produces not only 'overflows' (Callon, 1998) but also 'counterflows'. As in the cases of ad brief and pre-production meeting, they can position themselves out of the frame and shield themselves against them. Ad firms, who are within the frame, receive the effects of their 'best practices' bounce back to them. So they write ad briefs themselves and hold pre-production meetings without clients, which could result in client's disagreement at a later stage. On the other hand, they are able to enforce 'best practices' they adopted upon agencies, which could overflow and transform the entire situation. As showed in the case of the introduction of competitive presentation or pitching, it makes a series of far-reaching consequences. To win competition, ad firms prepare fully formed ads rather than just storyboards. It changes the frame of competition by raising the costs of participation a great deal, which forces small independent agencies unable to compete. Furthermore, it intensifies art directors' workload as it is their job to produce presentation materials. It renders it difficult for the pair system to work hence the situation two art directors and one copywriter make a 'pair'.

From a broader view, however, liberalization of the market, the archetypal practice of globalization by the government, meant an increase in new types of clients, foreign as well as South Korean. They performed different client embodying a different set of rules and standards and making different demands which correspond to ad firms' newly adopted 'best practices'. They sometimes pulled ad firms out of their comfort zone as they were made to perform in unfamiliar rules and conventions. For these reasons, they were not entirely welcoming these new clients. At the same time, however, large local conglomerates hurriedly resurrected what seemed a declining old practice of in-house advertising. This time, however, it was a little different from its precedents. In the past, which is before the Asian financial crisis, in-house agencies recruited new employees and trained them into 'company men'. This time, however, they prefer hiring career employees. It turned independent agencies into reservoir of labour, feeding companies for large in-house ad agencies. Moreover, an increase in in-house agencies made competitive presentation less often performed, which reduced opportunity for independent agencies to access large accounts. It redrew the market territories and contracted the space for independent agencies to manoeuvre rendering their efforts at strengthening creative competitiveness less rewarding. However, it made them concentrate more on creative competitiveness as competition became even fiercer in the reduced space.

All these mediations are culminated in advertising texts in symbolic forms.

However, there is another mediation to take place in the form of vetting. As it was pre-vetting, rejection meant a financial loss for the ad firm. It makes creatives adopt examiner's eyes and constantly perform self-monitoring. Examiners, recruited from various professions but mostly constituted of middle-aged or older men, were known to be culturally conservative. In order to reduce the risks, creatives practice even more conservative thinking often encouraged and intensified in team conferences. It contributed a great deal to conservative characteristics of South Korean advertising. Conservatism was expressed not only in contents but also in style. The dominant style of advertising was what was called 'big model advertising', a glorified celebrity endorsement preferred by large conglomerates. It was reproduced by various devices and discourses such as TVCF.com charts and newspaper articles that provide 'evidence' of this genre's efficacy. Creative advertising was formed in reaction to this genre. In opposition to big model advertising's heavy exploitation of celebrity image, some creatives deliberately tried to produce an ad without celebrity, with accompanying discourse like "no world class ad has a celebrity" or "creativity should the main focus of an ad not celebrities". It then affected the creative style of mainstream advertising. Big model advertising began to add some 'creative' touches to it.

What then is considered creative in South Korean advertising? Which creativity is produced from these multiple mediations involving a diversity of actors? Creatives say it is conception, ideas and originality. In practice, however, what they concentrate on is appearance, finish and tone and manner. The emphasis is on 'creative-looking' rather than creative, which is translated into 'foreign ad-like'. In this sense, 'creative' here indicates a particular genre, stylized convention which could be emulated, reproduced and copied. Soar (2000) argued that creativity in advertising is "ideological smokescreen" that "shields […] ad creatives from the potential epiphany that their endeavors may merely be the prosaic, artless instruments of capital accumulation" (432). At first glance, creativity in South Korean advertising appears to concur with Soar's view – just false consciousness without substance. Or we could go even further to argue that it is nothing but a cynical marketing ploy to create a market. However, I would not follow these pessimist routes originated from a romantic notion of creativity. Instead, I would argue that what is creative is collectively constructed. In advertising, it is absolutely necessary that creativity is tradable, which means recognizable by a particular stratum of actors. It involves lots of work, investments and 'trial of strength' to get recognized and to make it recognizable. Creative as 'foreign ad-like' is what actors in South Korean advertising collectively achieved at this juncture through these

efforts. And it is not complete. Globalization means constant co-option of new elements, which produces ongoing recombination, transformation and adjustment. It would generate new meanings and practices of creative as outcomes of translations and mediations.

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TBW Korea: http://www.tbwakorea.com/
Phoenix Communications: http://www.phoenixcomm.co.kr/

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