Meet Jongkap Kim, the Chief Executive Director of the Born2Global Centre, a business incubator and accelerator under Korea’s Ministry of Science and ICT (MSIT) that focuses on supporting startups to expand globally, especially in developing countries. Born2Global aims to strengthen the startup ecosystem by offering consultation and analysis to emerging startups. Since beginning its operations in 2013, Born2Global has offered services in legal matters, patents, accounting, marketing, public relations, investment, and business development to more than 2,500 high-potential startups that are looking to go global. In this interview, Jongkap reflects on how developing countries can learn from Korea’s experience, and why international expansion is crucial for startups to succeed.

Q1. CAN YOU TELL US ABOUT THE MAJOR PRIORITIES OF THE KOREAN GOVERNMENT’S SUPPORT TO THE STARTUP ECOSYSTEM? AND WHAT DO YOU BELIEVE IS A KEY ELEMENT FOR STARTUPS TO SUCCEED IN TODAY’S GLOBAL MARKET?

Strengthening the startup ecosystem is a major priority for the Korean government. Technology and innovation are the key pillars of Korea’s economic development, and startups have played a major role in it. Korea has a very saturated and competitive domestic market, with trade making up over 80 percent of the GDP. Global expansion is not a choice, but a requirement for startups to succeed, and to grow...
sustainably. To promote global market entry and prepare startups for the next generation of digital transformation, the Born2Global Centre focuses on promoting collaboration between deep-technology startups around the world. Following the announcement of Korea’s “Digital New Deal”\(^1\) initiative, our Centre has facilitated technology transfer and partnership from developed to developing countries by promoting bilateral joint venture and knowledge exchange activities with international organizations. For example, the Korea-Latin America and the Caribbean deep-technology exchange program\(^2\) contributed to five joint venture partnerships between Korean and Latin American startups just last month.

One key element for startups to succeed in the global market is understanding the need for data compatibility. Startups need to focus on how their data can be used universally, since it is the foundation for all digital innovations. Therefore, creating an integrated data system that is compatible with all regions and markets is essential. A good example is one of our member startups, Sendbird. This company recently earned the title of the first Korean “unicorn” (privately-owned startups that are valued at more than US$1 billion) based on Business to Business (B2B) enterprise software. Sendbird provides a customizable messaging application programming interface (API) for companies’ mobile apps and websites that is compatible on a global scale.

It is also important to understand that a robust startup ecosystem should be in place to enable the collection, analysis, and application of data with minimal regulatory hurdles. The regulatory sandbox policy in Korea acts as an enabler for innovative solutions to be piloted and tested.

Q2. HOW ARE STARTUPS SELECTED AS A MEMBER OF YOUR ORGANIZATION, AND WHAT ARE SOME OF THE KEY QUALITIES YOU LOOK FOR?

Startups that demonstrate a strong desire and need for global expansion are selected through an extensive, multistage evaluation process that assesses their global business readiness, Product-Market-Fit (PMF), and the global demand for their products and solutions. Born2Global consults with external global venture capitalists who provide objective and transparent evaluations of the candidates. We also keep an eye out for core technological solutions for scientific and engineering challenges – this is the “deep-technology” component. It is also crucial to look at the people behind the product. You need a team that can harmonize both technology and business needs to smoothly execute PMF processes, which is the first step in global expansion.

Q3. HOW CAN DEVELOPING COUNTRIES ATTRACT TECHNOLOGY PROVIDERS INTO THEIR MARKETS?

Developing countries are becoming more advanced through their interactions with developed countries, and the local technological application capacity is growing rapidly. Therefore, Born2Global has promoted the formation of joint ventures between innovative technology startups in Korea and developing countries. The process begins with sourcing all startups globally, and then matching relevant technology to maximize synergy and enhance Research and Business Development (R&BD) capacity. Next, one-on-one consultation is held for matched startups, to discuss the scope of technological transfer, and the local deployment capacity. Our Centre then provides the necessary grants so that the startup joint ventures can accelerate their establishment and local operation.

I believe that the best method for developing countries to attract technology providers is to actively promote local technology demand and customer needs through this collaborative technology-matching system. This allows potential technology providers and investors to understand the development challenges and provide sustainable solutions that meet local needs. Technology providers not only pro-

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1 The Korean New Deal is centered on two pillars: The Green New Deal, and the Digital New Deal. While the Green New Deal focuses on moving Korea to a net-zero emissions economy, the Digital New Deal will lay the foundations for a digital economy that will enhance economic growth and innovation.

2 Joint program led by Born2Global Centre and the Inter-American Development Bank (IDB) Lab.
vide their products and solutions to developing countries; they also have great potential to grow and scale them to a larger market by combining their knowledge and experience within the local context.

**Q4. WHAT ADVICE DO YOU HAVE FOR STARTUPS IN DEVELOPING COUNTRIES THAT ARE SEEKING TO BENEFIT FROM DEVELOPMENTS IN INNOVATION AND TECHNOLOGY?**

Startups in developing countries need to first understand the complexity of the local market. A typical strategy we see in emerging markets is trying to replicate business models that have worked in developed countries. However, if they wish to succeed, entrepreneurs in developing countries must focus on targeting new markets that have been previously inaccessible, or where no product currently exists. Specifically, they need to take advantage of training programs as well as guidance from relevant accelerators and incubators if they are interested in branching out globally. The key is to first create ways of bringing together existing industries with relevant technology. Linking products or services with the optimal corresponding partners will save time and money and improve their chances of success within a rapidly changing startup ecosystem. Startups should also invest in capacity building to exploit essential tools, starting by teaching simple coding to their employees. This will allow employees to become more confident and take ownership in the business rather than just taking orders.

**Q5. HOW HAS COVID-19 Affected the Startup Ecosystem?**

The pandemic has caused the world to leapfrog from face-to-face interactions to online meetings: all you need now is to identify potential technology needs in your country, and have a stable online connection so that you can discuss technology-matching business opportunities globally without having to spend any money on travel.

In addition, the pandemic has brought opportunities for companies to “pivot” their products by testing fundamental new hypotheses that are relevant today. Startups are constantly evolving their business models to incorporate respective solutions into today’s situation. The acceleration of the digital transformation is prompting business opportunities for expansion across all sectors. For example, travel restrictions have given rise to the demand for additional communication tools to accommodate more frequent online meetings. Thus, startups can now engage with more potential clients while saving both time and money. However, we also need to be mindful of balancing the work-life environment, as people work around the clock within the digital arena.