



Help Solve Exporter Mysteries: April Newsletter Responses

Thanks to those who gave clues to solving last month's exporter mystery about terminating a dealership relationship with a 10+ year dealer in Korea who hasn't generated sales or communicated pro-active strategies or updates in the past several years. We received some advice that terminating a relationship in Korea can be trickier than usual because of the importance of saving face in Korean culture. The main recommendation is that the status of the relationship reveals a communication break-down that needs to be addressed first and foremost. A dealer that is that disengaged is likely going to need to be terminated, but a conversation first is important.

Michel Locquegenies from Mark-Tech had the following recommendation: "Have a face-to-face meeting in Korea with the dealer and ask probing questions as to why they are no longer engaging with you. They might have started selling a competitor's brand; they could be upset about some past unresolved situation; they could have changed their focus or they could have lost your product champion at the company; the owner might want to retire or sell the company. You need to go there to determine what is the situation. Based on what you find out you either mend the relationship or proceed with other candidates. The lack of sales and engagement with the manufacturer should not have been allowed to drift for so long in the first place. The next step if that conversation doesn't lead to successful resolution would be to do a new dealer search, including an International Partner Search (IPS) with the U.S. Commercial Service office in Korea, where a list of prospects would be contacted and asked of their interested in representing the US company.