

RESEARCH
ARTICLE**Transforming Cultural Identity
into Capital: The Korean
Model of Creative and
Cultural Entrepreneurship****Bouزيد Alaeddine**

PhD in Management Sciences

Business Administration, University of Mohamed
Seddik Benyahia Jijel
AlgeriaEmail: alaeddine.bouزيد@univ-jjel.dz**Lynda Timoussarh**

PhD in Management sciences

Human Resources Management, University of
Mohamed Seddik Benyahia Jijel
AlgeriaEmail: linda.timoussarh@univ-jjel.dz**Doi Serial**<https://doi.org/10.56334/sei/8.10.58>**Keywords**Cultural Entrepreneurship, Creative Industry, Cultural
Identity, South Korea.**Abstract**

This study aims to shed light on South Korea's experience in transforming its cultural identity into an economic and strategic asset within the framework of the so-called creative industry and cultural entrepreneurship. It stems from a central problematic concerning the extent to which culture can serve as an economic resource without losing its symbolic content, focusing specifically on South Korea's pioneering model in this domain.

The study also reviews the fundamental concepts related to cultural entrepreneurship and the creative industry. Furthermore, it discusses how Korean cultural products—such as K-pop, dramas, cuisine, and fashion—have contributed to enhancing the country's global image while generating significant financial and economic returns.

The study concludes that the Korean experience represents a distinctive model of a successful creative cultural economy. However, it simultaneously raises critical questions about the limits of this success and the risk of transforming cultural symbols into commercial products, potentially emptying them of their profound meanings.

JEL Classification: L26, L82, Z11, O53, O3

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Introduction

In recent decades, the creative industries have emerged as a major driver of economic growth and social transformation. Unlike traditional industries—anchored in primary resources and mass production—creative industries hinge upon knowledge, innovation, and symbolic value. Cultural entrepreneurship within these industries converts symbolic cultural assets into strategic economic resources. South Korea offers a paradigmatic example of this transformation, having skillfully mobilized its cultural identity to forge a globally competitive creative economy.

In this context, the present study seeks to examine South Korea's experience in this domain by illuminating the concept of cultural entrepreneurship as well as the creative industries, and by deconstructing the relationship between the creative industry and cultural entrepreneurship. It interrogates how cultural symbols are transformed into global products, while highlighting the opportunities and challenges inherent in this experience—an experience that may serve as an inspiring or contentious model in other cultural settings

The Study Problematic

Based on the foregoing, the problematic of this study can be summarized by the following question:

To what extent has South Korea, through cultural entrepreneurship, been able to transform cultural identity into economic value within the creative industry?

This overarching question encompasses several sub-questions:

- What is meant by the creative industry and cultural entrepreneurship?
- What distinguishes the creative industry from the traditional industry?
- How has South Korea contributed to building a unique model for leveraging cultural identity within the creative industry?

The Study Hypothesis

Answering the study's problematic necessitates formulating a principal hypothesis as follows: This study posits that South Korea has succeeded in harnessing elements of its cultural identity within the creative industry, transforming it into a strategic economic resource through cultural entrepreneurship based on innovation and institutional support.

Research Aims

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Transforming Cultural Identity into Capital: The Korean Model of Creative and Cultural Entrepreneurship
Bouزيد Alaeddine, Lynda Timoussarh

This study aims to achieve a set of objectives, including:

- Defining and clarifying certain concepts related to cultural entrepreneurship and the creative industry;
- Analyzing the concept of the creative industry and cultural entrepreneurship, and highlighting their role in transforming culture from a symbolic domain into a productive economic sector;
- Examining the South Korean experience as a leading model in leveraging cultural identity within the creative industry and generating economic returns through the commodification of cultural symbols;
- Shedding light on the mechanisms and policies adopted by the Korean state to support cultural industries and to build a positive national image of Korea abroad.

Study Methodology:

The study adopts a descriptive-analytical approach and a case study by analyzing the South Korean model, using academic sources, official reports, and economic and cultural data.

Study Structure

In order to address the research problem and achieve the desired objectives, the study will be conducted according to two main axes:

Axis One: The conceptual framework of cultural identity, the creative industry, and cultural entrepreneurship

Axis Two: The South Korean model in cultural and creative industries.

1.The conceptual framework of cultural identity, the creative industry, and cultural entrepreneurship

1.1. The Essence of the Creative Industry

The concept of cultural and creative industries, which includes creativity, industrial reproduction, and the mass distribution of cultural works, dates back to the work of Max Horkheimer and Theodore Adorno in 1948, as noted by Horkheimer and Adorno (2002). Nevertheless, defining the Cultural and Creative Sectors (CCS) in a universally accepted manner remains a challenge.

In 1972, the United Nations Educational, Scientific and Cultural Organization (UNESCO) initiated a project aimed at creating a standardized classification system for cultural activities, which led to the publication of an initial guideline defining and measuring the cultural and creative sector in 1979, as referenced by Horowitz (1981). Over the subsequent two decades, there was a marked increase in interest regarding the economic benefits of cultural and creative activities and their role in economic growth. During this period, various definitions and methodologies were employed at both national and international levels to classify and assess the impact of these activities, while acknowledging persistent theoretical difficulties in clearly defining what constitutes the cultural or creative sector, as highlighted by the OECD (2022).

The creative industry is understood as encompassing economic activities that rely on individual creativity, skills, and talent, which are capable of generating employment and wealth through the production and utilization of intellectual property, according to Flew

(2022). This sector includes areas such as music, cinema, publishing, fashion, design, software, and the visual arts.

1.2. Elements of the Creative Industries

According to classifications adopted by international organizations such as the United Nations Conference on Trade and Development (UNCTAD, 2010), the UK Department for Digital, Culture, Media and Sport (DCMS, 2001), and Hesmondhalgh (2019), the creative industries include the following elements:

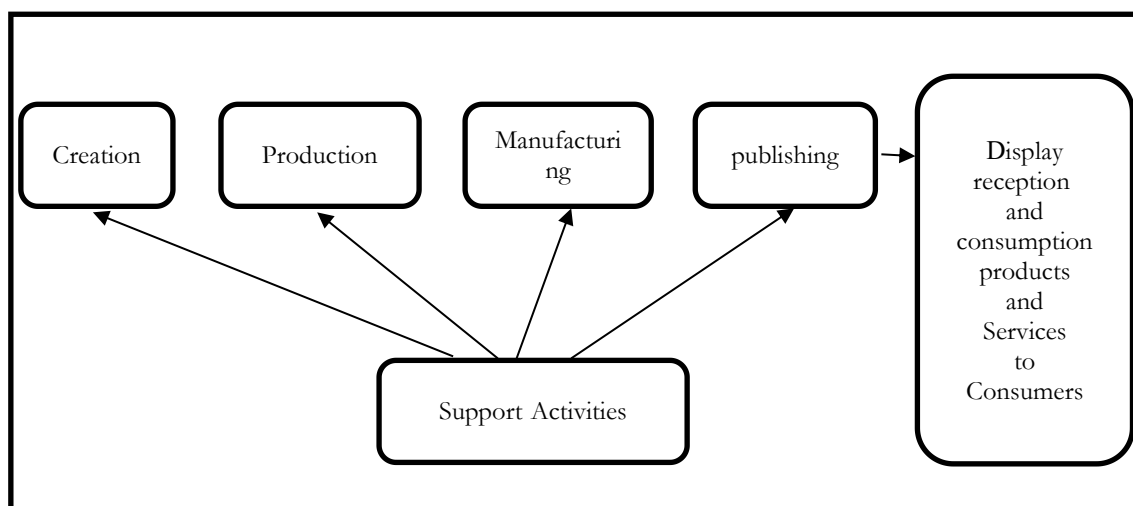
- a. **Performing Arts:** theater, dance, and live music.
- b. **Visual Arts:** painting, photography, sculpture.
- c. **Film and Cinema Industry:** production, distribution, and digital processing.
- d. **Music:** recording, publishing, digital distribution, and performances.
- e. **Electronic Game Design:** development of video games and virtual reality.
- f. **Digital Media:** interactive media, online content, podcasts.
- g. **Publishing and Printing:** books, magazines, comics.
- h. **Fashion Design:** designing and marketing clothing and accessories.
- i. Advertising and Creative Marketing.
- j. Architecture and Interior Design.
- k. Product Design and Multimedia.
- l. **Cultural Heritage:** traditional crafts, museums, cultural tourism.

1.3. Value Chain in Creative Industries

The value chain within the creative industries comprises a series of interrelated stages—namely creativity, production, manufacturing and publishing, display or reception, and final consumption. Each phase contributes incrementally to the enhancement of both the economic and symbolic value of the cultural product or service, reflecting the multidimensional nature of cultural production and its embedded market dynamics.

This process illustrates how creative inputs are transformed into marketable products through the collaborative efforts of artists, producers, distributors, and consumers. Throsby (2014) highlights, for instance, that a song or film progresses from the initial creative concept to production stages such as recording and filming, followed by marketing and distribution through media platforms, ultimately reaching audiences both locally and globally.

Figure 01: Value Chain in the Creative Industries



Value within the creative industries arises from a complex process that starts with human creativity and the generation of original ideas. This process progresses through the protection of intangible assets via intellectual property rights and ultimately reaches commercial realization through engagement with markets and consumers, as noted by Throsby (2014). The resulting dynamics produce direct economic benefits, such as financial revenues, employment

creation, and export expansion, as well as indirect advantages including the enhancement of tourism and the stimulation of innovation in other sectors. Furthermore, this value creation plays a crucial role in enriching cultural and social aspects by strengthening collective identity and fostering social cohesion.

1.4. Distinction Between Traditional Industry and Creative Industry

The creative industries represent an extensive domain of human creativity that underscores the importance of imagination, innovation, autonomy, and creative labor in their development. These industries emphasize the relationship between everyday creative practices and large-scale commercial enterprises. As a result, the creative industries are fundamentally distinct from traditional manufacturing or primary sectors in multiple respects, as discussed by Salam (2018).

Table 01: The Difference Between the Creative Industry and the Traditional Industry

Elements	Traditional Industry	Creative Industrie
Capital	Capital	Capital
Primary Resources	Raw materials	Knowledge
Workforce	Manual labor	Knowledge workers and creators
Land	Land	Information technology
Company Size	Typically large companies	Typically small or medium companies
Leadership	Directed by managers	Directed by consumers
Focus	Based on production	Based on consumption

Source: (Salam, 2018, p. 207)

1.5. The Concept of Cultural Identity

Cultural identity constitutes the way in which societies recognize and articulate their sense of self, grounded in fundamental components such as language, customs, traditions, artistic expressions, religious practices, and historical experiences. In the context of globalization, communities frequently face the challenge of balancing the adoption of global influences with the preservation of their cultural distinctiveness. This dynamic negotiation positions

cultural identity as a vital cornerstone for fostering creativity and innovation within the cultural industries, as emphasized by Hall (2021).

The Nature of Cultural Entrepreneurship

Cultural entrepreneurship, alternatively termed cultural enterprise or artistic entrepreneurship, is a comparatively recent concept within the disciplines of management, business studies, and broader cultural research. The notion was initially proposed by Paul DiMaggio (1982), who characterized it as the establishment of an organizational structure through which members of elite groups are able to oversee, regulate, manage, and critically examine the processes involved in the formation of high-culture institutions (as discussed by Dobрева and Ivanov, 2020, p. 23).

In broader terms, cultural entrepreneurship refers to the strategic and imaginative use of cultural resources to produce outcomes that carry both economic and social significance. As discussed by Bell and Oakley (2019), individuals engaged in this form of entrepreneurship play a pivotal role in crafting culturally embedded goods and services that cater to domestic and global audiences, all while maintaining the integrity of local identity and heritage.

1.6. Approaches to Cultural Entrepreneurship

Two predominant frameworks currently inform the conceptual understanding of cultural entrepreneurship. The first situates entrepreneurial practices within the realms of cultural, creative, and artistic industries, treating culture as a distinct and autonomous sector. Within this framework, emphasis is placed on the economic and social dimensions associated with the cultural domain—such as cultural industries, creative industries, and traditional arts—as originally outlined by Spilling (1991). This sectoral approach to culture encompasses a diverse range of subfields, including traditional arts (e.g., performing arts, visual arts, and classical music), cultural heritage, and various media forms such as film, music, radio, television, books, journalism, new media, photography, architecture, design, digital arts, and video games (Dobрева & Ivanov, 2020).

The second framework conceptualizes cultural entrepreneurship through a more integrative lens, positing that culture is not confined to a specific sector but rather permeates all areas of economic and social activity. From this standpoint, attention is directed toward the ways in which entrepreneurs strategically leverage cultural resources to establish legitimacy for their ventures, as emphasized by Gehman and Soublière (2017).

2. The South Korean Model in the Creative and Cultural Industries

South Korea has positioned itself as a key player in Asia's creative industries by strategically integrating cultural expression, innovation, and entertainment. Through the global rise of K-pop, K-dramas, Korean beauty products, and even trends like Dalgona coffee, the country has cultivated a strong creative economy. This growth reflects not only global interest in Korean culture but also the impact of government-driven efforts such as the "Cool Korea" campaign, launched in response to the 1990s financial crisis to rebrand Korea's economic and cultural identity.

2.1. Historical and Cultural Background

After overcoming the challenges of post-war poverty, South Korea underwent a period of accelerated economic and cultural transformation, largely propelled by extensive reforms in both industry and education. By the early 2010s, national policy had been strategically

redirected to prioritize creative industries and cultural exports as central components of the “Creative Economy” initiative—a move that signaled a broader commitment to innovation-driven growth, as noted by Chang (2002) and Lee (2019).

2.2. Constructing Modern Korean Identity

Contemporary Korean identity is characterized by a dynamic interplay between Confucian traditions and Western modernity. Historically, Confucianism—particularly its Neo-Confucian variant—has served as the ethical and social cornerstone of Korean society, shaping governance structures, social norms, familial hierarchies, and educational practices. In the face of modernization and increasing Western influence, South Korea has adopted a strategic approach that safeguards essential cultural expressions, including the Korean language, traditional attire (hanbok), culinary heritage, and indigenous musical forms. This deliberate preservation reflects a continuous negotiation between sustaining a deeply embedded Confucian cultural ethos and embracing the imperatives of Western-style modernization and economic advancement, contributing to the formation of Korea’s distinct contemporary identity (as discussed by Shim, 2020).

In Korea, Confucianism has not merely served as a fixed cultural heritage but has shown remarkable flexibility by selectively incorporating certain Western values. This adaptability has helped strengthen social unity and preserve cultural continuity amid rapid societal changes. The blending of traditional cultural practices with economic and technological innovations reflects South Korea’s balanced approach to crafting a contemporary national identity that integrates cultural authenticity with global openness.

2.3. Strategies for Transforming Cultural Identity into Economic Value

The transformation of cultural identity into economic value extends beyond the mere preservation of heritage; it necessitates the implementation of strategic frameworks that integrate creativity, marketing, and institutional support. South Korea serves as a prime example of this approach, employing targeted policies that have successfully elevated its cultural assets to the status of a global economic resource.

A. Government Support and Investment in Cultural Infrastructure

South Korea integrated cultural development into its national strategy by establishing key institutions like the Ministry of Culture, Sports and Tourism (MCST) and Korean Foundation for International Cultural Exchange (KOFICE), while allocating significant funding to media, arts, and creative sectors. Since 2001, under President Kim Dae-Jung, the country advanced the *Hallyu* initiative to position Korean culture as a global industry, focusing on increasing cultural budgets and fostering strong public-private partnerships (Jin, 2023; Gupta & Anandaram, 2022).

The advancement of the creative economy was initiated by the South Korean government, President Park Geun-hye, in 2013. The initiative aimed to synergize innovation along with culture by fostering collaboration across the public and private sectors. The initiative aimed to accomplish the following goals: to create new jobs, elevate Korea’s cultural influence and presence internationally, and develop an entrepreneurial ecosystem that nurtures creative skills and talents. Policies undertaken included the fostering of angel investments, increased crowdfunding, and strengthened intellectual property systems (Lee S. , 2019). As of 2017, the Ministry of Science and ICT (MSIT) more formally adopted the policies with the

'creativity-technology fusion' four-pillar model, designed to engrain the use of creativity in technology in the national economy (Gupta & Anandaram, 2022, p. 06).

- Deregulation and innovation strides spearheaded by the private sector in public works.
- Creating a marketing system for innovation with strong industry connections, supporting technology and establishing a sustainable startup ecosystem.
- Nurturing primary and secondary school learners through STEAM disciplines (Science, Technology, Engineering, Arts and Mathematics) and developing design innovation and problem solving skills in early years. Innovation Centers for the Creative Economy have been rolled out across the country to help address some of the most fundamental barriers to entrepreneurial pursuit for students.
- The ministry of ICT backing integrated collaboration across science, culture, and arts with other multidisciplinary institutions.

A. International Promotion of Korean Identity

South Korea has utilized many advertising strategies, especially the 'Korean wave' which encompasses cultural, linguistic, culinary, beauty, and fashion products. Studies show that the television drama *Winter Sonata* has enhanced tourism considerably as well as Korean language enrollment (Lee S. , 2011).

B. Merging Innovation with Imagination

South Korea is widely acknowledged as a global leader in digital advancement, consistently demonstrating excellence in areas such as internet speed and smartphone penetration, as noted by Kim (2013). This sophisticated technological environment has been instrumental in promoting Korean creative content on the international stage through digital platforms like YouTube, Netflix, and TikTok. According to Jin (2023), by effectively utilizing these digital channels, South Korea has substantially extended the global reach of the Korean Wave, or "Hallyu," thereby facilitating its rapid worldwide proliferation.

▪ YouTube as a Platform for Marketing Korean Content

YouTube has emerged as a pivotal platform in South Korea's strategic efforts to globally market its cultural exports, particularly K-pop and Korean dramas. The case of BTS exemplifies how artists have harnessed YouTube to cultivate an extensive international fan base without dependence on traditional media channels. This phenomenon underscores a transformation aligned with the concept articulated by Oh and Park (2012), referred to as audience-driven content distribution. In this model, audiences play an active role in enhancing the global prominence and cultural valuation of the content through digital engagement and promotion.

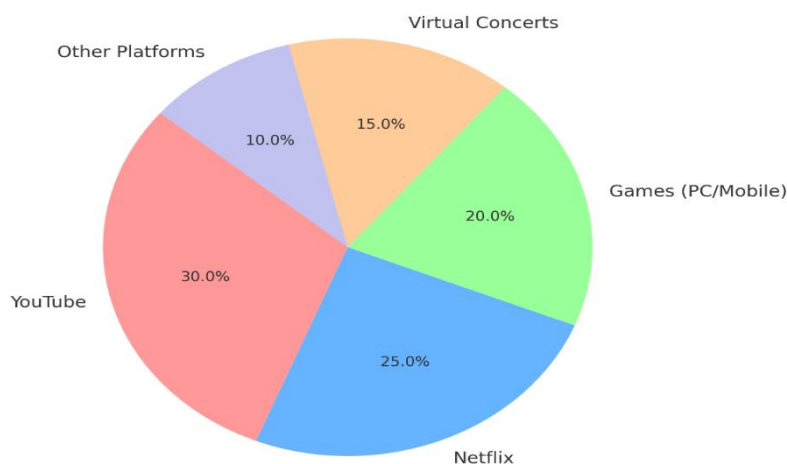
▪ The Role of Global Platforms: Netflix

Netflix has become a major catalyst in expanding the global reach of Korean creative content by directly financing domestic productions. In 2021, the company announced an investment nearing \$500 million to support Korean drama series. One of the most notable outcomes of this initiative was *Squid Game*, which achieved unprecedented global viewership and emerged as a cultural landmark. According to Kim J.-H. (2022), this collaboration exemplifies the integration of local creative innovation with global streaming infrastructure, accelerating the internationalization of Korean media.

▪ Reimagining Production and Distribution Techniques

South Korea has cultivated a sophisticated digital production ecosystem, embracing cutting-edge technologies such as artificial intelligence (AI), augmented reality (AR), and virtual reality (VR). These tools have been strategically implemented across sectors like gaming, immersive concerts, and fan interaction platforms. Leading firms, including SM Entertainment and HYBE, have invested in proprietary broadcasting systems that offer users highly interactive and high-definition virtual experiences, showcasing the nation's technological ingenuity in the cultural domain (Lee H.-K., 2021).

Figure 02: The estimated distribution of Korean cultural content exports by platform in 2023.



Source: Authors' elaboration based on various sources referenced in this paper. "The figures presented in the chart are approximate and analytical in nature, rather than direct official statistics. They are based on insights drawn from a range of reports and sources concerning Korean cultural content exports and sectoral growth dynamics (KOCCA, 2023; Financial Times, 2024; UNCTAD, 2022)."

C. Fostering Cultural Entrepreneurship

South Korea has positioned cultural entrepreneurship as a strategic lever for economic innovation, aiming to transform creative capacities into sustainable business ventures. Recognizing the need for a supportive ecosystem, the government established institutional mechanisms to enhance the capabilities of emerging cultural entrepreneurs.

A key example is the Korea Creative Content Agency (KOCCA), which functions as a central hub for nurturing creative industries. Through its tailored programs—ranging from financial assistance and mentorship to professional development—KOCCA supports a wide array of sectors such as gaming, animation, digital content, music production, and TV dramas. These efforts have contributed to the emergence of a more cohesive infrastructure that connects creative output with market readiness and global competitiveness (adapted from Lee, 2019).

Urban and Educational Strategies for Cultural Entrepreneurship in South Korea

South Korea has implemented strategic policies to cultivate cultural entrepreneurship through the development of cultural districts (Cultural Clusters) in metropolitan areas such as Seoul and Busan. These environments—comprising shared workspaces, innovation incubators, and professional networks—facilitate interactions among artists, investors, and entrepreneurs, thereby reinforcing the foundations of a sustainable creative economy, as discussed by Kong (2014).

In parallel, the institutionalization of cultural entrepreneurship has been integrated into Korea's educational agenda. Programs at university and vocational levels have been tailored to deliver training in cultural business management, equipping young professionals with the competencies needed to thrive in the creative sectors. This pedagogical orientation reflects broader policy shifts highlighted by Flew and Cunningham (2010), positioning education as a vital mechanism for supporting Korea's creative industry ambitions.

South Korea's strategic support for cultural entrepreneurship has resulted in the proliferation of thousands of startups across the creative content sector, particularly in areas such as virtual reality, comics, and interactive broadcasting. This expansion reflects the broader success of national policies aimed at leveraging cultural industries for economic development. In 2021, the Korea Creative Content Agency (KOCCA) reported that exports of cultural content—including music, film, drama, and digital broadcasting—generated approximately USD 12.4 billion, underscoring the sector's growing contribution to the national economy (UNCTAD, 2024).

Recent data from the first half of 2023 (January–June) indicate continued momentum, with export revenues reaching USD 5.39 billion—a 1.3% increase over the same period in the previous year (YIM, 2024). Notably, comic content such as webtoons and graphic novels exhibited the highest growth rate at 71.3%, while music and publishing followed with increases of 29.2% and 31.7%, respectively (Lee Y.-s. , 2024).

1.4. Creative Industry Sectors in South Korea

South Korea's creative economy is characterized by a diverse array of cultural sectors that have gained significant global traction.

A. Music (K-pop)

K-pop has emerged as a globally influential cultural force, exemplified by the international success of groups such as BTS. Their impact extends beyond entertainment, contributing significantly to South Korea's soft power and economic performance. In 2022, BTS was reported to have generated approximately USD 3.6 billion in revenue, highlighting the economic scale of the genre's global reach, as noted by Gupta and Anandaram.

B. Drama and Cinema

The global prominence of South Korea's film and television industry has been reinforced by landmark successes in recent years. The film *Parasite*, which won multiple Academy Awards in 2019, marked a turning point in international recognition for non-English-language cinema. Likewise, the series *Squid Game* dominated global streaming charts in 2021, maintaining top viewership rankings across various countries, including India. Recognizing this surge in global interest, Netflix revealed in February 2021—according to Gupta and Anandaram (2022)—its

commitment to invest USD 500 million in Korean drama production, underscoring the strategic value of Korean content in its global portfolio.

C. Fashion and Cosmetics

South Korea's cultural exports have expanded significantly into the domains of fashion and beauty, with *K-beauty* emerging as a globally recognized brand. As noted by Biondi (2022), the Korean cosmetics industry reached an export value of approximately USD 6.5 billion by 2021, positioning the country fourth worldwide—following France, the United States, and Germany. This growth reflects not only product innovation but also strategic marketing practices, often featuring Korean celebrities and promoting natural, luminous aesthetics at accessible price points. Among the most popular offerings are sheet masks and *hanbang*-inspired products, which draw on traditional Korean medicinal ingredients and resonate strongly with younger demographics, particularly Generation Z.

D. Korean Cuisine

The global rise of Korean culinary traditions—evident in the international popularity of dishes like *kimchi* and *bibimbap*—reflects a deliberate cultural strategy often referred to as "Kimchi Diplomacy." As Gupta and Anandaram (2022, p. 07) explain, this initiative involves coordinated efforts between the South Korean government and food industry entrepreneurs to promote Korean cuisine abroad. Institutions such as the Korean Food Promotion Institute and the Overseas Korean Restaurant Association play central roles in this endeavor, implementing programs that include funding for culinary students to study internationally, organizing Korean food festivals, and facilitating overseas tours for Korean restaurateurs. These efforts not only elevate the visibility of Korean food but also serve as instruments of soft power, embedding Korean identity within the global cultural imagination and enhancing the nation's international standing—a dynamic further emphasized by Hong (2025).

1.5. Korean Cultural Identity as an Economic Asset

- South Korea's cultural and creative industries have become a formidable economic force, contributing over 3% to the national GDP and drawing millions of international tourists who engage with Korean cultural products—a trend highlighted by KOFICE in its 2024 report.
- The United Nations Conference on Trade and Development (UNCTAD, 2024) underscores the sector's export strength, noting that in 2021 alone, creative industries generated USD 12.4 billion in revenue, supported by a robust annual job growth rate of 4–5% and a workforce exceeding 600,000 individuals. This upward trajectory continued into 2022, with KOCCA reporting an increase in exports to USD 13.24 billion.
- Among the sub-sectors driving this growth, the comics and webtoon industry stood out with a remarkable 71.3% surge in exports during the first half of 2023, followed by publishing and music, which saw increases of 31.7% and 29.2% respectively, as documented by KOFICE.
- Furthermore, KOCCA's 2024 projections estimate that the market value of South Korea's cultural content industry, which reached USD 79.1 billion in 2023, will climb to USD 86.4 billion by the end of 2026. This reflects a steady expansion, with average annual sales growth of approximately 10% between 2018 and 2022.
- According to Kim S. (2024), exports of Korean cosmetics expanded by

11.8% in 2022, reaching USD 9.2 billion—a rise largely attributable to the global traction of K-pop.

- Korea's creative industries also yield substantial indirect economic benefits, including:

- o Sales in the cultural content sector amounted to roughly 69.3 trillion KRW (USD 52.8 billion) in the first half of 2023, reflecting a 2.5% increase over the same period in 2022, as reported by Sayart (2024).

- o In 2023, South Korea received over 11 million international visitors, with around 1.8 million identifying cultural attractions—such as K-pop, Korean drama, and cuisine—as their primary reason for travel, according to the Korea Tourism Organization (KTO, 2023).

- o Hallyu tourism” has injected over USD 5.5 billion into South Korea's economy through visitor spending on accommodations, cultural experiences, and retail. HYBE Corporation & YG Entertainment reports that sales of BTS- and Blackpink-branded merchandise—including albums, cosmetics, and licensed goods—exceeded USD 1.3 billion in 2022.

- o The Hyundai Research Institute's 2022 analysis finds that each dollar spent on BTS-related products generates approximately five dollars of added value in other sectors. KOCCA data show that USD 100 million of cultural content exports correspond to roughly USD 180 million in consumer goods exports, stimulate USD 510 million in production output, and create about 2,982 new jobs—a performance that underlies the formal incorporation of creative industries into national development strategies and reflects the shift toward knowledge- and creativity-based economies identified by Hesmondhalgh (2019).

1.6. Korean Cultural Identity Evolution from Confucian Roots to Global Cultural Capital

A. Confucian Heritage and Joseon Dynasty (1392–1897)

During the Joseon Dynasty, Korean cultural identity was profoundly influenced by Confucian philosophy, which played a central role in shaping governance structures, social hierarchies, educational systems, and moral principles. Confucianism emphasized collectivism, deference to authority, and the importance of social harmony, embedding these values deeply within Korean customs, artistic expressions, and literary traditions (Deuchler, 1992). This ideological foundation significantly contributed to the formation of Korea's national ethos, persisting even as the pressures of modernization began to intensify in the late nineteenth century.

B. Colonial Period and Cultural Suppression (1910–1945)

The period of Japanese colonial rule was characterized by systematic cultural suppression and assimilation policies aimed at supplanting Korean traditions with Japanese language, customs, and political institutions (Caprio, 2009). Although these measures disrupted the continuity of indigenous culture, they simultaneously incited nationalist resistance and heightened awareness of Korean identity, thereby promoting cultural preservation as a form of political and social defiance.

C. Post-War Reconstruction and American Cultural Influence (1950s–1970s)

Following the liberation in 1945 and the subsequent devastation of the Korean War (1950–1953), South Korea underwent a rapid socio-economic transformation significantly shaped by the presence of the U.S. military and the adoption of Western models of modernization (Cummings, 2005). During this era, traditional Korean values persisted alongside the influx

of Western lifestyles, resulting in the emergence of a hybrid cultural framework. Concurrently, the expansion of mass media and consumer culture contributed to reshaping national identity toward a more globally oriented paradigm.

D. Cultural Renaissance and the Korean Wave (1990–2010)

The 1990s witnessed a cultural renaissance in South Korea, propelled by democratization, economic growth, and deliberate government strategies aimed at promoting Korean culture internationally. According to Jin (2016), the rise of Hallyu, or the Korean Wave, through mediums such as television dramas, K-pop music, and cinema, significantly transformed Korea's cultural image on the global stage. During this era, culture was increasingly perceived not merely as a form of heritage but as a valuable export commodity, thereby aligning national identity with broader soft power objectives. **Figure 03:** Korean Cultural Identity Evolution



Source: Authors' elaboration based on various sources referenced in this paper.

E. Hallyu Wave – Global Korean Culture Expansion (2000s–2010s)

The 1990s represented a period of cultural revitalization in South Korea, fueled by democratization, sustained economic growth, and strategic governmental initiatives aimed at promoting Korean culture on the global stage. As noted by Jin (2016), the advent of Hallyu, or the Korean Wave, manifested through television dramas, K-pop, and cinema, fundamentally transformed South Korea's cultural representation internationally. During this era, culture was increasingly regarded not only as a heritage to be preserved but also as a significant export commodity, thereby closely linking national identity with broader soft power objectives.

F. Korean Culture as Global Capital (2010s–Present)

From the 2010s onward, South Korea has firmly established itself as a dominant force in global cultural production. Cultural exports, including the music of BTS, internationally acclaimed films such as *Parasite*, and widely influential beauty and fashion trends, have collectively transformed Korean identity into a form of global capital. According to Nye (2021), this identity now operates simultaneously as a cultural brand and a strategic economic resource, synthesizing technology, creativity, and tradition into a distinctive model of global influence.

Conclusion

This study demonstrates that South Korea's creative cultural economy rests on four interlocking pillars. First, technology functions not merely as a distribution channel but as a strategic collaborator in content creation, promotion, and adaptation—its fusion with human creativity establishing a global template for the sector. Second, when supported by clear political commitment and a coherent cultural roadmap, national identity transcends symbolism to become a tangible economic asset across multiple industries. Third, robust public–private partnerships have proven essential for nurturing innovation, aligning governmental support with private investment to sustain growth in cultural and creative fields. Fourth, effective outreach now demands the integration of contemporary digital platforms and data-driven marketing techniques, enabling cultural producers to engage audiences more deeply and secure lasting impact.

These dynamics have yielded measurable benefits: bolstering GDP, expanding youth employment, and elevating Korea's status as a soft-power leader. Yet the study also cautions against uncritical commodification, which can dilute authentic cultural symbols into exportable clichés, and warns that reliance on dominant digital intermediaries risks algorithmic gatekeeping and pressures toward self-exoticization. A truly sustainable model of cultural entrepreneurship must therefore balance economic and innovative objectives with the preservation of cultural meaning and identity. By embedding symbolic depth within commercial strategies—and by reinforcing partnerships that respect local sovereignty as much as growth ambitions—policymakers and industry stakeholders can ensure that Korea's creative economy remains both a driver of prosperity and a source of collective belonging.

Conflict of Interest

The author declares that there is no known conflict of interest regarding the publication of this paper. The research was conducted independently, without any financial or personal relationships that could have inappropriately influenced its content, results, or interpretation.

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