

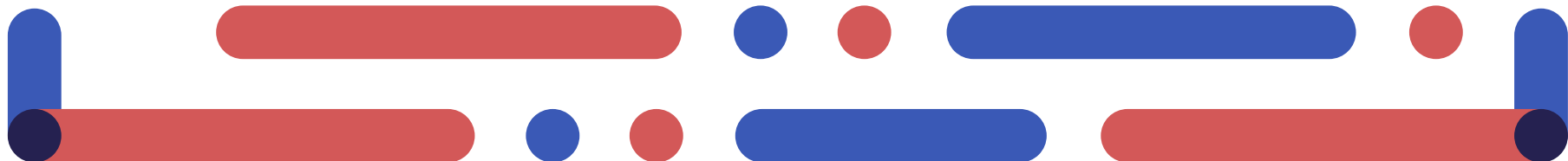
The background of the slide features a light gray grid. Overlaid on this grid are various geometric elements: thick horizontal and vertical bars in red and blue, and small solid circles in the same colors. Some bars and dots are positioned at the intersections of the grid lines, while others are offset. The bars have rounded ends. The overall composition is abstract and modern.

Korea Market 101

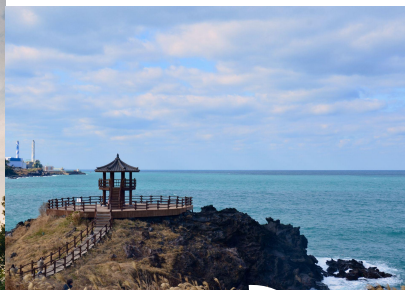
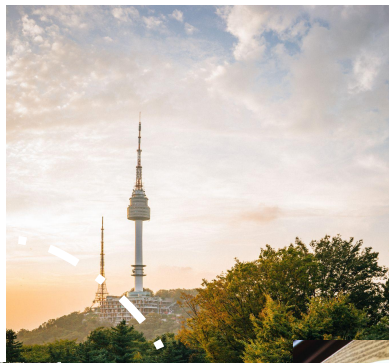
Brand Catalyser
By Janelle Wong

Overview

- South Korea and its Economy
- South Korean's Consumers
- Media consumption in Korea
- Search Engines in Korea
- E-Commerce in Korea
- Market Trends



South Korea....?





South Korea

(Some Quick Facts!)

- ~51M people
- Seoul is the capital city (9.7M people)
- Korean, English, Chinese, Russian
- 49M are Internet users (96.6% of them!)
- Highest Internet coverage+speed in the world!

Korea's Economy

01

GDP Ranking

13th in world, 4th in Asia

02

Leading industries

Manufacturing, Electronics,
Automobile, Telecommunications,
Shipbuilding, Chemicals



03

Business model

'*Chaebol*' dominated the market,
-> 50% total exports, 84% GDP
Yet, 99.9% are SMEs and start-ups

04

Market & competition

Ease-of-doing-business rank: 5th
(Very Easy!)





The People

What media do they consume?
How are Koreans' behaviour like when they think about a product? 🤔

4 Types of Consumers

Undaunted Striver

- Image-conscious
- Likes to try new things
 - Tech-savvy

Secure Traditionalist

- Avoids shopping
- Seeks High-quality products
 - Saving over Spending

32%

28%

20%

20%

Conservatory homebody

- Prefers to Follow
- Focus on personal issues, such as family and spirituality

Balanced Optimist

- Seeks quality items
- Values healthy-living and personal wellbeing
- Seeks value for money

Capital city: Seoul & Korean Consumer Attitudes



9.7M people
GDP per capita:
\$36,791 (USD)
GDP per capita (South Korea): \$31,489 (USD)

Care about appearances and social status

Most of them can't understand proper English

Loves convenience and efficient services

Enjoy promotion and sales and look into brand stories

Key SNS Platforms

(~Social Networking Service 소셜네트워크 서비스)



Facebook

22.35M users
More for Koreans under
24-years-old



Youtube

43M users
Lifestyle vlogs, older generations
used it as a News source



Instagram

3.5M users
Koreans aged 25-34 are the
largest group of users



Twitter

New sources!



Kakaotalk

Largest SNS platform with
Over 45M users using



Kakaostory

A private version of Facebook,
used most by middle-schoolers
and moms



Naver

Korea's most used search
engine, also has features such as
Q&A, News and E-mail



Naver Band

An app for teams and groups,
mostly used by older Koreans
for organising sport activities

Search Engines in Korea

NAVER

#1

Korean Search Behaviours

- #1 Prefer short-tailed keywords
- #2 Users search transliterated keywords
- #3 Cultural cues determine how they search

2021 Most searched word
on **NAVER** and **DAUM**:

Youtube, Coupang, Lotto results, Samsung, Covid-19...

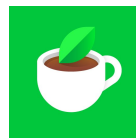


#2



#3

- Results like **Naver Cafe**, **Naver Encyclopedia**, **Knowledge iN** and all the other search elements appear on the **SERP** most of the time. (Paid search takes up more space than the ones on google)



NAVER 지식백과

E-Commerce in Korea

Facts

- 3rd largest E-commerce market in Asia
- 9% CAGR until 2025
- Increased in home necessity shopping, furnitures since Covid-19
- Most sold: Various services → Fashion → Electronics → Household products



1st
coupang

2nd
NAVER

3rd
ebay

- Same-day delivery (*Rocket Delivery*) and online grocery shopping service
- **Dawn Delivery Program** - order midnight, receive package at 7AM the other day
- 70M active monthly visitors, 10M monthly unique visitors
- A 19.2% share of the E-commerce sales in South Korea in 2020
- Coupang's Private label expanding into **Apparel** and **Footwear**

Case of **coupang** & FMCG in Korea

- South Korea, specifically, accounts for **16.6%** of global FMCG E-commerce market share
- International imported brands including: **LEGO, Gap and Nature's Way**, accounts for **30%** of brands on the platform

Top Product Category on Coupang



Baby



Vitamins & Supplements



Games



Beauty

Advertising in Korea



10% increase in Online ads

Mobile ads particularly showed a sharp increase, as more people have smartphones in Korea



Decline in Traditional ads

Traditional advertising including **Print, Broadcasting and Outdoor ads** appeared to have decreased



Radio

12%



Print

28%



Online (incl. social media)

86%



Marketing Trends / Insights in Korea 2022 and beyond...



Trends & Insights

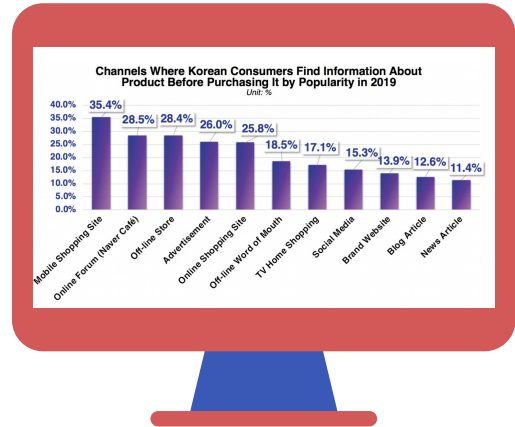


Korean consumers are **digital**, it is important than ever for companies to **digitalize** their platforms

Foreign brands entering the Korean market are experiencing difficulties, they need to gain good understanding of the **local marketing channels**

Growing demands for **international food products, meal delivery orders and agricultural sales**
Continuous growth in **influencer marketing and live commerce**

A rise in **innovative business structures**, such as a finance company to a lifestyle proposer; a razor manufacturer to a male skincare brand



Thank You



Q&A time

감사합니다~

Some more sharing about...

- **Coupang is bigger than Amazon..?**
- **Korean's obsess with social status....**
- **Highly attracted to Western Influence**
- **Secondhand market on the rise**
- **Kpop Marketing**
- **Patriotism**