



South Korea: Consumer Profile

October 2024

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Key findings

Key drivers affecting consumers in South Korea in 2023

How developments today shape the consumers of tomorrow

POPULATION AND SOCIETY

Today 2023: Almost half of the population concentrated in South Korea's capital, Seoul

With birth rate at a global low, immigration becomes the key driver of population growth

South Koreans invest in wellness through vitamins, supplements and stress reduction

Tomorrow 2040: Shrinking population driven by low birth rate and limited migration

While Gen X maintains dominant role, Generations Alpha and Z are set to grow in prominence

Depopulation pressures lead Busan to launch initiatives aimed at reversing the decline

Opportunities for growth

Monami offers custom-making services for writing instruments to attract Gen Z

HOUSEHOLDS AND HOMES

Today 2023: Singleton households are the most common yet spend the least

The majority of single person households in South Korea to consist primarily of seniors

Housing demand fell post-pandemic but is set to recover as the number of singletons rises

Tomorrow 2040: Childless households is the only household type to rise in number

By 2040, the average household head is projected to be a man over the age of 60

With top-tier infrastructure and a tech-savvy population, South Korea leads in internet access

Opportunities for growth

LG ThinQ UP 2.0 supports "servitisation" in smart home appliances

INCOME AND EXPENDITURE

Today 2023: Inflation has eased, but financial concerns proliferate as prices remain elevated

One third of respondents plan to cut spending next year due to rising living costs

Most South Koreans hold back on spending, yet Baby Boomers lean towards spending more

Tomorrow 2040: Urban-rural income gap is expected to close

Income gains are to persist at a moderate pace, but gender income gap will fail to close

Despite high expenditure on housing, discretionary spending to rise as incomes increase

Opportunities for growth

INSPIRE Mall's immersive art exhibit transforms shopping into a memorable experience

LIFESTYLES

Key findings of consumer survey

Older cohorts more willing to pay extra for healthy food, while younger ones focus on taste

South Koreans are taking efforts to balance budgets with desire to maintain their lifestyles

With negative climate change effects already evident, Koreans become more climate-aware

Financial concerns remain prevalent as savings have depleted over the recent years

South Koreans seek better work-life balance, shifting from rigid work culture

Opportunities for growth

LIFESTYLES

Vestiaire Collective provides affordable luxury alternatives to fast fashion in South Korea

CONCLUSION

Key takeaways

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