

Korea Duty Free Market: Analysis By Product Category (Cosmetics, Perfumes, Leather Goods, Fashion Accessories, Alcohol And Others), By Nationality (Chinese Buyers, Domestic Buyers And Foreigner Buyers), By Sales Channel (Downtown And Others), Size and Trends with Impact of COVID-19 and Forecast up to 2029

March 2024



# Korea Duty Free Market: Coverage

Executive Summary and Scope

Introduction/Market Overview

Korea Market Analysis

Impact of COVID-19

Dynamics

Competitive Landscape

Company Profiling

# Korea Duty Free Market: Coverage

## Scope of the Report

Attributes	Details
Title	Korea Duty Free Market: Analysis By Product Category (Cosmetics, Perfumes, Leather Goods, Fashion Accessories, Alcohol And Others), By Nationality (Chinese Buyers, Domestic Buyers And Foreigner Buyers), By Sales Channel (Downtown And Others), Size and Trends with Impact of COVID-19 and Forecast up to 2029
Coverage	Korea
Market Influencing Variables	Growth Drivers, Challenges, Market Trends
Forecast Period of Market	2024-2029
Competition in the Market	Consolidated
Key Players	Shinsegae, Hotel Shilla, Hyundai Department Store, Lotte Corporation (Lotte Duty Free), DongHwa Duty Free, City Duty Free, Kyung bok kung duty free, FANFAN Duty Free, Shilla IPark Duty Free Store (HDC Shilla)

# Korea Duty Free Market: Coverage

## Executive Summary

Duty-free refers to the ability to purchase items without paying customs duties or other taxes like import, sales, value-added, or consumption taxes. Duty-free shops, commonly found in airports and on ships, offer goods that are free from government taxes, making them potentially more affordable for consumers. One of the primary objectives driving the growth of duty-free sales is the cost savings for consumers. The duty-free market in Korea is a significant sector within the country's retail industry, catering to both domestic consumers and international travelers. The Korean duty-free market showcases unique competitiveness by offering a wide range of domestic and global brands, including 'K-beauty' products and Korea's distinct culture. Korea duty free market value in 2023 stood at US\$18.43 billion, and is likely to reach US\$26.13 billion by 2029.

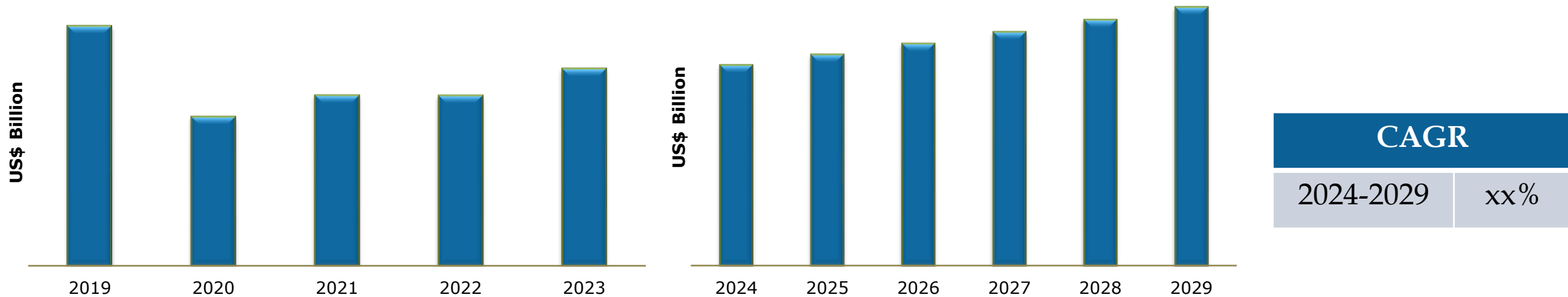
Korea duty free market can be segmented on the basis of product category (cosmetics, perfumes, leather goods, fashion accessories, alcohol and others), nationality (Chinese Buyers, domestic Buyers and other foreigner buyers), and sales channel (downtown and others). On the basis of product category, the cosmetics segment dominated the market share in 2023 since South Korea is known for its 'K-beauty' products, which are highly sought after by international consumers and the duty-free market in South Korea offers a wide range of domestic and global skin care and beauty brands, providing consumers with a diverse selection of products. On the basis of nationality, Chinese buyers held significant share because of the convenience of travel, including proximity to Korea, direct flights, and streamlined visa procedures, has made it easier for Chinese tourists to visit Korea for short-term trips, contributing to higher foot traffic in duty-free shops.

The COVID-19 pandemic has had negative impact on the Korea duty free market, leading to temporary closures, reduced foot traffic, and shifts in demand. The global number of international arrivals declined from 17.50 million in 2019 to 2.52 million in 2020, reflecting a decline of 85.60% from 2019 to 2020. Luxury goods were the most popular, but the pandemic led to increased duty-free inventories, causing losses for many duty-free stores. Despite government measures like rent reductions and tax relief, duty-free sales continued to decline.

Korea duty free market has increased in 2023 and projections are made that the market would rise in the next five years i.e. 2024-2029 tremendously. The demand for Korea duty free products has been rising significantly in recent years, driven by rising disposable income, growing daigou market, broader product offering, capturing Chinese demand, favorable government policies, etc. Further, the market is expected to grow, owing to rising focus on sustainability, metaverse integration, emerging market segments, growing partnerships and collaborations, digital transformation, etc., yet the market faces some challenges such as currency fluctuations, regulatory changes, etc.

# Korea Duty Free Market: Global Analysis

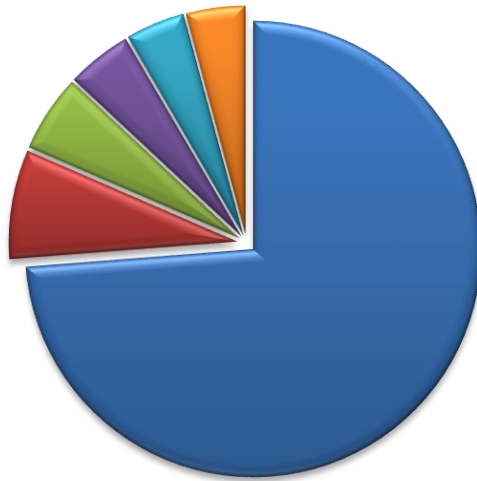
## Korea Duty Free Market by Value



Korea Duty Free market valued at US\$.... billion in 2023, increased as compared to US\$... billion in 2022. Korea Duty Free market is anticipated to reach up to US\$... billion by 2029, at a CAGR of ....%, from US\$... billion in 2024.

# Korea Duty Free Market: Global Analysis

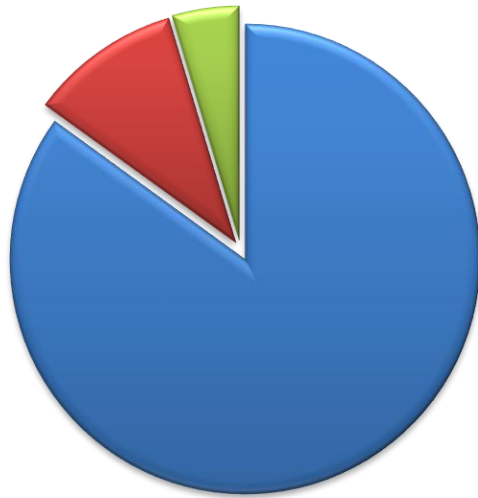
**Korea Duty Free Market by Product Category; 2023**



Product Category	Share
Cosmetics	xx%
Perfumes	xx%
Leather Goods	xx%
Fashion Accessories	xx%
Alcohol	xx%
Others	xx%

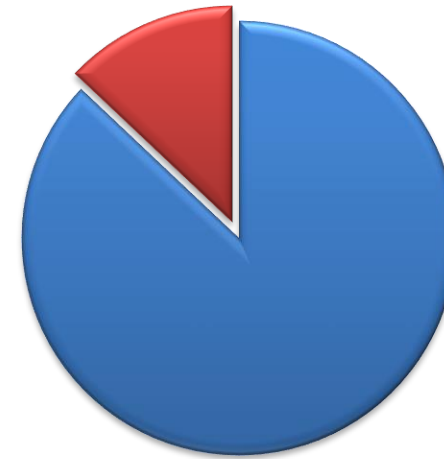
# Korea Duty Free Market: Global Analysis

## Korea Duty Free Market by Nationality; 2023



Nationality	Share
Chinese Buyers	xx%
Domestic Buyers	xx%
Foreigner Buyers	xx%

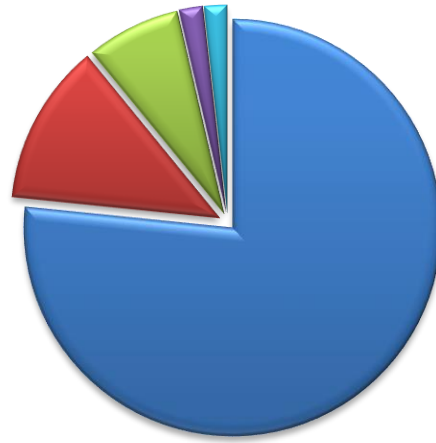
## Korea Duty Free Market by Sales Channel; 2023



Sales Channel	Share
Downtown	xx%
Others	xx%

# Korea Duty Free Market: Global Analysis

**Korea Duty Free Market by Region; 2023**

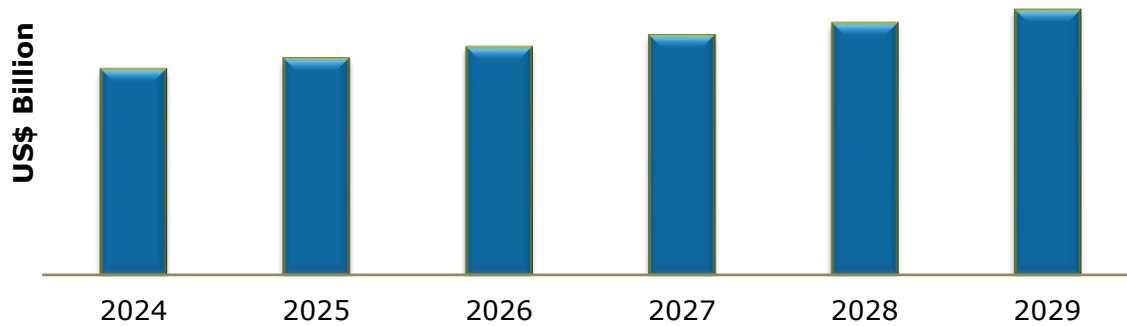


Regions	Share
Seoul	xx%
Incheon	xx%
Jeju	xx%
Busan	xx%
Others	xx%

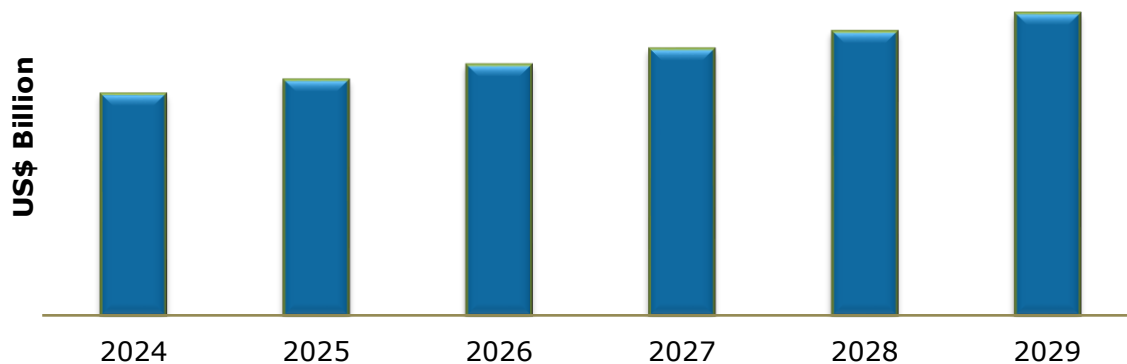


# Korea Duty Free Market: Product Category Analysis

## Cosmetics Korea Duty Free Market by Value



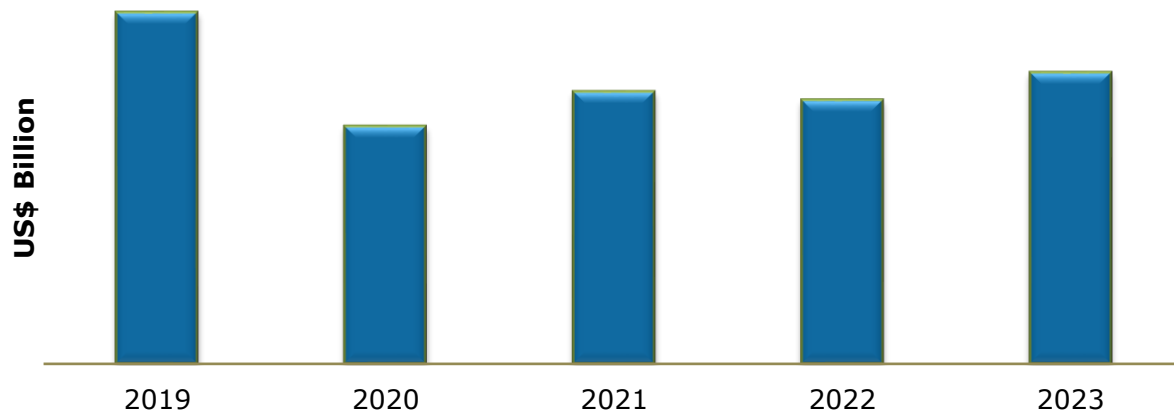
## Alcohol Korea Duty Free Market by Value



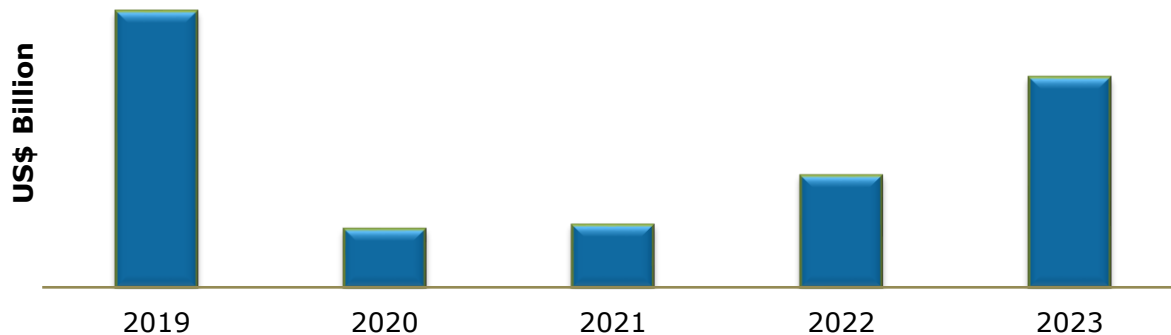
Product Category	CAGR (2024-29)
Cosmetics	xx%
Perfumes	xx%
Leather Goods	xx%
Fashion Accessories	xx%
Alcohol	xx%
Others	xx%

# Korea Duty Free Market: Nationality Analysis

## Chinese Buyers of Korea Duty Free Market by Value



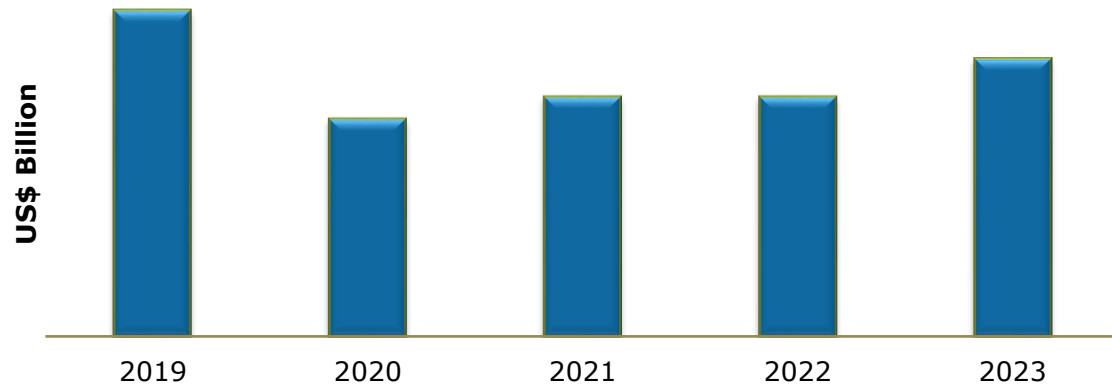
## Domestic Buyers of Korea Duty Free Market by Value



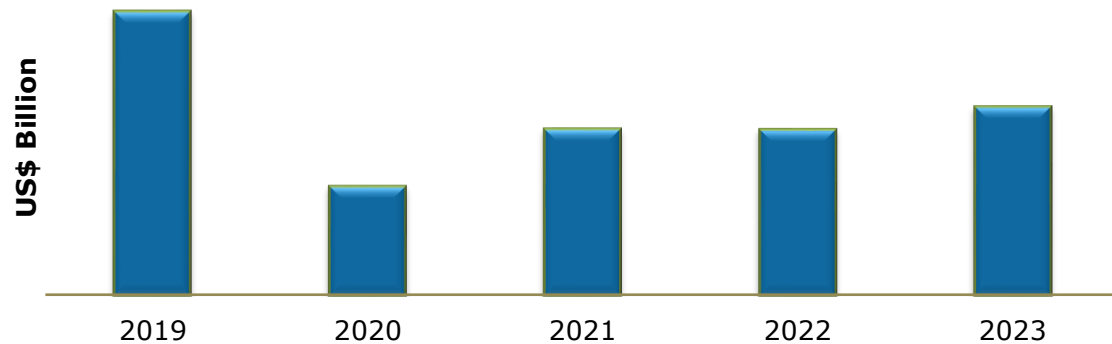
Nationality	Growth Rate
	(2022-23)
Chinese Buyers	xx%
Domestic Buyers	xx%
Foreigner Buyers	xx%

# Korea Duty Free Market: Sales Channel Analysis

**Korea Downtown Duty Free Market by Value**

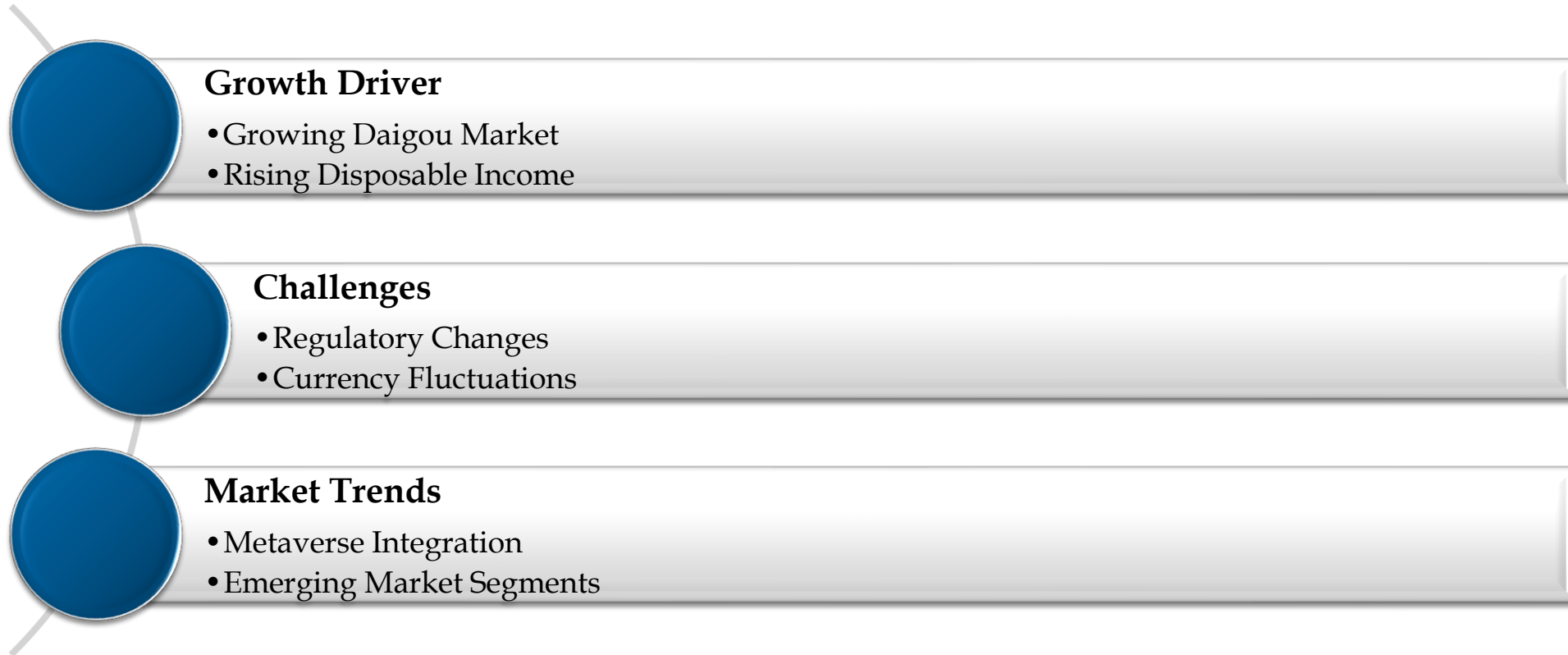


**Korea Others Duty Free Market by Value**



Sales Channel	Growth Rates
	(2022-23)
Downtown	xx%
Others	xx%

# Korea Duty Free Market: Dynamics



# Korea Duty Free Market: Competitive Landscape

## Players Profiled

- Shinsegae
- Hotel Shilla
- Hyundai Department Store
- Lotte Corporation (Lotte Duty Free)
- DongHwa Duty Free
- City Duty Free
- Kyung bok kung Duty Free
- FANFAN Duty Free
- Shilla IPark Duty Free Store (HDC Shilla)

## Korea Duty Free Players by Market Share; 2023 (Percentage, %)

