

MARKET OPPORTUNITY KOREA

Contemporary European Design



CONTEMPORARY
EUROPEAN
DESIGN

OVERVIEW

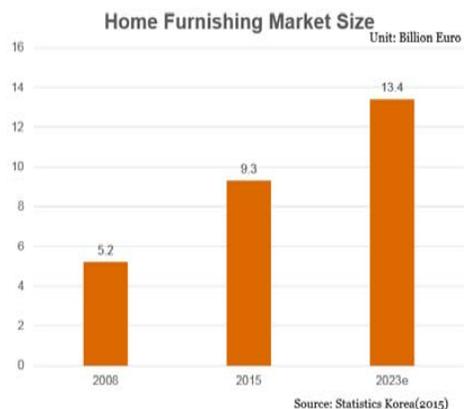
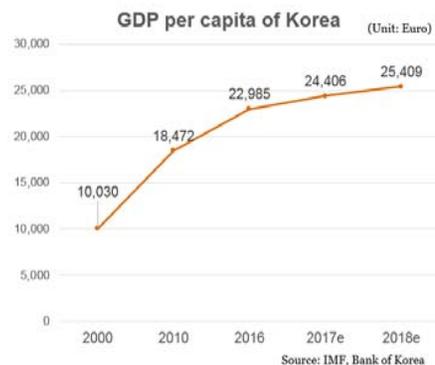
- Korea's home furnishing market was worth almost €10 billion in 2017. The market is posting double-digit growth and is forecasted to reach €13.4 billion by 2023, a 35% increase.
- Korea's purchasing power is steadily increasing: GDP per capita is growing at an average of 4%-11% per year.
- The increase in disposable incomes and purchasing power has fuelled demand for design-oriented lifestyles; current trends favour products catering to highly individualised lifestyles.
- Low birth rates and the increase of single child families has driven growth in the market for children's furniture, as families are inclined to spend more on their children.

Key business opportunities for European companies

- 1. With highly reputable brands.** Recognised brand names can more easily facilitate their entry into the Korean market, either independently or in partnership with Korean companies.
- 2. Offering minimalism-driven design and/or multi-purpose furniture.** Korean market trends demonstrate high preferences for design and practicality. Examples of products in this category are sofa-beds, chair-bookshelves, etc.
- 3.** Able to offer **small-scale customised production**, and/or **well branded and good design specialised workshops** to meet specific needs and characteristics of Korean consumers. There are high partnership opportunities in this area.
- 4.** Offering mid- to low-priced living necessities targeted at newlyweds and young people, i.e. consumer segments that are more attuned towards reasonable pricing for beds, sofas, dining tables, desks, interior lighting, etc.
- 5.** Offering furniture that is designed for babies and children.
- 6.** Operating in the following design areas: woodworking designs, matching sets, vintage and antiques, light and spatial design, and automation-oriented furniture design.

Sector characteristics

- Home furnishing covers all interior design products, e.g. furniture, wallpaper, lighting and decorative items.
- In 2017, single households numbered 5.6 million, an increase of 4.1% from 2016. Consumer behaviour trends in this area indicate preferences for furnishing according to personal taste and individual lifestyles.
- The main consumer base are in their 20~40s. This demographic has high tendencies to share information and visuals on social networks. Images on self-decorated personal spaces and individual styles have high traffic on Social Network Services and online communities.
- Minimalism is trending, along with demands for home decoration at reasonable prices.
- Large corporations and local conglomerates face continuous pressure to expand on their brand. Many have established platforms to connect with their consumer base online and offline.



MARKET OPPORTUNITY KOREA

Contemporary European Design

Major Korean brands



HANSSEM is a full service interior company provides furniture, appliances, household accessories, fabric products and etc. Its established 'HANSSEM flag shop' specialises in total home interior.



Hyundai LIVART focuses on furniture and wooden products and established 'LIVART Home' as its total living style brand.



JAJU is a home furnishing brand operates by Shinsegae International. Around 150 shops are located inside emart in the form of shop in shop.



MODERN HOUSE is a home furnishing brand operated by Eland retail. Also operates fancy living SPA brand 'Butter'. 51 shops located in Korea.

Examples of European brands in Korea



IKEA, a Swedish brand, designs and sells furniture, kitchen appliances and home accessories. Started the business in Korea in December 2014 and has two stores in Korea.



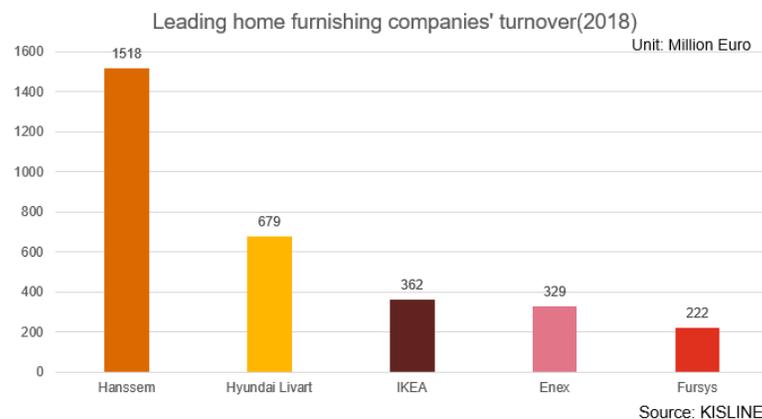
ZARA HOME belongs to the Spanish Inditex group dedicated to the manufacturing of home textiles.



Swedish brand H&M HOME offers a large selection of top quality interior designs and decorations.

Multi Shops

Lifestyle concept shops with the selection of various brands are also active. Normally introduces Italian, French and Northern European brands.



Number of Single and Two person Households

