



Foreign Agricultural Service
U.S. Agricultural Trade Office



FAS/Seoul Monitoring of Media Reporting on Agricultural Issues

Today's Date: **Friday, February 28, 2020**

For Coverage: **February 24 ~ 28, 2020**

"We are Your Refrigerator" ... Lotte Mart Launches 'Fulfillment Stores', Offering 1 Hour Deliveries

<http://www.donga.com/news/article/all/20200226/99895721/1>

Summary: Lotte Mart, a leading hypermarket grocery retailer in Korea, announced its new 'fulfillment store' strategy on February 26. Two stores (Jung-Gye branch in Seoul and Gwang-Gyo branch in Soowon city) will be turned into fulfillment stores by the end of March. Fulfillment stores will implement all the new information technologies that Lotte has to offer a more efficient shopping experience at both conventional stores and on-line shopping. Lotte Said consumers should be able to use the stores like their own refrigerators as the delivery time will be reduced to one hour after a store purchase or on-line order. The technologies used include 'scan-and-go for home delivery' and 'smart cart for automated check-out'. Other hypermarket retailers have also launched fulfillment store strategies recently to bring their off-line stores and on-line shopping platforms together. For example, Home Plus's fulfillment stores service 1,500 deliveries a day each to consumers within a 15 kilometer radius or as little as 3 hours after a store purchase or on-line order.

Local Pork Meat Price Rebounds due to Strong International Price

<https://www.hankyung.com/economy/article/202002254788i>

Summary: Korea Livestock Product Quality Assessment Institute (LQI) reported that the wholesale price of local pork meat was 3,587 won per kilogram on February 25, up 12 percent from February 14. LQI explained that the rebound in local pork prices is due to strong international prices due to increased demand from China. The Chinese swine industry has yet to recover from African Swine Fever (ASF).

On-line Retailers Report Surging Orders Exceeding Daily Delivery Capacity

<https://news.naver.com/main/read.nhn?oid=015&aid=0004296486>

Summary: Coupang, the number one on-line retailer in Korea, reported that the number of daily orders it receives has increased sharply to 3 million this week. As a result, Coupang is experiencing some delays in its deliveries. SSG.com, another leading on-line retailer, reported that the number of daily orders increased to 720,000 this week from 620,000 last week. Market Curly, a specialty grocery food on-line retailer, reported that the number of daily orders has gone over its delivery capacity, 70,000, this week.

Online Grocery Retailers Report Surging Orders for Emergency Foods and Delays in Shipping

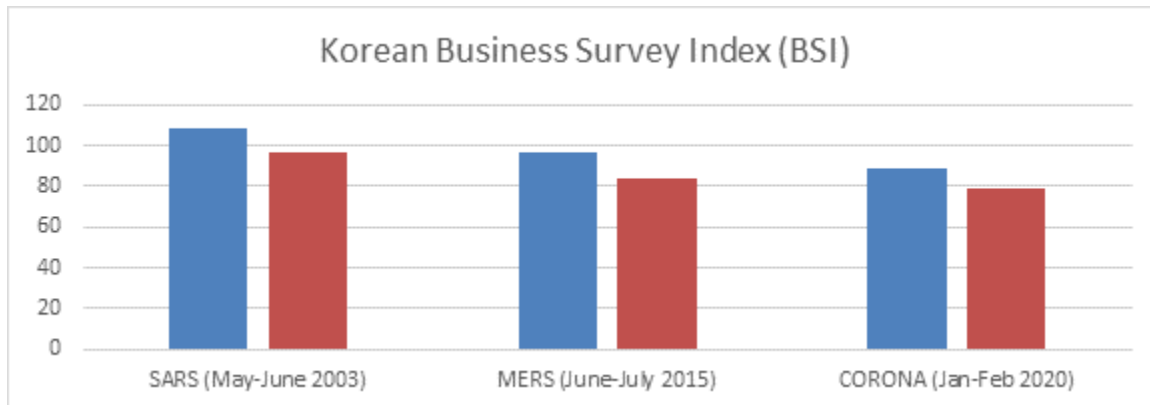
<http://www.donga.com/news/list/article/all/20200225/99857385/1>

Summary: SSG.com, a leading on-line grocery retailer in Korea, reported on February 24 that orders for emergency food products marked strong growth from the previous week: 268 percent for canned foods; 187 percent for rice; 175 percent for instant noodles; 168 percent for prepared meals; and 116 percent for bottled water. Because of surging orders, all the major online retailers are reportedly finding it difficult to ship products under normal schedules. For example, Coupang, the number one online retailer in the market, currently offers only limited products for overnight deliveries.

Business Survey Index for February 2020 Marks 11 Year Lowest

<https://www.hankyung.com/economy/article/200902250207g>

Summary: The Korea Economic Research Institute (KERI) reported on February 24 that its Business Survey Index (BSI) for February 2020 dropped to 78.9 point (down 7.6 point from January), the lowest level since February 2009. KERI said the monthly decline in the BSI due to the on-going coronavirus outbreak was smaller than during SARS in 2003 (down 11.7 point) and MERS in 2015 (down 12.1 point). However, KERI stressed that the BSI may decline further in March if the coronavirus continues to spread. KERI's BSI is based on a survey of 600 leading businesses in the market.



Source: Korea Economic Research Institute (KERI) www.keri.org

The information in this report was compiled by the [Agricultural Trade Office \(ATO\)](#) at the U.S. Embassy in Seoul, South Korea. The press summaries contained herein do NOT reflect USDA, the U.S. Embassy, or other U.S. government agency official policy or view point. U.S. food exporters can learn more about market opportunities in South Korea by reviewing ATO Seoul's [Exporter Guide](#) and other reports available at www.fas.usda.gov by clicking on "attaché reports."