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2,224 Businesses Suspended Operation under Government Support as Their Sales Plunged due to Coronavirus Outbreak, 4 Times Larger Than MERS Virus Outbreak

<http://www.donga.com/news/article/all/20200303/99973147/1>

Summary: Korea Ministry of Employment and Labor (MEL) reported on March 2 that a total of 2,224 local businesses had registered for its 'employment support' financial program between January 29 through February 28 as their sales plunged due to the coronavirus outbreak. Under the program, companies suspended operation while maintaining their employment of 53,277 people. Companies that suspend operations included the tourism sector (934 companies), processing (324 companies), and education (118 companies). According to MEL, the number of businesses registering for the employment support program due to the coronavirus outbreak this year was much larger than during the MERS virus outbreak in 2015 (550 businesses).

Coronavirus Outbreak Fuels Further Expansion of On-line Shopping in Korea

<http://www.donga.com/news/article/all/20200302/99972247/1>

Summary: Korean consumers are adopting more on-line shopping tools as they opt for "untact (no personal contact)" ways of shopping out of fear of the coronavirus. Areas that reported rapid growth include on-line laundry shops (on-line pick up orders and no-contact home deliveries), on-line sashimi shops (quick home deliveries for sashimi-raw fish meat dishes), and on-line butcher shops. Marketers agree that on-line shopping, which generated \$117 billion of sales in 2019, will expand rapidly in Korea this year.

Korean Processors and Retailers Focus on Offering Healthy, Functional Foods

<http://www.donga.com/news/article/all/20200302/99972635/1>

Summary: Korean processors and retailers are offering more healthy, functional foods to capitalize on soaring consumer health concerns amid the coronavirus outbreak. CJ Cheiljedang, the leading food processor in the country, reported that its sales of functional food supplements had doubled since the virus outbreak (January 28 through February 21). Lotte Home Shopping, a leading on-line retailer, reported that its sales of healthy functional foods such as red ginseng and vitamins increased 137 percent in February. Purumeal, a dairy processor, announced that it launched 'Probiotics Bifidus', a probiotic yoghurt product. Ildong Foodis, another dairy processor, launched TrueMom NewClass, an infant formula containing colostrum to help the immune system. Lotte Mart launched instore promotions on Norwegian salmon. JW Marriott Hotel Seoul launched a special menu promotion in its buffet restaurant featuring new recipes for strengthening the immune system.

15 Large-scale Convention Centers in Korea Canceled 410 Events in February-March due to Corona Virus Risk

<https://www.hankyung.com/economy/article/2020030299401>

Summary: 15 large-scale convention centers throughout Korea canceled 410 events (including 72 exhibitions) in February-March due to the coronavirus. An additional 280 events were postponed to later dates in 2020. Some of the events canceled included SEMICON (semi-conductor show / 2,100 exhibitors), SPOMAX (sports & outdoor / 1,600 exhibitors), Korea Build Show (construction / 3,500 exhibitors), and Seoul Living Design Fair (living & lifestyle / 1,400 exhibitors).

Consumer Businesses Report Serious Decline in Sales and Consumer Traffic ... Duty Free Stores -40%, Movie Theaters -57%, Air Carriers -84%

<https://www.yna.co.kr/view/AKR20200228061600002?input=1195m>

Summary: Consumer businesses in South Korea reported serious declines in sales and consumer traffic as a result of the growing COVID-19 outbreaks. According to a Korea Ministry of Economy and Finance (MOEF) report on February 28, consumer traffic during the third week of February 2020 declined 84.4 percent for air carriers, 57.0 percent for movie theaters, 20.6 percent for department store sales, and 14.2 percent for restaurant sales compared to the same period of last year. The number of foreign tourists visiting Korea was down 48.1 percent. MOEF reported that the local retail market sales index fell 3.1 percent to 112.6, the largest monthly decline since February 2011. The decline in February 2020 may be even steeper. In contrast, on-line retailers saw 14.7 percent sales growth. The Bank of Korea reported that GDP growth in the first quarter of 2020 could be even lower than the -0.4 growth seen in Q1 2019.

Galleria Department Store's New Store Targets Premium & Natural Themes

https://biz.chosun.com/site/data/html_dir/2020/02/28/2020022800406.html?utm_source=naver&utm_medium=original&utm_campaign=biz

Summary: Galleria Department Store will open a new store in Gwang-Gyo, Soowon city, on March 2. Galleria said the new Gwang-Gyo store will offer products and services under the themes of premium and natural. Notable sections in the store include healing café in aqua garden (6F) and detox bar (7F) along with 440 luxury consumer brand shops. The building was designed by Rem Koolhaas, a Pritzker award winning architect. Unlike existing department stores, the Gwang-Gyo store has windows on all floors for a more natural shopping environment.



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