



Foreign Agricultural Service  
U.S. Agricultural Trade Office



## **FAS/Seoul Monitoring of Media Reporting on Agricultural Issues**

Today's Date: **Thursday, April 16, 2020**

For Coverage: **April 10 ~ 16, 2020**

### ***2040 Generation Shop Online for Their Parents***

<https://www.nocutnews.co.kr/news/5328907>

Summary: As it has become difficult to go outside, due to COVID-19, the 2040 generation has increased its filial duty by conducting the online purchase on behalf of their parents. According to a survey conducted by Auction, an online shopping app, 89% of the 2,564 people surveyed replied that they have shopped online on behalf of their parents.

### ***MAFRA to Reduce Loan Interest for Farmers Suffering from COVID-19***

<https://www.nocutnews.co.kr/news/5328929>

Summary: The Ministry of Agriculture, Food and Rural Affairs (MAFRA) will reduce the interest for government policy loans and also make it easier for farmers suffering from COVID-19 to receive the loans. MAFRA had earlier announced that it would provide a loan up to 60 billion won. As of April 10, a total of 527 farmers have applied for this loan and after undergoing assessment by the National Agricultural Cooperative Federation, a total of 244 farmers were able to receive a loan of 6.2 billion won.

### ***Corona Changes the Dining Table to 'Shintoebuleui (body and soul are not different)'...Environment Friendly Food OK, Imported Food No***

<https://news.joins.com/article/23755403>

Summary: According to a survey conducted by McKinsey & Company among 5,000 people living in the Asian countries, 83 percent of Koreans replied that they would purchase Korean food products. The rate of dining at restaurants dropped 30-70 percent in the Asian nations, whereas shopping food products online have increased by 16-70 percent. Among the 1,500 Koreans that were surveyed, over 40 percent of the people replied that they are going to spend more time in checking the safety of food when purchasing food items. Only 17% of the Koreans interviewed replied that they would purchase imported food products.

### ***Coupang Becomes Top On-line Retailer in South Korea ... Reports \$6.2 Billion of Sales in 2019, Up 64%***

<https://www.hankyung.com/economy/article/2019041572691>

Summary: Coupang Co. reported 7.1 trillion won (\$6.2 billion USD) in sales in 2019, up 64.2 percent from 2018. As a result, Coupang became the largest on-line retailer in South Korea, surpassing the former leader, eBay Korea. More importantly, Coupang reported 700 billion won (\$600 million USD) in operation losses, down 41.7 percent from 2018. Coupang said the aggressive investments it made for an efficient logistics network of warehouses, direct-hire delivery truck fleet, and state-of-art information technology systems had been the cause for the hefty operation losses it saw in fiscal years 2017-2019. The number of distribution warehouses under Coupang increased to 168 in 2019, up 83 from 2018. Marketers agree that Coupang should be able to generate profits in the near future as its sales will expand further based on its strong business foundation.

### ***Our Home Launches Meal Service in Apartment Housing***

<https://www.hankyung.com/economy/article/202004149229i>

Summary: Our Home, a leading contract feeding foodservice company in South Korea, announced that it launched a meal service business targeting apartment housing earlier in April. The first client it provided service to was the Penta Port apartment complex (800 households) in Chunan-si. Our Home's meal service offers breakfast, lunch, and coffee beverages in the apartment community center every day. The price for a meal is 5,000 won to 10,000 won (\$4 to \$8 USD) each.

### ***9 Out of 10 Koreans Continue to Practice Social Distancing***

<https://bizn.donga.com/dongaTop/Main/3/all/20200413/100624492/2>

Summary: According to a survey by Incruit Korea, 9 out of 10 Koreans continued to practice social distancing measures. In the survey of 2,232 adults during the week of April 9, 90.2 percent of people answered that they were actively restricting social contacts and activities to prevent COVID-19 risk. People in their 40's indicated the highest level of social distancing participation (94.7 percent), followed by 30's (91.5 percent) and 50's (90.9 percent). People in their 20's indicated the lowest participation (86.2 percent).

### ***Job Announcements in March Down by 32.7 Percent from Last Year due to COVID-19***

<https://bizn.donga.com/dongaTop/Main/3/all/20200413/100627985/1>

Summary: Saramin, a leading job search service in South Korea, reported that the number of job announcements in March declined by 32.7 percent compared to the same month last year. Saramin said the decline in job announcements expanded since February (-15 percent) after peaking in January (+8.3 percent). Jeju, a major tourism destination, led the decline in job announcements (-47.5 percent) in March, followed by Daegu, the area hit hardest by COVID-19 (-41.6 percent), Seoul (-34.2 percent), and Busan (-31.4 percent). The education sector had the highest decline (-37.3 percent), followed by Banking & Finance (-35.2 percent), Media & Design (-35.2 percent), and Retail (-33.4 percent).

### ***Premium Cafe Franchises Report Strong Outcomes in 2019 Despite Aggressive Competition from Low Price Cafes***

<http://www.donga.com/news/Economy/article/all/20200414/100641922/1>

Summary: A notable trend in the Korean cafe industry has been rock-bottom price (900 won / \$0.75 USD) Americanos launched by low price cafes since last year, which reflects elevated market competition. Despite the aggressive pricing competition, leading premium cafe franchises, including Ediya, Two-Some-Place, and Starbucks Korea, reported strong financial outcomes. Ediya, which has over 3,000 stores under the franchise, reported 19.4 billion won (\$16 million USD) in operation profits in 2019, up 10 percent from the previous fiscal year. Ediya added 300 new stores in 2019 and increased its cash-register sales 10 percent to 220 billion won (\$183 million USD). Two-Some-Place saw 20 percent growth in its cash-register sales and operation profits in 2019. It opened 120 new stores, which increased the number of stores under the franchise to 1,189. Starbucks Korea reported 175 billion won of operation profits (\$146 million) in 2019, up 21 percent from 2018. Marketers agree that the Korean cafe market continues to expand, offering new growth opportunities for the leading premium cafe franchises. Korean imports of coffee beans has grown at a 13 percent Compound Annual Growth Rate (CAGR) since 2012. Each Korean consumed 353 cups of coffee as of 2018, which was 2.7 times larger than world average (132 cups). Marketers forecast tighter competition in the industry in coming years.

### ***Local Growers Introduce Eureka Blueberry***

<http://www.donga.com/news/Economy/article/all/20200413/100640226/1>

Summary: Lotte Mart launched Eureka blueberry by staging an in-store promotion on April 13. Eureka blueberry is a big size, high-brix variety that local growers in Gimhae-si developed. A 100 gram pack of the blueberry was offered in Lotte Mart for 7,980 won (\$6.4 USD).



### ***GS25 Expands Home-delivery Stores to 2,000***

<http://www.donga.com/news/Economy/article/all/20200413/100640177/1>

Summary: GS25, a leading convenience store chain in South Korea, reported that it expanded the number of stores offering home-delivery service from 1,350 to 2,000 starting April 13. GS25 said the home-delivery service offered in 1,350 stores saw the number of sales grow 12.7 fold in March (10.4 times by value) during the COVID-19 outbreak. Other leading convenience store chains, including CU and Seven Eleven Korea, also plan to expand their home delivery services.

### ***GS25 Offers Carnation Flower Corsages for Home Delivery***

<https://www.hankyung.com/economy/article/202004147963Y>

Summary: GS25 started to take on-line home delivery orders for upcoming 'Parents Day (May 8)' carnation flower corsages. It is a local custom for children to present carnation flower corsages to parents on Parents Day (May 8). GS25 explained that the service would help consumers avoid COVID-19 risk but still show their love to parents.

### ***All Travelers from the U.S. are Mandated to Take a COVID-19 Test upon Arrival in South Korea from April 13***

[https://www.ytn.co.kr/\\_ln/0103\\_202004121554056493](https://www.ytn.co.kr/_ln/0103_202004121554056493)

Summary: The Korea Center for Disease Control (KCDC) announced that all travelers from the United States must take a COVID-19 testing upon arrival beginning midnight April 13. Travelers from European countries were already required to undergo testing. KCDC explained that this requirement is due to elevated COVID-19 risk in the United States as the number of people infected with COVID-19 exceeded 530,000 as of April 13 with over 20,000 deaths.

### ***Hotels Saw 580 Billion Won Decline in Sales in March due to COVID-19***

<http://www.donga.com/news/article/all/20200413/100623313/1>

Summary: According to a survey of 200 major hotels by the Korea Hotel Association (KHA), the industry saw sales decline by 580 billion won (\$470 million USD) during March due to the COVID-19 outbreak. Hotels in general reported a very low occupancy rate and some major five-star hotels are temporarily closing. According to Hana Tour, a leading tourism service company in Korea, the number of hotel and air ticket reservations it serviced for the second quarter (April through June) this year was 90 percent less from the same quarter last year.

### ***Crab Catch in the West Sea Likely to Increase by 8% This Spring***

<http://www.donga.com/news/article/all/20200413/100623166/1>

Summary: The Korea National Fishery Research Institute (NFRI) reported on April 12 that the crab catch in the west sea this spring season (April through June) will increase by 8 percent from last year to 760 metric tons according to its survey. NFRI said the temperature on the bottom of the sea during last winter was 8 degree Celsius or higher, allowing fair growth for crab. The west sea is the main area for local crab catching.

**Hyundai Department Store Launches Premium Australian Grapes with an Instore Promotion**

<http://www.donga.com/news/article/all/20200412/100622801/1>

Summary: Hyundai Department Store sungnam branch staged an instore promotion on imported premium grapes from Australia on April 12. Varieties introduced were 'Candy Heart (red)' and 'Cotton Candy (white)'. They were offered for 8,000 won (\$6.6 USD) and 7,000 won (\$5.8 USD) respectively per 500 gram pack.



**Baemin Withdraws Its New Pricing Policy due to High Opposition from Restaurants**

<https://www.hankyung.com/economy/article/2020041020441>

Summary: Baemin, the leading restaurant meal on-line order-delivery service in South Korea, announced on April 11 that it withdrew its new pricing policy implemented on April 1. Baemin apologized to client restaurants for causing confusions and economic burden as the new pricing policy reportedly increased the fee for the service significantly. Baemin's new pricing policy, which charged 5.8 percent of the sales, will return back to the old, flat pricing policy of charging 88,000 won (about \$70 USD) per restaurant banner per month.

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](http://www.fas.usda.gov) by clicking on "attaché reports."