

A close-up portrait of a young woman with long, dark, wavy hair, smiling and looking off to the side. She is wearing a dark jacket. The background is blurred, suggesting an outdoor setting.

IPSOS FLAIR COLLECTION

SOUTH KOREA 2025

SHIFTS AND EXPLORATIONS

Decoding Emerging Trends
and Opportunities





SOUTH KOREA 2025

SHIFTS AND
EXPLORATIONS

IPSOS FLAIR:

UNDERSTAND TO FORESEE

Launched in 2005, Ipsos Flair is based on the observation that thousands of pieces of information are produced and analysed every day by Ipsos. But what happens to them after the presentation of results, the delivery of the report, the decision-making by clients? This information reflects a society and an era, values, beliefs...

Ipsos works on everything that is at the origin of motivations and choices of consumer-citizens, that is, everything that determines and organises their decision-making processes. Building loyalty, tracking infidelity, also means identifying the drivers behind public opinion biases and tensions.

This is the challenge of Flair: to consider the results of studies as sociological symptoms to define a mapping of trends, both structural and emerging. Each study theme is an opportunity to identify the adjacent concerns of consumers: talking about a brand, a service or a medium, a candidate in an election, etc., is also talking about life itself, feelings, and convictions.

The view Ipsos Flair has of South Korean society and its evolutions is that of 'benevolent neutrality', very dear to psychologists and to Freud in particular. By bringing intelligence to the measured flows, going beyond conducting studies, we show that all our data are subject to inventory and subject to invention.

Incidentally, why 'Flair'? Flair is the ability to discern by smell. A dog possesses it. Ipsos too, which can foresee. In sporting language, flair is the recognition given to the winner; our French flair obliges us to our clients.

Ipsos Flair is now present in Saudi Arabia, Brazil, Chile, China, Colombia, South Korea, Ivory Coast, India, Indonesia, Italy, Japan, Morocco, Mexico, Peru, Russia, with other countries to follow.



EDITORIAL

The word 'shift' appears about thirty times in our new edition of Ipsos Flair in South Korea for 2025 and applies to all dimensions that are transforming and should be considered by players operating in this country.

One can add 'explorations' to this, as South Korea faces situations that require adaptation for which there are not necessarily ready-made solutions or those that can simply be transposed by drawing inspiration from other countries.

The demographic winter with an aging population and declining birth rates should not prevent development towards adolescents and people in their fifties, considering their consumption patterns. The public agency Statistics Korea forecasts that the population, currently 51.6 million people, would fall below 40 million by 2041 and would only be around 36.2 million by 2072; the birth rate, which is already one of the lowest in the world, would rebound from 0.7% today to 1%.

Gender inequalities raise many questions about their future. South Korea is the OECD country with the largest wage gap between men and women (31% in 2021), with a very strict maternity leave policy that pushes many

women to stop their careers if they want to start a family. Meanwhile, only 37% of South Koreans agree with the idea that a woman's primary role is to be good mothers and wives. The demonstrations by female students against the admission of men to the fourteen exclusively female South Korean universities also show the role of these faculties as sanctuaries in a context of digital harassment and sexual crimes, notably an epidemic of 'deepfake' pornography.

The consequences of technological developments in one of the most pioneering countries in the world in this field, as seen with 5G, question the balance of security/privacy with one of the latest examples, DéjàView, already implemented in Seoul: surveillance cameras are connected to artificial intelligence that processes images in real-time to detect suspicious events from a database containing several years of crimes, offenses, and accidents. If equivalent images are found, the AI notifies the police.

The rise of the 'focus on yourself' trend, in line with the latest edition of Ipsos Global Trends, includes two key elements: new nihilism and individualism. These translate in South Korea into introspection, the desire to conform to beauty ideals, and personalization in all areas. Within this logic, experience is more important than ownership, which explains the success of subscriptions expanding into all areas of life, transforming the relationship with brands and the general notion of loyalty. South Koreans expect brands to understand and engage with them: 72% tend to buy brands that reflect their personal values and 70% try to buy products from brands that act responsibly, even if it means spending more (+5 points / Global average).

How can one be interested in Korea without delving into the success of K-Food and its challenges in a context of ongoing global development? It meets the demand for healthy and accessible products, especially in developed countries where numerous food scandals tarnish the image of food industry companies.

Our experts decipher the major “shifts and explorations”, and since Ipsos has its own generative AI, we couldn’t resist the temptation to ask it for the 10 main lessons to retain from our new edition of Ipsos Flair in South Korea for 2025, and here is its response:

- 1. Teens vs. 50s:** These two demographics are key target groups with contrasting consumption habits. Teens are digitally savvy, trend-focused, and influential, while 50-somethings prioritize stability, quality, and practicality.
- 2. Gen Z’s Self-Care Focus:** Faced with economic uncertainty, Gen Z has shifted from a ‘God-saeng’ (optimized living) mindset to prioritizing self-care, including self-analysis services (MBTI, appearance analysis, etc.) and mental wellbeing.
- 3. Subscription Boom:** South Korea is a ‘nation of subscribers,’ embracing subscriptions for everything from content to cars and appliances. This trend is driven by convenience, personalization, and mitigating financial strain.
- 4. Value over Ownership:** Across categories, consumers increasingly prioritize access to

experiences and the value they provide over owning products outright, driving the growth of the subscription economy and influencing product development

- 5. Home Appliance Paradigm Shift:** Appliance ownership is evolving from ‘long-lasting hardware’ to ‘subscription services with maintenance and upgrades,’ catering to younger, tech-savvy consumers and their desire for convenience and personalized experiences.
- 6. ESG Awareness Lags:** Despite global emphasis, ESG understanding and implementation remain limited in South Korea, particularly among smaller companies. More concrete, issue-focused communication may be needed to drive adoption.
- 7. Multi-Agent AI for Market Research:** To address limitations of current conversational AI, multi-agent systems are being developed to analyze brand tracking data, integrating multiple sources and enhancing analytical depth and strategic insights.
- 8. Fandom Culture Evolution:** While teens remain the dominant force in K-Pop fandom, 50-somethings are increasingly participating,

demonstrating evolving attitudes and the broadening appeal of fandom.

- 9. K-Food’s Global Appeal:** Korean food is booming globally, driven by K-Culture (dramas, music, social media). Both high-end cuisine and convenient, flavorful options (ramen, kimchi) are finding success, with spicy flavors becoming a key differentiator.
- 10. Vegan and Healthy K-Food Emerges:** Responding to global health and sustainability trends, vegan kimchi and frozen vegan kimbap are gaining popularity, showcasing K-Food’s adaptability and future-focused approach

We will add one more: pragmatism, South Korean society placing significant emphasis on practical and real-world utility in products, services, and branding.

Now, enjoy your reading!



YVES BARDON
Ipsos Flair Program Director
Ipsos Knowledge Centre



GENERAL INTRODUCTION



EUNHAE YOO

Team Leader

Ipsos Knowledge Center Korea

South Korea has developed a unique consumer market amidst a rapidly changing economic, social, and technological environment.

Changes in demographic structure due to ultra-low birth rates, diversification of household composition, and technological advancements as a global IT powerhouse profoundly impact South Korea's consumer behavior and market trends. The introduction of artificial intelligence (AI) and digital technologies, and the demand for personalized services are making the Korean consumer market more dynamic and innovative. These changes offer new opportunities for

companies and brands, and Ipsos Flair South Korea 2025 aims to deeply explore these key trends and the current and future state of the Korean market.

South Korea's global competitiveness can be verified through various indicators. According to the '2024 National Competitiveness Evaluation' published by the International Institute for Management Development (IMD) in Switzerland, South Korea ranked 20th among 67 countries, marking its highest rank since it became a subject of assessment in 1989. This is an improvement of eight places from the previous year's 28th position.

[Figure 1] The 2024 IMD World Competitiveness Ranking

1	Singapore	11	Qatar	21	Bahrain
2	Switzerland	12	USA	22	Israel
3	Denmark	13	Australia	23	Luxembourg
4	Ireland	14	China	24	Germany
5	Hong Kong SAR	15	Finland	25	Thailand
6	Sweden	16	Saudi Arabia	26	Austria
7	UAE	17	Iceland	27	Indonesia
8	Taiwan (Chinese Taipei)	18	Belgium	28	United Kingdom
9	Netherlands	19	Canada	29	Czech Republic
10	Norway	20	Korea Rep. of 	30	Lithuania

Source: IMD (International Institute for Management Development), [IMD World Competitiveness Yearbook 2024] (June 2024)

The Gross National Income (GNI) of South Korea in 2023 was recorded at 1,693.1 billion USD, ranking 11th in the world. This is an important

indicator demonstrating the high growth of the South Korean economy.

**[Figure 2]
Gross National Income (GNI)**

[Unit: Constant 2015 US million dollar]

Rank	Country	Most Recent Year	Most Recent Value	Rank	Country	Most Recent Year	Most Recent Value
1	United States 	2023	21,968,702.2	11	Korea, Rep. 	2023	1,693,093.8
2	China 	2023	17,033,087.1	12	Australia 	2023	1,688,110.6
3	Japan 	2022	4,645,185.4	13	Russian Federation 	2023	1,462,393.8
4	Germany 	2023	3,740,506.7	14	Spain 	2022	1,299,062.8
5	India 	2023	3,169,490.1	15	Mexico 	2023	1,295,110.6
6	United Kingdom 	2020	2,771,552.2	16	Indonesia 	2023	1,146,809.2
7	France 	2022	2,640,823.2	17	Netherlands 	2022	862,146.5
8	Italy 	2023	1,975,357.7	18	Türkiye 	2015	854,629.8
9	Brazil 	2023	1,894,543.8	19	Switzerland 	2022	759,429.4
10	Canada 	2023	1,808,978.6	20	Saudi Arabia 	2015	690,847.8

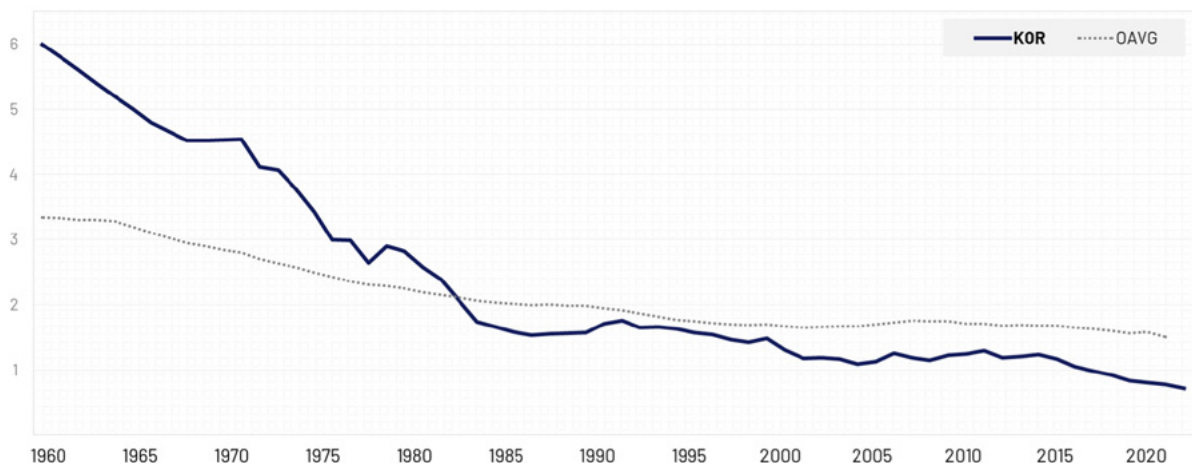
Last Updated Date : 2025-03-24 (The ranking was calculated based on the most recent figures for each country at the time.)
Source: The World Bank

This economic growth is transforming South Korea's consumer market to become more dynamic and innovative, and such changes are noteworthy even in the global market.

South Korean society is rapidly evolving, and its demographic structure is also changing dramatically. In 2022, the total fertility rate was 0.78, the lowest among OECD countries, which directly impacts household composition. Factors such as a decrease in the number of marriages,

an increase in the age of first marriage, cohabitation, non-marriage, childlessness, or delayed childbirth have led to a steady decrease in the average household size, which was reduced to 2.3 persons in 2020 and is expected to decrease to 1.9 persons by 2050. It is no longer common to consider a family of four as the basic unit. Amid these demographic and household changes, a notable shift in consumption patterns, especially among teenagers and those in their 50s, is particularly significant.

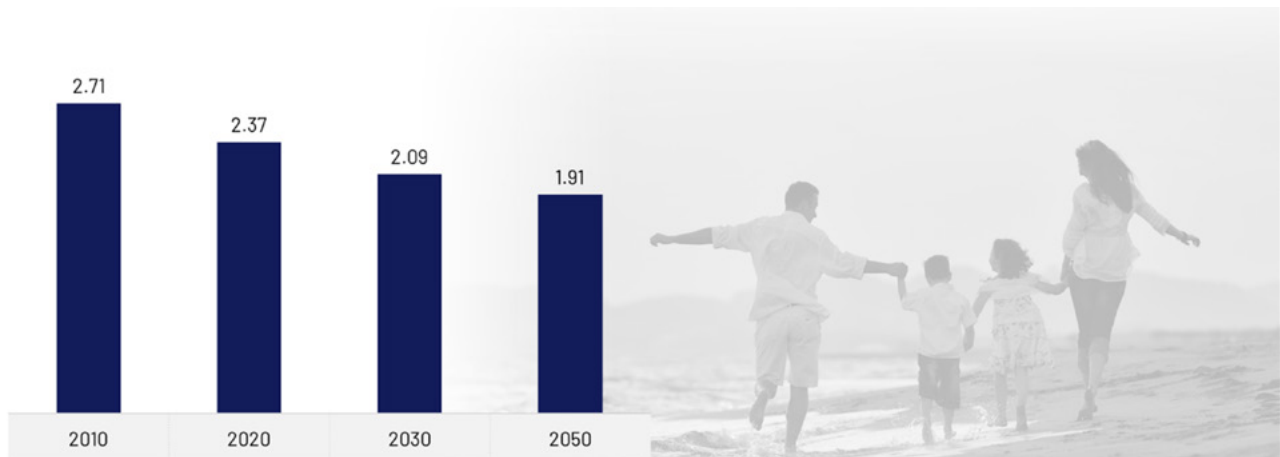
[Figure 3] Trends in Total fertility since 1960



Source: OECD Family database

[Figure 4] Average household size

[Unit: Persons]



Source: Statistics Korea, 'Household Projections for 2020~2050', 2022

The current young generation in South Korea, having grown up as precious children of ultra-low birth rates, possesses significant purchasing power even in their teenage years. They communicate through the latest smartphones, tablets, and various digital devices, and have a substantial influence on purchasing decisions within their families. Furthermore, they show great interest in actively managing and exploring themselves. They value themselves highly and pay considerable attention to products and services that enhance their self-esteem. The desire of the young Korean generation to understand themselves accurately and consume the most suitable products and services is driving the trend of self-analysis. They are seeking new ways to establish and communicate their identities, providing new opportunities for businesses.

The spread of the subscription economy is highlighting consumer trends that value the experience over the concept of ownership. This shift is linked to the expansion of personalized services tailored to individual needs, presenting new opportunities in the Korean market. The range of subscription services is diversifying to the extent that there is almost nothing that cannot be subscribed to, focusing on home appliances and automobiles.

Meanwhile, Korean consumers show high interest in environmental issues and social values, which leads to demands for corporate

ethics and transparency. We already feel the rising temperatures in our daily lives and realize the severity of the climate crisis. Additionally, as of the end of March 2024, the proportion of foreigners residing in Korea exceeded 5% of the total population, which, according to OECD standards, marks Korea as being recognized as a multiracial and multicultural country. Against this background, we aim to examine how Korean society and consumers perceive ESG (Environmental, Social, and Governance) issues such as environmental and social integration, and what efforts they are making. It is also important to discuss what implications these trends provide for companies and brands.



[Figure 5] Status of foreign residents compared to the domestic population

[Unit: Persons]

	2019	2020	2021	2022	2023	2024.01	2024.02	2024.03
Domestic population	51,849,861	51,829,023	51,638,809	51,439,038	51,325,329	51,313,912	51,303,688	51,293,934
Number of foreign residents	2,524,656	2,036,075	1,956,781	2,245,912	2,507,584	2,448,401	2,359,618	2,594,936
Proportion	4.9%	3.9%	3.8%	4.4%	4.9%	4.8%	4.6%	5.1%

Source: Ministry of Justice, Korean Immigration Service / Statistics Korea, Population Statistics Based on Resident Registration

Thanks to a government-led proactive export policy, South Korea became the ninth country in the world to achieve \$1 trillion in trade in 2011. This is the only case among countries that gained independence after World War II, and it was regarded as a stepping stone for South Korea to stand shoulder to shoulder with major trading countries and enter the ranks of advanced countries. 'Trade Day' was established to commemorate when exports surpassed \$100 million in 1964, and on its 60th anniversary

in 2023, South Korea recorded \$632.26 billion in exports, leaping to become the world's 7th largest economy. In the first half of 2024, thanks to the strong export performance of semiconductors and automobiles, South Korea ranked first in export growth among major World Trade Organization (WTO) countries, and the export gap with Japan, which is 6th in terms of export volume, is narrowing, increasing the possibility of South Korea becoming one of the world's top five export powerhouses.

[Figure 6] Top 10 export countries' export growth rate in the first half of 2024

[Compared to the same period of the previous year, Unit: %]



Source: Ministry of Trade, Industry and Energy / World Trade Organization (WTO)

Certainly, the reason South Korea's export growth rate is significantly higher compared to other countries is due to the global increase in demand for semiconductors and electronic devices, areas in which South Korea holds competitive advantages. Now, South Korea is

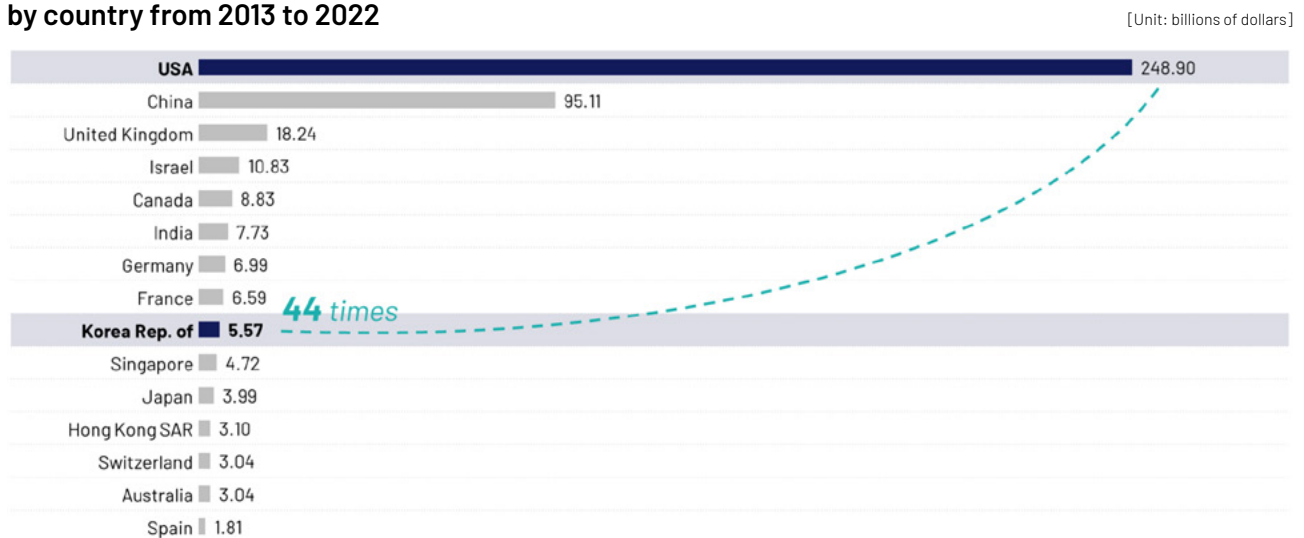
diversifying its exports beyond semiconductors and electronic devices, with K-Food, leveraging K-Content, playing a major role at the center of this diversification. We will examine specific cases of how K-Food is exerting influence in overseas markets beyond the Korean market.

South Korea has long built a global reputation as an IT powerhouse. As of 2023, according to the International Telecommunication Union (ITU), South Korea recorded a high internet penetration rate of 97.4%, and this technological infrastructure has enabled rapid growth in digital consumption. However, some express concerns that the speed of digital transformation in our economy is slower than that of competitor nations, and that, in fact, the competitiveness in the software sector is also low. Nevertheless, South Korea is still regarded as an IT powerhouse, thanks to its strong technological infrastructure, a highly educated workforce, and the government's strong will to promote innovation and growth in the IT sector. Global tech giants such as Samsung, LG, and SK Hynix are headquartered in South Korea, and a vibrant startup ecosystem is leading innovation and growth in the IT industry. Amid the COVID-19 pandemic, with the nation-wide quarantine and

vaccination system and the expansion of content services due to the Korean Wave, South Korea has once again solidified its true status as an IT powerhouse.

Currently, we are living in an era of artificial intelligence not only in the ICT industry but also in everyday life. It is now a time when we must communicate and form relationships not just among humans, but also with various systems such as AI, robots, and unmanned systems. However, according to a survey published by Microsoft in 2024, the utilization rate of AI among office workers in South Korea is 73%, which falls short of the global average of 75%. Additionally, according to statistics from Stanford University, from 2013 to 2022, the United States invested \$248.9 billion in the AI sector, while South Korea invested \$5.6 billion during the same period, showing a difference of approximately 44 times.

[Figure 7] Cumulative private sector investment in artificial intelligence by country from 2013 to 2022



Source: Stanford University



Under this background, we aim to investigate how AI is being utilized in South Korea and analyze how the advancement of AI technology has brought changes in market research to seek future countermeasures.

IPSOS FLAIR SOUTH KOREA 2025 IN A NUTSHELL

1. Target Generations: Teens vs. 50s

In the market, teenagers and those in their 50s are very important target generations, each with unique consumption patterns. Teenagers, as digital natives, are accustomed to consuming digital content through smartphones and social networking services (SNS), and they significantly influence purchasing decisions within the family. On the other hand, individuals in their 50s are economically stable and tend to have a strong interest in self-development, well-being, and health, preferring premium products and services.

2. Self-Analysis: New Paths for Identity

Establishment and Communication
The younger generation is trying various methods to establish and communicate their identity. Particularly, Gen Z is highly interested in tools that analyze and understand themselves, such as MBTI, personal color tests, hair and body shape consulting, and genetic testing. Based on this understanding, they tend to search for and consume customized products and services that suit them.

3. Subscription Economy: Valuing Experiences Over Ownership

The subscription economy is establishing itself as a consumption trend that values experiences over ownership, and Korean consumers are actively embracing the subscription model across various fields. The scope of subscription services is continuously expanding from music,

movies, video streaming to cars and home appliances, becoming an important means of providing new experiences to consumers.

4. ESG: The Reality of ESG Discourse from Individual and Corporate Perspectives

With the rapid increase in interest in ESG, consumers are paying more attention to corporate social responsibility and environmental protection activities when choosing products and services. Korean companies are also strengthening ESG management to meet consumer expectations. ESG has now become a core element of a company's sustainable growth strategy, beyond just a marketing tool.

5. K-FOOD: K-Culture and Marketing

K-Food, as an important part of the globally popular K-Culture, has gained competitiveness in the global market with South Korea's unique food culture. Especially with the growing interest in health foods, K-Food has used this as a marketing strategy to achieve greater success in overseas markets.

6. AI: From Data to Insights

Artificial intelligence (AI) also plays a significant role in the field of marketing research in South Korea. Technologies that analyze vast amounts of data through multi-agent systems and derive more sophisticated consumer insights are increasingly being utilized, helping companies understand consumer behavior and develop customized strategies.

A close-up photograph of a person's hand placing a black Go stone on a wooden board. The board is covered with many other black and white stones. In the background, a wooden bowl is visible, and the scene is softly blurred.

Ipsos Flair South Korea 2025 aims to provide in-depth insights into the major consumer trends and market changes in South Korea, exploring the current and future state of the Korean market through six key themes. This paper is expected to make a valuable contribution by leading key trends in the Korean consumer market and creating new value. Through these insights, companies and brands can more effectively respond to changing consumer demands, anticipate future opportunities, and strengthen strategic decision-making.

AGENDA

TARGET GENERATIONS: TEENS VS. 50S	16
1. Health – Generational Differences In Health Management	18
2. Technology – Generational Use Of Digital Technology	20
3. Culture – Understanding Two Generations Through Fandom Activities	22
SELF-ANALYSIS: NEW PATHS FOR IDENTITY ESTABLISHMENT AND COMMUNICATION	26
1. Shifting From ‘God-Saeng’ To ‘Self-Care’	27
2. Gaining Self-Insight Through Self-Analysis Services: Focusing On Personality, Appearance, And Health Analysis	30
3. The Social Implications Of The Self-Care Trend	33
SUBSCRIPTION ECONOMY: VALUING EXPERIENCES OVER OWNERSHIP	34
1. Korea, A Nation Of Subscribers	35
2. Home Appliance Subscription Trend – HW To HW+ Non-HW Perspective: The Paradigm Shift In Future Home Appliances	37
3. The Trend Of Vehicle Subscriptions – An Era Of Seeking Value Beyond Mere Specifications	40
4. The Future Of The Subscription Economy	44
ESG: THE REALITY OF ESG DISCOURSE FROM INDIVIDUAL AND CORPORATE PERSPECTIVES	45
1. Review ESG	46
2. What ESG Means For Korean Companies	48
3. What ESG Means For Korean Citizens	51
4. More Details Are Better	54
K-FOOD: K-CULTURE AND MARKETING	55
1. The Global Rise Of K-Food	56
2. New Horizons For K-Food: From Premium Wellness Cuisine To Mainstream Dining, Hallyu & Social Media	57
3. K-Food’s Current Status: Expansion Of Product Lines (Healthy & Convenient Foods, Spicy Craze)	60
AI: FROM DATA TO INSIGHTS	64
1. The Need For Multi-Agent AI System In Marketing Research	65
2. Beyond Surveys: Holistic Insights From Brand Tracking And External Data	66
3. Enhancing Brand Tracking With Multi-Agent AI: A Framework For Integration	68
4. A Collaborative Future: AI + HI for Brand Tracking Excellence	71
REFERENCES	72
ABOUT IPSOS	73

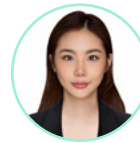
TARGET GENERATIONS: TEENS VS. 50S



TARGET GENERATIONS: TEENS VS. 50S



GEUNMI JEONG
Research Team Manager
Ipsos UU Korea



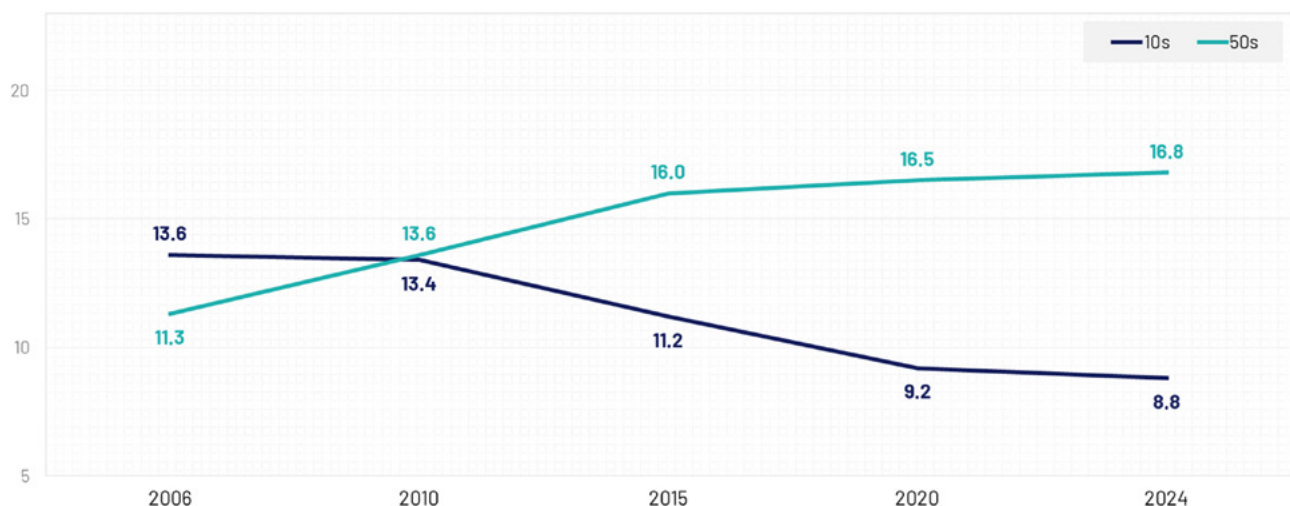
SARAH KIM
Sr. Research Executive
Ipsos UU Korea

INTRODUCTION

South Korea is undergoing rapid changes in its demographic structure. The population of individuals under their teens is steadily declining, reducing the proportion of young participants in economic activities. In contrast, the population aged 50 and above is increasing, playing a critical role in both the labor market and the consumer economy. This rising proportion of

individuals aged 50 and over is a key driver of social and economic structural changes, further accelerating the nation's transition to an aging society. The 50s demographic holds significant purchasing power and currently occupies an essential position in the labor market. Meanwhile, despite their declining population share, teens wield increasing consumer influence through the proliferation of social media and digital culture.

[Figure 1] Population Share Trend of 10s and 50s (2024)



Source: Korean Statistical Information Service

Shaped by vastly different historical and social contexts, these two generations exhibit distinct characteristics. Born between 2004 and 2014, teens have grown up in a digital era where the internet and smartphones are integral to daily life, demonstrating high adaptability to technology and sensitivity to rapid changes. They primarily consume trends via social media and actively use digital channels such as online shopping platforms. Conversely, individuals born between 1964 and 1974, now in their 50s, experienced a period of industrialization and economic growth, leading them to value

economic stability, quality, and brand reliability. Their consumption habits still strongly lean toward traditional offline shopping.

Thus, these two generations, shaped by their differing population shares and historical experiences, display distinct consumer behaviors. This article aims to explore how the consumption patterns of teens and individuals in their 50s manifest in the key areas of health, technology, and culture, highlighting the contrasts between these two groups.

1. HEALTH - GENERATIONAL DIFFERENCES IN HEALTH MANAGEMENT

Active Senior Health Routines

Kim Ji-hye, a woman in her early 50s, recently began prioritizing health management after experiencing menopause, aging, and episodes of depression. She starts her day with a morning walk, followed by simple stretching and strength exercises to maintain flexibility and muscle tone. Despite her busy schedule, she makes an effort not to skip breakfast, utilizing meal kits to prepare nutritious and diverse meals efficiently.

Physical Changes and Menopause in the 50s

The 50s are a period marked by significant physical changes, with menopause being a central experience for many. Women often face symptoms such as decreased estrogen levels, reduced bone density, hot flashes, sleep disturbances, and increased risks of chronic illnesses. Men experience testosterone declines, reduced muscle mass, decreased stamina, and abdominal obesity.

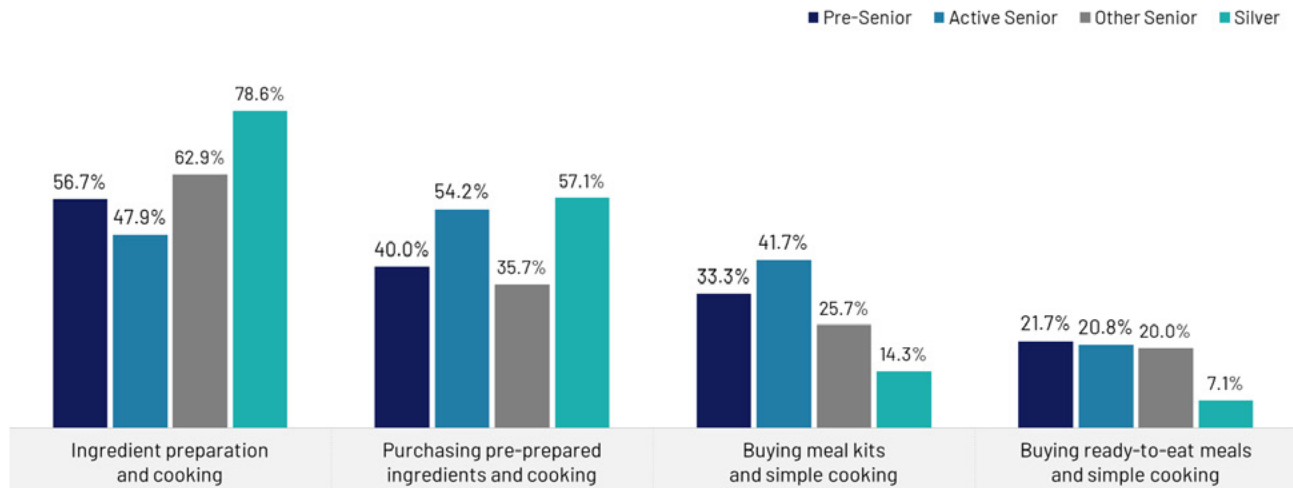
This stage brings heightened awareness of health management needs. According to the 2024 Korea Wellness Report, individuals in their 50s most acutely perceive aging through signs like skin aging and physical decline. Consequently, they increasingly focus on health checkups, nutritional supplementation, and diet management, aiming for greater health independence.

Diet Management Using HMR and Meal Kits

While Home Meal Replacements (HMRs) have predominantly grown in popularity among younger generations due to their convenience and time-saving benefits, perceptions among those in their 50s and older have shifted. Traditionally associated with inferior taste and health, advancements in freezing technology, flavor, and nutritional content have made HMRs more appealing to this demographic.

Data from Lotte Members' analysis of mart and supermarket transactions revealed that the proportion of HMR purchases among consumers in their 50s (26.3%) and over 60 (14.3%) increased by 5% and 4.3%, respectively, from 2019 to 2022—a sharper rise compared to other age groups. Active seniors, in particular, favor meal kits for their simple preparation process, as well as retort-packaged meals for convenience.

Given their adaptability to trends and preference for “value consumption,” active seniors are drawn to products that save time and offer diverse culinary experiences while fulfilling their nutritional needs. These factors make HMRs and meal kits an increasingly attractive option for this demographic.

[Figure 2] Preferred Meal Preparation Methods by Senior Types

Source: Senior Insight Lab, Home Meal Replacement Usage Survey, 2021

Health-conscious Zalpha

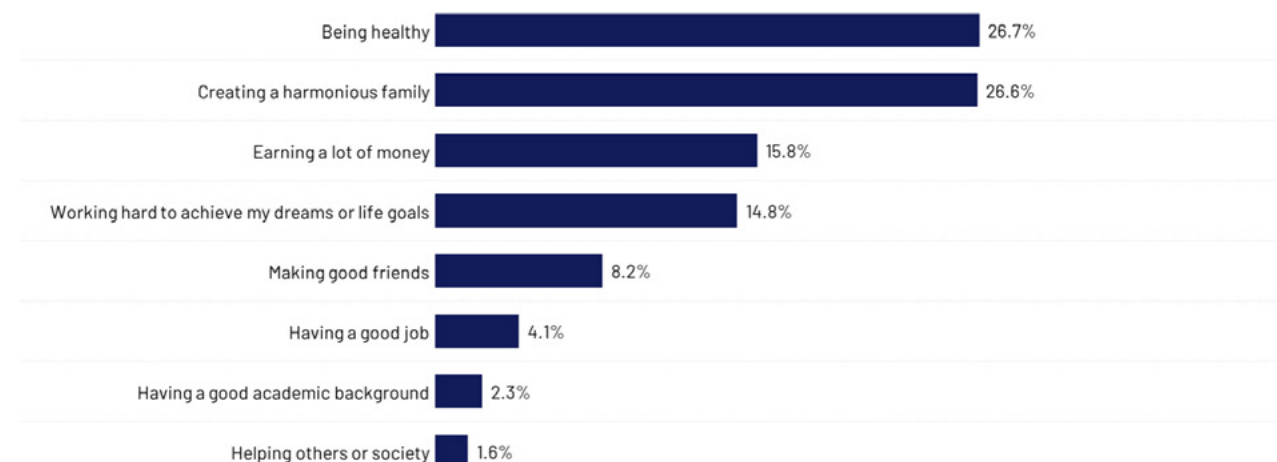
Sixteen-year-old Ha-young has recently developed a habit of checking reviews for new skincare products at Olive Young, a popular beauty store. Previously indifferent to her appearance, she became interested in skincare after experiencing acne and seeing her peers and influencers on social media use anti-aging products.

Shifts in Health Awareness Post-COVID-19

During the COVID-19 pandemic, many teenagers were confined to their homes instead of

attending school, leading to a significant increase in health awareness. Adolescents who previously prioritized academics and social relationships began to recognize the importance of physical health in their new routines. A recent survey by the Seoul Metropolitan Office of Education revealed that “being healthy” ranked as the top condition for happiness among students.

The proliferation of online resources about health management and exercise routines has further encouraged teenagers to engage actively in fitness and weight management activities, highlighting the growing role of health consciousness in this generation.

[Figure 3] Happiness Conditions Ranked by Teen Students

Source: Seoul Metropolitan Office of Education, Seoul Student Values Survey Research, 2023

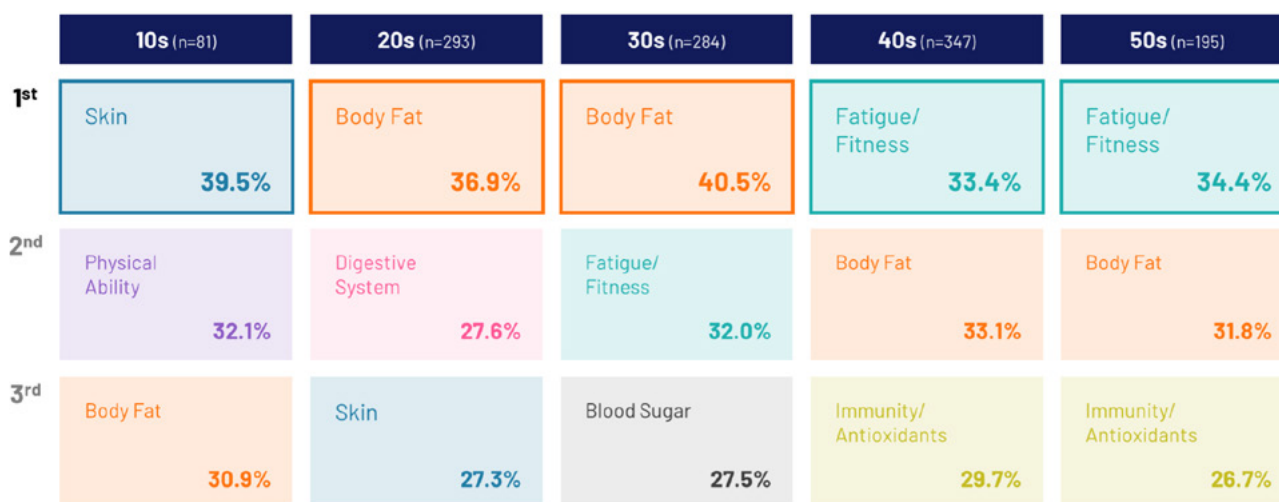
Focus on Physical Beauty

Unlike those in their 50s, teenagers tend to prioritize physical beauty in their approach to health management. According to the 2024 Dietary Planning for Health Survey, teenagers most commonly reported managing their skin through healthy meals and dietary choices.

Influenced by social media and other media channels, their desire to maintain an ideal body

shape and flawless skin has grown significantly. As a result, many adolescents are showing interest in premium skincare and anti-aging products. In response, CJ Olive Young has enhanced its marketing efforts to appeal to self-care-conscious teenagers. The brand has also launched a membership program tailored specifically to teen customers, offering personalized services to cater to their needs.

[Figure 4] Top 3 Areas Addressed Through Healthy Eating



Source: Dietary Planning for Health Survey 2024, College Tomorrow 20s Research Institute, 2024

2. TECHNOLOGY – GENERATIONAL USE OF DIGITAL TECHNOLOGY

The Digital Life of Teens

Fourteen-year-old Juwon recently visited a pop-up store for Playve, his favorite idol group. As a devoted fan, she couldn't miss the opportunity, especially since the store offered a limited-time chance to take holographic photos with members for those who purchased photocard albums. Juwon arrived well before the opening and participated in the "open run," securing a photo with his favorite member, Noah. The experience left him highly satisfied.

Metaverse: A Hub for Play and Connection

What makes this story unique is that Playve is not a real idol group but a virtual idol. Unlike Adam, the 1998 cyber singer created through basic

computer graphics, virtual idols like Playve are born from virtual reality (VR) technology. Their creation involves motion capture technology, which translates the movements of live performers into digital avatars, and real-time lighting technology, enabling these characters to interact with fans in real time.

Unlike fully autonomous AI-driven virtual characters, virtual idols have real people behind them, bringing authenticity to their performances. Leveraging these technological advancements, Playve has achieved remarkable success, surpassing real idols to rank first on music shows and attracting over 100,000 fans to their pop-up store at The Hyundai in March.

This popularity is fueled by a generation accustomed to platforms like Zepeto, Roblox, and Minecraft, making them inherently familiar with virtual spaces. For teens, the inability to meet idols offline isn't perceived as a limitation; instead, they find comfort and connection in the

online environment. The digital nature of virtual idols allows for closer interactions through frequent and active communication with fans, making them feel even more accessible than real idols. This strong online presence ensures lasting fan engagement and interest.

[Figure 5] Virtual Idol Playve



Source: Namu Wiki

50s Embracing Fintech: A Smart Money Life

Kim Seong-ho, a man in his mid-50s, recently opened a shared account for his hiking group using the Kakao Bank app. With just a few clicks on his smartphone, he effortlessly created the account, allowing the group to automatically manage shared expenses. He appreciates the transparency and convenience of tracking regular payments and expenditures. Beyond the group account, Kim also uses a financial management app to prepare for retirement. The app provides an overview of his assets, analyzes monthly income and fixed expenses, and even displays pension contributions and projected payouts.

One of his favorite features is the AI-based asset management service, which offers intuitive visual tools to simplify complex financial terms, enabling Kim, who is not tech-savvy, to understand his financial standing easily. These fintech tools save him time and money while helping him plan for life after retirement.

Digital Finance and the New Senior Consumer

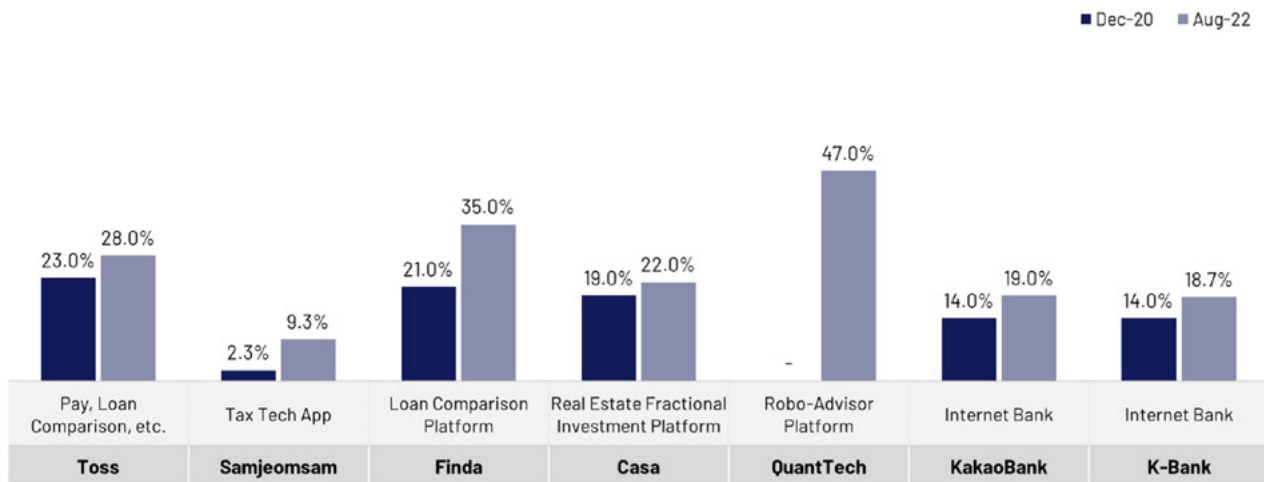
Individuals like Kim represent a growing demographic of 50-somethings who are adopting fintech services as a key part of their financial management. Platforms like Toss, Finda, and Kakao Bank enable this group to engage in various financial activities, including loan comparisons, asset management, and micro-investments. Social financial tools such as shared accounts are also increasingly popular. For instance, 35% of Finda's users are aged 50 or older, and more than 14% of Kakao Bank's shared account users belong to this age group.

The appeal of fintech lies in its ability to facilitate simple, efficient financial activities without the need to visit a physical bank. This is particularly beneficial for those planning their post-retirement financial strategies. Additionally, fintech platforms' user-friendly interfaces and robust security features have enhanced accessibility for seniors unfamiliar with digital environments.

Unlike teens who have grown up in a digital-first world, individuals in their 50s value stability, reliability, and practical benefits. Fintech services addressing practical needs—such as retirement planning, expense tracking, and dormant account management—are pivotal in driving adoption among this demographic.

As the 50s age group increasingly becomes a critical user base, fintech services are transforming into indispensable tools for everyday convenience and financial planning. This trend is likely to drive further innovation in senior-specific fintech solutions and tailored services.

[Figure 6] Proportion of Fintech/Internet Banking App Users Aged 50 and Above



Source: Seoul Economic Daily, "14% of Kakao Bank Shared Account Users Are in Their 50s," 2022

3. CULTURE – UNDERSTANDING TWO GENERATIONS THROUGH FANDOM ACTIVITIES

Korean Teens and Their Role in Shaping Trends

Like their counterparts in other countries, Korean teens are highly responsive to new trends. They have the highest receptivity to music and are deeply familiar with social media platforms, playing a critical role in rapidly consuming and disseminating cultural trends.



Modern K-pop: Rooted in Teen Support

K-pop, short for "Korean Pop," refers to Korean popular music, often associated with idol groups. The male group Seo Taiji and Boys, who debuted in the 1990s, is considered the starting point of modern K-pop. The group broke away from the ballad-dominated music scene of the time by introducing genres like hip-hop, rock, and techno while addressing the concerns and voices of teenagers.

These elements garnered massive support from teens, leading to the establishment of a unique fandom culture within K-pop. However, during the 1990s, the provocative lyrics, sounds, fashion, and fandom culture of K-pop were criticized by the media and older generations.

[Figure 7] Articles Criticizing Fandom Culture

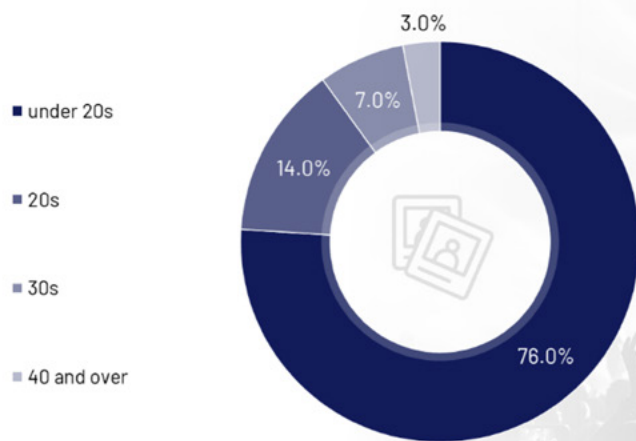


Source: Kyunghyang News, 1992

Since its inception, K-pop has continued to resonate deeply with teenagers, expanding its influence beyond music to include dance, singing, and fashion trends. Teens actively share their enthusiasm for K-pop within school and social circles, becoming deeply involved in fandom culture. According to a survey conducted at a

K-pop year-end award ceremony in 2024, 76% of K-pop fandom participants were under 19 years old. Despite having the lowest purchasing power among age groups, this statistic underscores that teens remain the driving force behind K-pop's dominance.

[Figure 8] Age Distribution of Respondents at a K-pop Award Ceremony Survey



Source: Space Audity Bleep, 2024

Entry of 50-Somethings into Fandom Culture

Soo-jin, a homemaker in her 50s, had drifted away from music due to her busy daily life. One day, she happened to hear Lim Young-woong's song on TV, which deeply moved her.

His warm voice resonated with her, rekindling a passion she had forgotten. Soo-jin soon joined Lim's fan club and began attending his concerts, finding new energy and joy in her life. Listening to his songs with her family and fellow fans has become a source of everyday happiness for her.

Rapid Growth Beyond Teens

Since the COVID-19 pandemic, the 50+ demographic has emerged as a significant consumer group in the K-pop market. The entertainment industry took note of this trend following the 2020 surge in popularity of “Mister Trot,” a music audition program that captivated older audiences.

Once dominated by teens, the recording sets of music shows now regularly feature 50-something fans wearing matching T-shirts and holding fan gear. Lim Young-woong, along with other stars from “Mister Trot,” has gained a dedicated following that extends beyond trot to genres like ballad, pop rock, and classical music. These fans, with considerable purchasing power, exhibit a fervor comparable to that of teenage fans.

[Figure 9] 50-Something Fans Gathered for a Lim Young-woong Concert (2022)



Source: The Hankook Ilbo

One indicator of a fandom’s “strength” is the first-week album sales recorded on the Hanteo Chart. Among artists with a strong fanbase in their 50s, Lim Young-woong leads with 1.1 million albums sold, followed by Kim Ho-joong (680,000), Lee Chan-won (570,000), and Young-tak (520,000). These figures are comparable to those of popular K-pop idols, underscoring the influence of 50-something fans in the music industry.

Fandom Culture Connecting Generations

Perceptions of fandom culture have also shifted positively. According to a survey conducted by Trend Monitor involving 1,000 men and women aged 16 to 64 nationwide, the view of fandom activities as a “healthy hobby” increased from 63.2% to 76%. This reflects a growing acceptance of fandom culture across generations.

[Figure 10] Changing Perceptions of Fandom Culture



Source: Trend Monitor, Fandom Culture Survey, 2021

Generational Differences in Fandom Culture: Teens vs. 50s

While fandom culture creates common ground, it also reflects the distinct media consumption and cultural backgrounds of each generation. Teen fans are digital natives, leveraging social media and streaming platforms to interact with their favorite idols or content. They engage in real-time fan activities, lead online community trends, and adapt seamlessly to the rapidly evolving digital landscape. In contrast, fans in their 50s gravitate toward traditional fandom activities. They prefer offline fan meetings and concerts, emphasizing face-to-face interactions and favoring reliability and quality in their consumption habits. Additionally, 50-somethings prioritize physical experiences over digital interactions, demonstrating a clear divergence from the digital-first approach of teens.

CONCLUSION

The preceding analysis of health, technology, and culture highlights the shared interests and distinct preferences of teens and those in their 50s. Each generation's unique historical and social context shapes their consumption patterns:

- **Teens:** As digital natives, they thrive in social media and online platforms, quickly adopting new technologies and trends. Their health management focuses on physical beauty, with significant interest in trendy skincare products often discovered through SNS and online shopping. They also have a high demand for digital experiences like the metaverse and virtual idols, reflecting their comfort with emerging technologies.
- **50s:** This generation exhibits stronger traditional consumption habits, valuing quality and reliability. They seek practical and tangible benefits in health and asset management, embracing fintech services and convenient options like HMRs. Furthermore, they prefer direct interactions in offline stores and physical fan meetings, underscoring their appreciation for tangible experiences in both consumer and fandom activities.

These contrasting consumption patterns demonstrate differences in digital adaptability, technological preferences, and the pace and quality of consumer behaviors, highlighting the need for tailored marketing strategies and service development.

KEY CONSIDERATIONS FOR MARKETING RESEARCHERS

Research Considerations for Teens	Research Considerations for 50s
Influence of the Digital Environment Teens are highly accustomed to digital ecosystems, consuming trends through social media and streaming platforms. Research should focus on online behavior patterns and the impact of new technologies, such as the metaverse and digital trends. Brand and Trend Consumption Teens prioritize fast-changing trends over brand loyalty. They are heavily influenced by social media influencers and peers, making influencer marketing and community-driven consumer behavior critical areas of focus.	Technology Adoption & Digital Finance Although 50-somethings are adapting to digital environments, they may have lower tech adoption rates and prefer offline experiences. Their interest in practical benefits, such as fintech and digital financial services, should guide research on usability, safety, and features that enhance user experience. Emphasis on Reliability Consumers in their 50s prioritize quality and trust in their purchasing decisions. Research should deeply analyze brand loyalty, the impact of product performance, and ways to enhance credibility, laying the foundation for effective marketing strategies.

By understanding these generational nuances, marketing researchers can develop strategies resonating with the unique preferences and

behaviors of both teens and individuals in their 50s.

GEN Z'S PROTECTING 'SELF' IN TIMES OF UNCERTAINTY



SELF-ANALYSIS:

NEW PATHS FOR IDENTITY ESTABLISHMENT AND COMMUNICATION



MINYOUNG SEO

Research Manager
Ipsos MSU Korea

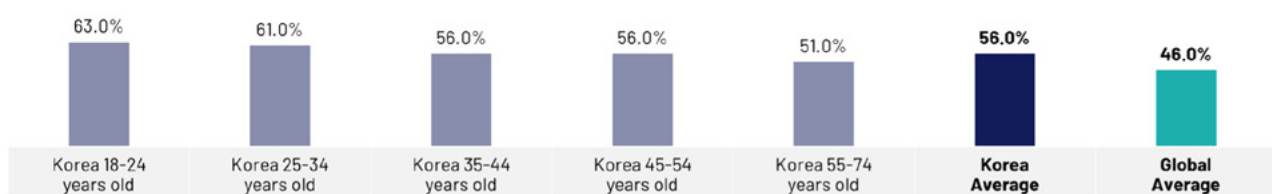
1. SHIFTING FROM 'GOD-SAENG' TO 'SELF-CARE'

Generation Z in South Korea was raised during a period of economic growth and low birth rates, experiencing their adolescence in an era of financial prosperity and strong familial support. The book <Ipsos Market Trends 2025> states that they were raised in stable environments, which helped foster a strong sense of self-pride. This generation places a strong emphasis on self-satisfaction and self-actualization,

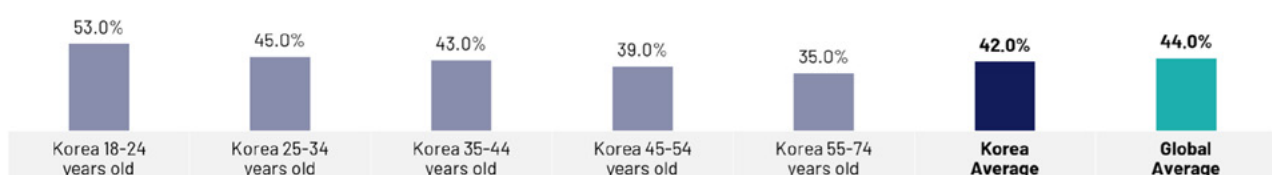
with a notable 'me-maxing' mindset. In particular, economic independence and material success are central values for them in the pursuit of personal fulfillment. The Ipsos Global Trend (IGT) 2024 survey shows that, compared to previous generations, Korean Gen Z places significantly more importance on achieving economic autonomy and material accomplishments.

[Figure 1] Generational economic value perceptions

I measure my success by the things I own



It is more important to develop the country's economic growth and performance than it is to improve people's happiness and wellbeing



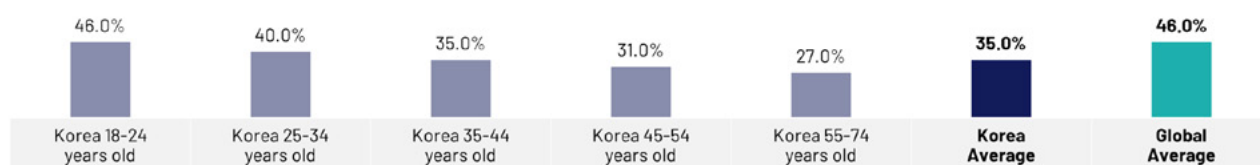
Source: IGT 2024

However, Generation Z's economic ambitions have been challenged by global economic uncertainty and the slowdown in domestic economic growth. With ongoing global instability and a prolonged period of low growth, South Korea's economic growth rate is also decelerating. The Bank of Korea has downgraded its GDP growth forecast to 2.4% for 2024 and 2.1% for 2025. In response to these economic realities, Generation Z tends to be more pessimistic than older generations, often feeling nostalgic for the

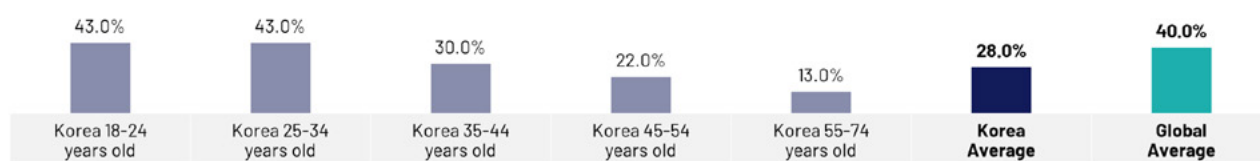
more stable economic conditions of the past. The IGT(Ipsos Global Trend) 2024 survey reveals that Generation Z has a stronger sense of nostalgia for the past and exhibits greater pessimism about the future compared to other generations. While overall agreement with these values is lower in South Korea than the global average, Generation Z shows a relatively higher level of agreement. This sentiment reflects their desire to return to a period of greater economic stability in the face of current uncertainties.

[Figure 2] Generational perceptions of the past and future

Given the choice, I would prefer to have grown up at the time when my parents were children



Within my lifetime society in my country will break down



Source: IGT 2024

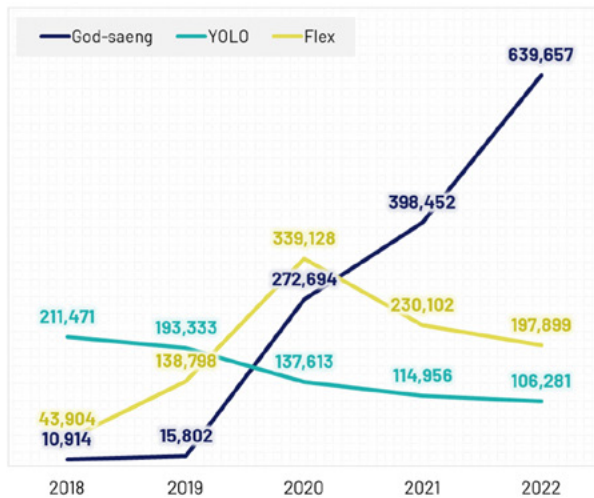
The disparity between Generation Z's economic values and the realities they face has been further intensified by the social experiences they've gone through over the past decade, deepening their psychological anxiety. Throughout their adolescence and early adulthood, this generation has witnessed and experienced significant societal disasters, such as the Sewol Ferry tragedy, the Itaewon disaster, and the COVID-19 pandemic. The majority of Sewol Ferry victims were between the ages of 16 and 18, while most of the Itaewon disaster victims were in their mid-20s to early 30s. These traumatic events have heightened the psychological distress Generation Z experiences as they transition from adolescence into adulthood. Having lived through these crises, along with the uncertainty brought on by the pandemic, they have been deeply affected by an unstable environment, leaving them feeling

powerless in their pursuit of economic success and self-fulfillment.

In the face of economic and social uncertainty, Generation Z turned to self-management strategies embodied by the 'God-saeng' life trend to regain control over their lives. (Note: 'God-saeng' combines 'God' and 'saeng,' meaning 'life,' so it literally translates to 'God life.') To overcome feelings of powerlessness after the pandemic, they adopted a disciplined approach, focusing on small daily achievements to restore their self-esteem. Emerging in 2020, the 'God-saeng' trend replaced earlier movements like 'YOLO' (You Only Live Once) and 'Flex.' Faced with an uncertain external environment, Generation Z sought to boost their self-esteem through rigorous self-control and, even in chaotic circumstances, aimed to regain control over their lives as a way to alleviate their anxiety.

[Figure 3] Trends in 'God-saeng' mentions : Pre- and Post- COVID

Trends in 'God-saeng', 'YOLO', 'Flex' mentions



Source : The Seoul Institute

The 'God-saeng' trend among Generation Z has recently transformed into 'self-care,' focusing on self-awareness and inner growth. While God-saeng was initially about standardized productivity and achievement, self-care now centers on personal development—both internally and externally—based on a deeper understanding of oneself. This shift has led to the rise in popularity of self-analysis services like MBTI

(Myers-Briggs Type Indicator), personal color assessments, and genetic testing. Generation Z is eager to engage with these services to gain a deeper insight into their identities. For a generation that values self-identity and seeks both accomplishment and stability, the God-saeng trend has gradually become more individualized and introspective, evolving into a form of self-care.

Trends in mentions of terms related to 'God-saeng**

	Owunwan	Body Profile	Miracle Morning	Kagong	Study Café	No-Spend	N-jobber
2018	0	144,125	24,059	144,325	50,017	8,278	1,003
2019	1	218,524	37,235	154,380	104,264	14,967	3,221
2020	100	371,568	118,665	206,027	231,307	22,256	12,129
2021	23,810	612,052	266,093	409,833	336,996	47,819	42,505
2022	837,144	605,462	541,329	364,728	270,593	80,093	59,441

Owunwan

(오운완) A term used to describe the completion of a workout.

Body Profile

(바디프로필) Refers to a body profile or photo shoot, often for individuals aiming to showcase their fitness transformation.

Miracle Morning

(미라클모닝) Refers to the concept of waking up early and engaging in a productive morning routine.

Kagong

(카공) A combination of the words "café" and "gongbu" (study), referring to the act of studying in a café.

No-Spend

(무지출) A practice in which one limits or eliminates unnecessary spending.

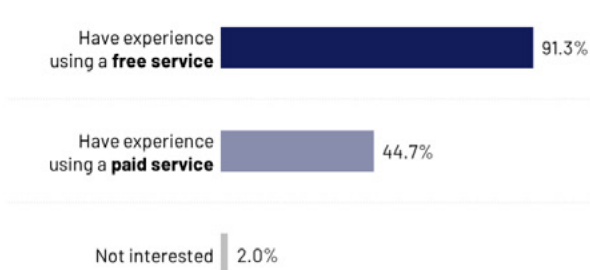
N-jobber

(엔잡러) Refers to people who have multiple jobs or side hustles, combining N[multiple] with 'job'.

[Figure 4] Experience and willingness to pay for self-analysis services

Have you ever used a self-analysis related service?

* 150 Gen Z participants (Multiple answers)



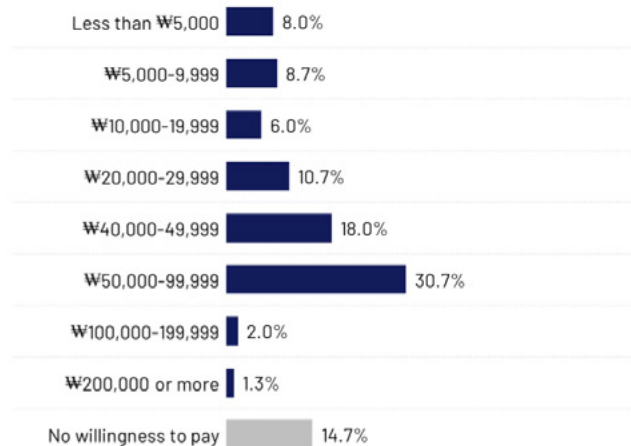
Free services

Free MBTI tests, free fortune-telling, online personality/psychological tests, etc.

Paid services

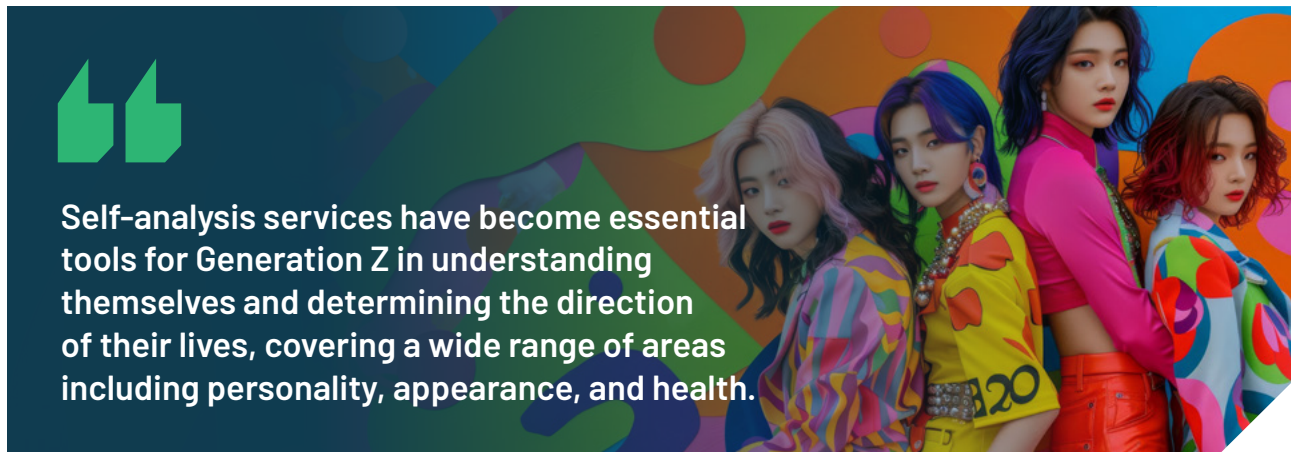
Paid personality/fortune analysis, personal color, hair/body shape consulting, etc.

What is the maximum amount you would be willing to pay for a self-analysis service? * 150 Gen Z participants



Source: UNIV20 Careet

2. GAINING SELF-INSIGHT THROUGH SELF-ANALYSIS SERVICES: FOCUSING ON PERSONALITY, APPEARANCE, AND HEALTH ANALYSIS



Personality Analysis

Generation Z is actively engaging with a range of tools to explore their personality, temperament, and background as part of their journey toward self-understanding and identity

formation. They are willing to invest not only in popular assessments like the MBTI (Myers-Briggs Type Indicator) but also in more specialized tools such as the TCI (Temperament and Character Inventory) and U&I (Learning Style Assessment).

[Figure 5] Paid TCI test and consultation services

Excerpt from Best Reviews

...
I've always been interested in psychological tests, and lately I've been feeling burnt out, so when my younger sister recommended it, I looked into TCI and watched videos on YouTube. After that, I really wanted to try it, so I went ahead and made the purchase.

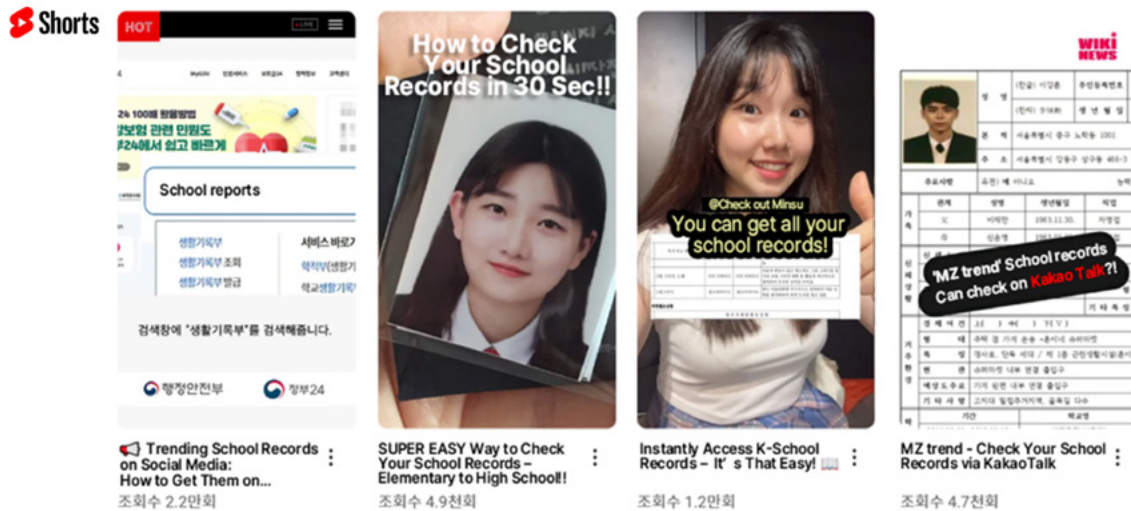
...
I was able to thoroughly understand my fundamental temperament and tendencies, and I also learned more about how my personality developed through different interactions. It was a time where I could better identify my strengths and weaknesses, helping me envision a better future!!!

Source: Naver store - With Insight psychological test

This growing interest in self-exploration has also led to a trend in which many Gen Z individuals share their school records on social media. According to the Ministry of Education, from July to September 2023, over 2.85 million school records were issued through platforms such as Government24 and unmanned service centers,

marking a 6.1-fold increase compared to the same period last year. Experts suggest that this trend reflects a desire to revisit and reflect on their childhoods. Many social media posts about sharing school records include comments like, "I discovered something new and objective about myself" and "It's even more accurate than MBTI."

[Figure 6] YouTube Shorts content about school record inquiries

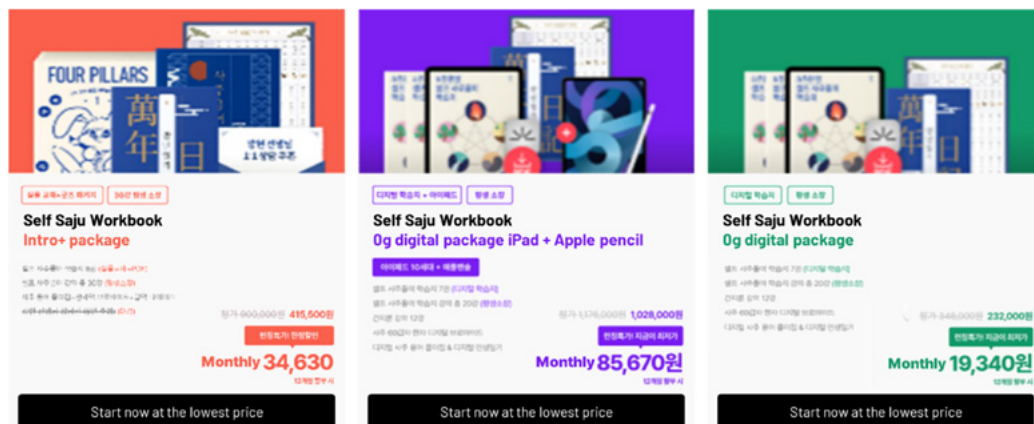


Source: YouTube Shorts

Saju (a traditional Korean practice of fortune-telling or divination based on the Four Pillars of Destiny) and tarot readings are also gaining popularity among Generation Z as tools for self-analysis. Many are enjoying saju and tarot through

TikTok filters and fortune-telling apps, while some even take up learning how to read saju as a hobby. Through these services, Gen Z seeks insights into their identities and uses them to help guide the direction of their lives.

[Figure 7] Self-learning materials for saju interpretation

Source: <https://mylight.co.kr/>

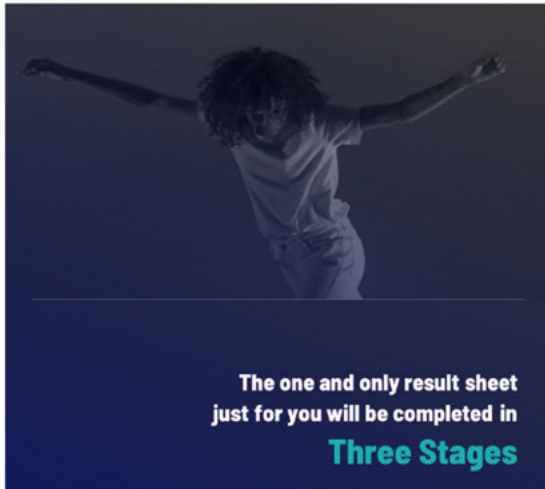
Appearance Analysis

For Generation Z, appearance is considered an important means of expressing their identity. Starting with personal color analysis, they are turning to services like hair consulting (focused on face shape) and body shape consulting (skeletal analysis), which analyze their appearance at a granular level to help them discover their unique style. These professional analysis services are highly popular, with bookings often filling up as soon as reservations open, even at prices exceeding 100,000 KRW.

One notable appearance consulting company, Rarelee, offers personalized reports based on photos sent by customers, providing expert recommendations. Rarelee's hair consulting suggests hairstyles that suit the customer's face shape and bone structure, while their makeup consulting provides tailored makeup styles based on facial features. Additionally, fashion consulting offers clothing choices suited to the individual's body shape and type. Rarelee's slogan, 'Everyone is Rare, and beautiful in their own way,' resonates deeply with Gen Z's desire to embrace their unique, authentic selves.

[Figure 8] Rarelee's appearance analysis process

Step3 Analysis



Step1. Numerical Analysis

level1: Face Shape

(Side Cheekbone/45-degree Cheekbone Size, Jaw Width, etc.)

level2: Facial Proportions

(Horizontal/Vertical Length, Upper/Middle/Lower Face Ratio, etc.)

level3: Lower Jaw Features

(Protruding Lips, Receding Chin, No Chin, etc.)

level4: Facial Harmony and Proportions

(Eye, Nose, and Mouth Ratio)

level5: Body Shape

(Neck Length, Trapezius Muscles, Shoulder Width, Pelvis Size, Femur Length, etc.)

Step2. Balance Analysis

After the first round of analysis, the statistical analysis team extracts imbalanced features in facial and body shape.

Step3. Error Analysis

If the features are at the boundary value, Rarelee will reassess the features using front/side/additional photos (or videos if necessary)

Step4. Reporting

Connect multiple physical features with hair/makeup/fashion styles → Derive recommendations for each style based on combinations of physical features and analyze the reasons → Fine-tune the recommendations by reflecting the second round of balance analysis and third round of error analysis

Step5. Final Review

After the final review of the result sheet by Rarelee, the report will be uploaded

Source: <https://rarelee.co.kr/process>

Health Analysis

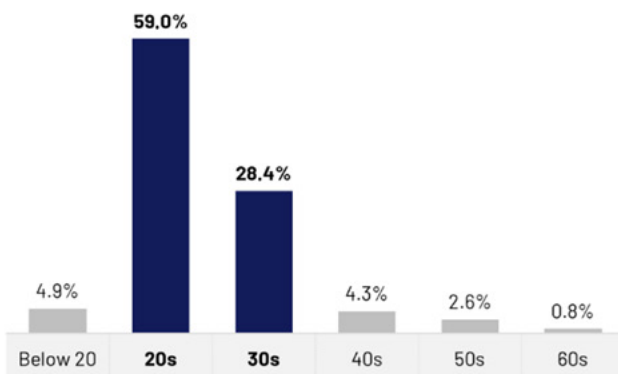
Health analysis is an important aspect of self-care, and Generation Z is using genetic tests and microbiome tests to find the right exercise and lifestyle habits for themselves. By identifying their genetic strengths and areas requiring attention, they are proactively managing their health.

One example is the popular free genetic testing service provided by the financial platform Bank

Salad, available daily at 10 AM on a first-come, first-served basis. The service is in such high demand that tips for securing a spot are often shared online. According to the platform, since its launch in October 2021, a total of 285,844 individuals have used the service over the past three years. This reflects that Generation Z is not only utilizing services to analyze their personality and appearance but is also actively engaging with health analysis tools to improve their overall health and quality of life.

[Figure 9] Bank Salad's genetic test participants' age and analysis content

87% of Applicants are from the MZ generation



Bank Salad Genetic Test

2030 Diet Gene Analysis

01 | Salt sensitivity

41.2%

02 | Satiation/Feeling full

38.9%

03 | Body fat percentage

24.4%

04 | Abdominal obesity

20.8%

05 | Obesity

15.9%

Source: <https://www.banksalad.com>

3. THE SOCIAL IMPLICATIONS OF THE SELF-CARE TREND

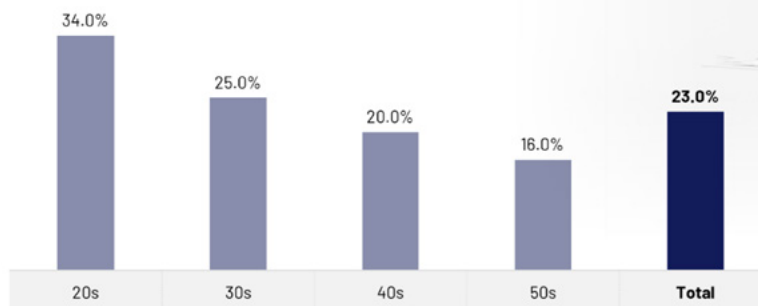
In the face of economic uncertainty and social disillusionment, Generation Z in South Korea has cultivated the 'self-care' trend as a means of solidifying their sense of self. By exploring their personality, appearance, and health, they are deepening their self-awareness and extending this personal journey into social interaction by sharing it on social media. The shift from the 'God-saeng' trend to 'self-care' over the past three years highlights that this movement is not just a passing fad, but a deliberate effort by Gen Z to preserve their self-identity and build social connections in an unstable world.

In response, Korean government and society have rolled out various support programs to help Generation Z build a positive self-image and maintain smooth social communication. It is anticipated that policy research and support for such initiatives will continue to expand in

the future. A representative example is the Youth Mental Health Support Program offered by the Seoul Metropolitan Government. This program provides psychological counseling for individuals aged 19 to 39, offering six sessions (50 minutes each) with professional counselors. It also includes assessments like the KSCL95 (a brief mental health screening) and the TCI (Temperament and Character Inventory) to help participants better understand themselves. After 7,000 individuals participated in 2022 and 10,031 in 2023, all four rounds of recruitment for 2024 have already been filled. According to the 2024 consumer perception survey from <Ipsos Market Trends 2025>, 34% of Koreans in their 20s reported having participated in professional counseling, the highest rate among all age groups. This indicates that Generation Z is actively seeking and utilizing professional support to maintain their mental well-being.

[Figure 10] Professional psychological counseling experience by age group

Have you ever received stress or psychological counseling from a specialist?



Source: <Ipsos Market Trends 2025> Consumer perception study

Meanwhile, companies are enhancing their connection with consumers by offering personalized products and services that align with Generation Z's inclination toward 'self-branding' based on self-understanding. Customization has become a central element in marketing targeting Gen Z. For instance, Nike's 'Footwear-Makers-Studio' at its Apgujeong store allows customers to personalize their Air Force sneakers. The service remains consistently popular, with reservations handled through a lottery system that often has limited spots, adding an element of exclusivity.

Additionally, the recent 'Stanley Pop-up Store' at The Hyundai Seoul attracted positive

attention by offering a similar experience, recommending tumblers in colors that best suit customers' identities. Purchasers were also able to personalize their experience by engraving custom messages or taking photos against a background in their recommended color, further enhancing the appeal. These personalized experiences resonate well with Gen Z's desire to express their identity like a personal brand, and companies are leveraging this trend to strengthen their bond with consumers. This shift is gaining momentum across society, and the trend of personalized, Gen Z-targeted marketing is expected to continue expanding in the near future.

IN THE ERA OF THE EXPERIENCE GAP



SUBSCRIPTION ECONOMY:

VALUING EXPERIENCES OVER OWNERSHIP



CHANGYUB LEE
Research Team Leader
Ipsos MSU Korea



BORAM KIM
Sr. Research Manager
Ipsos MSU Korea



JEEHUI HWANG
Sr. Research Executive
Ipsos MSU Korea

Shifting From Ownership to Value-Driven Experiences

1. KOREA, A NATION OF SUBSCRIBERS

Generation Z in South Korea was raised during a period of economic growth and low birth rates, experiencing their adolescence in an era of financial prosperity and strong familial support. The book <Ipsos Market Trends 2025> states that they were raised in stable environments, which helped foster a strong sense of self-pride. This generation places a strong emphasis on self-satisfaction and self-actualization,

with a notable 'me-maxing' mindset. In particular, economic independence and material success are central values for them in the pursuit of personal fulfillment. The Ipsos Global Trend (IGT) 2024 survey shows that, compared to previous generations, Korean Gen Z places significantly more importance on achieving economic autonomy and material accomplishments.

[Figure 1] Subscription Experience



Source: Lotte members, [Subscription service trend survey 2024][n=1,000, Unit: %](2024.05.23)

[Figure 2] Average Subscribed Services Used/Fee



Source: BANGO, Subscription Wars (2024)

The Subscription Economy is a model where consumers make smaller, regular payments to access a product or service temporarily, rather than purchasing or fully owning it.

With their well-known 'ppali ppali' (quick and efficient) culture, Koreans have quickly embraced subscription services with remarkable enthusiasm. Subscription services have emerged as a major trend across all areas of consumer life, including OTT platforms, publications, clothing, beauty products, home appliances, and even vehicles.

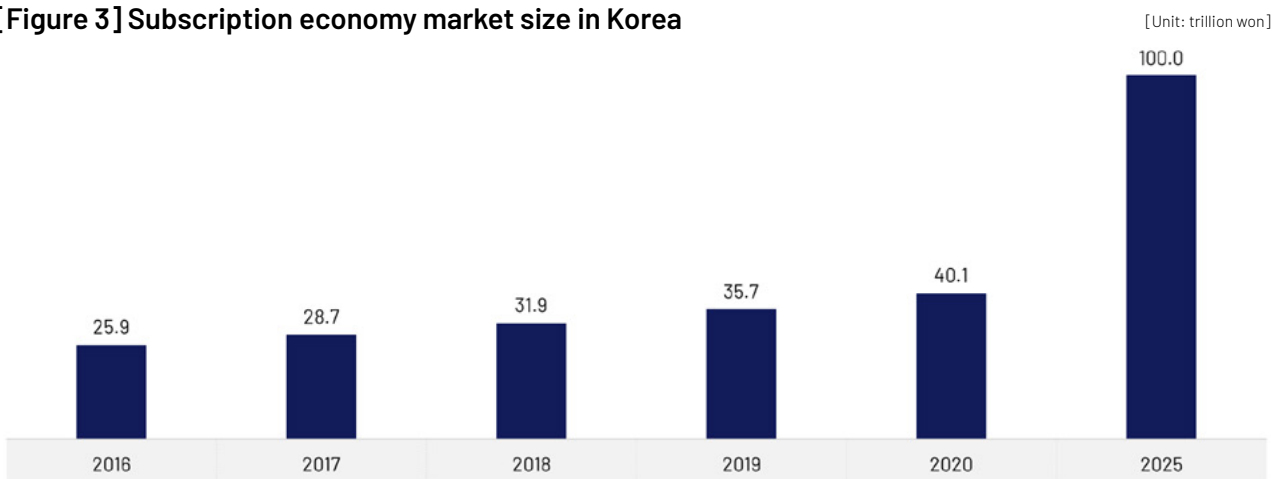
When did subscriptions naturally become part of our daily lives? Korean Millennials or Gen X may fondly remember their parents retrieving the morning newspaper from the doorstep or milk from a delivery pouch on brisk mornings.

Similarly, rented water purifiers, which became staple appliances in homes and offices, highlight how Koreans already possessed a 'subscription DNA' that was steadily evolving.

Since the 2000s, the emergence of the SaaS (Software as a Service) model has driven the widespread adoption of subscription-based software from companies like Microsoft and Adobe. Starting in the 2010s, subscription models extended beyond software to industries such as OTT platforms, delivery apps, and car subscriptions, culminating in today's subscription-driven economy.

According to KT Economic Research Institute, the Korean subscription market is expected to grow from 40 trillion KRW in 2020 to 100 trillion KRW by 2025.

[Figure 3] Subscription economy market size in Korea



Source: KT Economic Research Institute. [The Korean subscription market](2024)

The dramatic growth in the subscription market, which had been gradual, can be attributed to four main factors.

First is the rise of a contactless culture. COVID-19 played a pivotal role as an accelerator, propelling digital transformation and the expansion of the subscription economy. With social distancing and restrictions on outdoor activities becoming the norm, online shopping and service usage saw a sharp increase. This widespread adoption of the now-familiar 'untact' (non-face-to-face) culture significantly lowered the barriers to accessing and paying for subscription services.

Second is the advancement of digital technology. Advancements in algorithms, AI, and big data have allowed for a precise understanding of consumers' purchasing habits and preferences, leading to highly efficient subscription services. By analyzing consumer preferences, it has become possible to offer practical and personalized products and services as needed.

Third, a consumer trend of preferring experiences over ownership has become more prominent. As people seek to experience a variety of products and services without a long-term commitment, subscriptions that offer

tailored services aligned with individual tastes have fueled the growth of the subscription economy.

Fourth, more consumers are seeking ways to alleviate financial strain brought on by a prolonged recession. Instead of making large, one-time purchases, consumers are opting for subscriptions with small monthly fees, which can help reduce financial strain. High-cost products offered through regular subscription services have become popular among consumers looking to minimize upfront costs.

These factors have driven the subscription market to grow into areas once dominated by high-cost purchases, such as home appliances and automobiles. Consumer goods subscriptions are particularly expected to grow steadily, as their 'stickiness' ensures consumers quickly become accustomed after a single experience.

This discussion will focus on the unique aspects of the subscription market in home appliances and automotive sectors. By identifying the features of subscription services, consumer demands, and potential risks in advance, companies can proactively prepare and secure a competitive edge.

2. HOME APPLIANCE SUBSCRIPTION TREND – HW TO HW+ NON-HW PERSPECTIVE: THE PARADIGM SHIFT IN FUTURE HOME APPLIANCES

[Figure 4] The Paradigm Shift in Future Home Appliances



Source: Ipsos, Home Appliances Subscription Market Research (2024.09.13)

Korea's home appliance market, dominated by LG and Samsung, is witnessing a paradigm shift, with LG spearheading the redefinition of appliance ownership. Traditionally, there was a strong belief that home appliances should last over 10 years without breaking. Now, the focus is shifting to "using properly during the desired period," allowing consumers to select the appliances and services they need according to their lifestyle.

This shift is largely driven by changes in consumer patterns, as the target demographic for home appliances has moved from newlyweds and older generations (ages 40–50) to younger consumers in their 20s and 30s who are accustomed to smart appliances.



The Essence of Appliance Subscription Services Lies in 'Personalization' and 'Enhancing Convenience by Offering Complete Relief from Household Tasks to Full Maintenance'

Appliance subscriptions align with the desire for personalization and convenience in daily life. From large appliances like refrigerators and washing machines to lifestyle-specific items like portable TVs and home brewing machines, consumers can choose their subscription period and customize the care services they want. This approach addresses the demand for Hyper-personalization. Consumers can choose a usage period of 3 to 6 years, easing the burden of upfront purchase costs, while maintaining high performance through professional care services, including comprehensive internal and external cleaning.

This model is particularly attractive to consumers seeking the latest premium appliances, as it lowers the decision barrier. For example, the voice from an LG dishwasher subscription user illustrates this trend:



"The pace of appliance innovation is so fast now, and it's not feasible to buy new ones all the time. For around 40,000–50,000 KRW per month, I can access the latest appliances for as long as I need them. Plus, not having to deal with moving and reinstalling each time is a huge advantage."

(Female, 30s)

For manufacturers, subscription models establish recurring revenue streams without requiring repeated sales. Customers perceive this as a membership rather than a one-time product purchase, enhancing brand loyalty and facilitating cross-product expansion through a 'lock-in' effect. Customers initially considering standard models often switch to premium models due to the lower perceived cost, adding an upselling benefit.

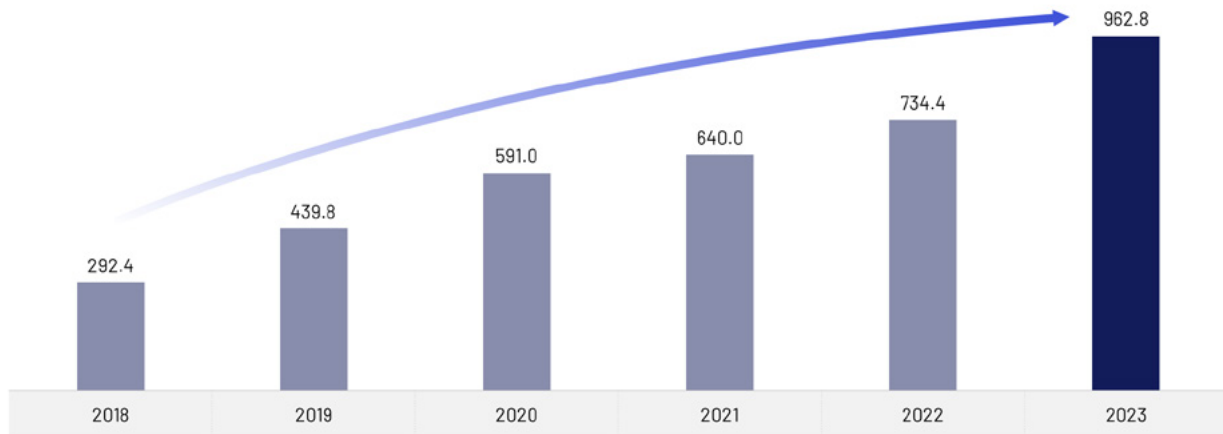
In fact, one in three LG large-appliance buyers now chooses a subscription, establishing this model as a unicorn business generating over 1 trillion KRW in annual revenue. Samsung, feeling the competitive pressure, is also accelerating its entry into the subscription business in the second half of this year.

Samsung plans to differentiate itself by integrating AI-enhanced experiences and partnerships with affiliates such as Samsung Card and Samsung Life Insurance to offer various discounts and additional services. Samsung is also expected to incorporate "Samsung Care Plus," a service where professional engineers visit homes regularly for inspections, repairs, and cleaning.

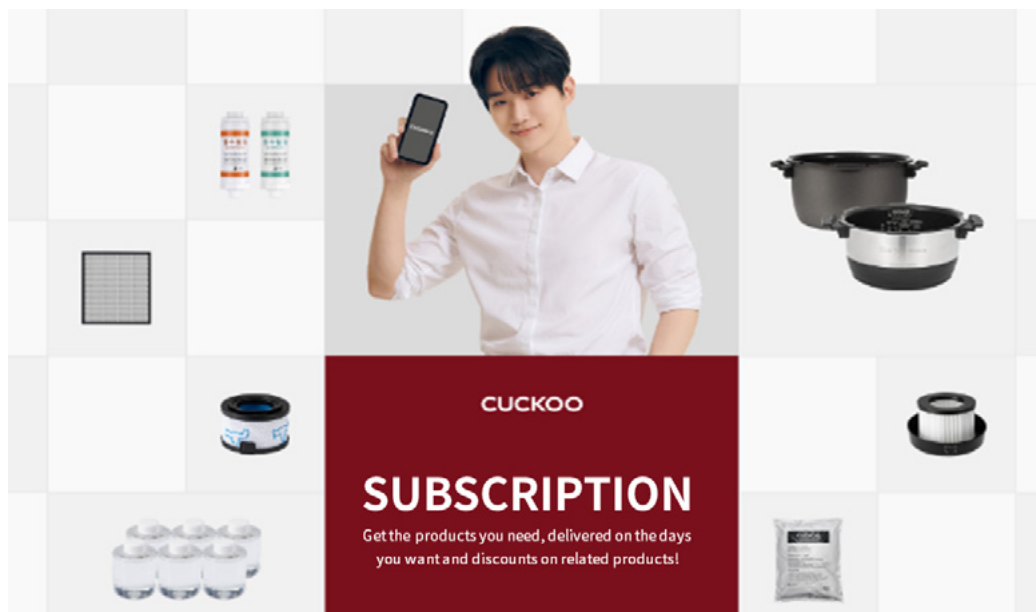
Furthermore, mid-sized appliance companies like Cuckoo, renowned for its rice cookers, are expanding their subscription models by integrating consumables. Examples include inner pots for rice cookers, air purifier filters, microbes for food waste processors, and coffee beans for water purifiers, further driving their subscription market growth.

[Figure 5] LG Electronics subscription business growth Bar Graph

[Unit: billion won]



Source: LG Electronics, [2023 business report](2023)

[Figure 6] Cuckoo Subscription Business Image

Source: Ipsos, Cuckoo Website, [Cuckoo Subscription Business]

Home Appliance Subscriptions: A Rising Profit Engine, But Risk-hedge Solutions Must Be Considered Before Celebrating

From mid-sized companies to large corporations, many are drawn to subscription-based businesses because of their high profitability. While standard appliance sales yield profit margins of 3–5%, subscriptions exceed 10%, making them a reliable cash cow. It's widely acknowledged that appliance subscriptions represent a promising future revenue stream. However, because a full subscription cycle has yet to be completed, it's essential to anticipate and prepare for potential issues.

Some foreseeable challenges include effective refurbishment strategies for returned products, safeguarding personal information, and handling defaults or resale fraud by low-credit subscribers. To ensure sustained growth, the subscription model must also address the psychological barrier of a total subscription cost around 1.5 times higher than a one-time purchase. Unique value propositions are needed to justify the extra cost, especially for products like TVs and laptops, which don't require frequent maintenance beyond the initial cost-saving benefits.

Only Value Propositions that Precisely Address Core Customer Needs Will Ensure Success

As the number of subscribers increases, debates have arisen about whether features like free warranties and care services offer enough value to justify their cost. Manufacturers should implement a two-track strategy, targeting both premium and mid-range segments, while progressively broadening subscription offerings,

price ranges, and customization options to attract a wider audience. They must closely examine and address unmet needs to effectively capture these consumer groups.

When consumers start seeing appliance ownership as a bundled package of ‘hardware and service (maintenance and care), those who develop robust risk-mitigation strategies and provide personalized benefits will lead the future of the appliance subscription market.

3. THE TREND OF VEHICLE SUBSCRIPTIONS – AN ERA OF SEEKING VALUE BEYOND MERE SPECIFICATIONS

Recently, automakers have begun offering subscription services for specific in-vehicle functions, distinct from traditional hardware

subscriptions. Vehicle subscription services have moved beyond temporary car leasing to include in-vehicle software (SW) subscription models.

[Figure 7] Benefits of Vehicle Feature Subscription Services for Consumers and Automotive Companies

Category	Benefit	Detailed Explanation
Consumers	Economic Burden Reduction	Reduces economic pressure by allowing optional use of features only when needed, avoiding upfront costs.
	Customized Services	Provides the flexibility to choose subscription features tailored to individual preferences, not limited to manufacturer-set options.
	Flexible Use	Offers temporary access and re-access to features, expanding choices for vehicle functionality.
Automotive Companies	Customer Lock-in Effect	Prevents customer churn by providing high-satisfaction features and services, fostering loyalty.
	Stable Revenue Base	Ensures stable recurring revenue by reducing the seasonal revenue fluctuations associated with initial sales.
	Increased Production Efficiency	Improves efficiency by reducing vehicle production variability, which enhances production automation and logistics.
	New Business Opportunities	Creates promotion opportunities for new services and products targeting existing vehicle owners.
	Price Adjustment Flexibility	Provides flexibility to adjust pricing strategies in response to changes in the business environment through subscription fees.

Source: Korea Automotive Technology Institute KATECH Industry Trend Vol.92, The Subscription Economy Penetrating the Automobile Industry (2022.04.25)

Automakers strive to find a balanced approach where these services benefit both consumers and businesses. Through subscription offerings, automakers enhance customer satisfaction, reduce churn, build a stable revenue foundation, and open new avenues for business growth. Meanwhile, consumers can alleviate upfront financial strain, enjoying tailored services and

flexible options that align with their preferences. In this evolving landscape, consumers place a premium on personalization, flexibility, and future-proof over purely physical features, prompting the continuous introduction of diverse, software-based subscription services that cater to these desires.

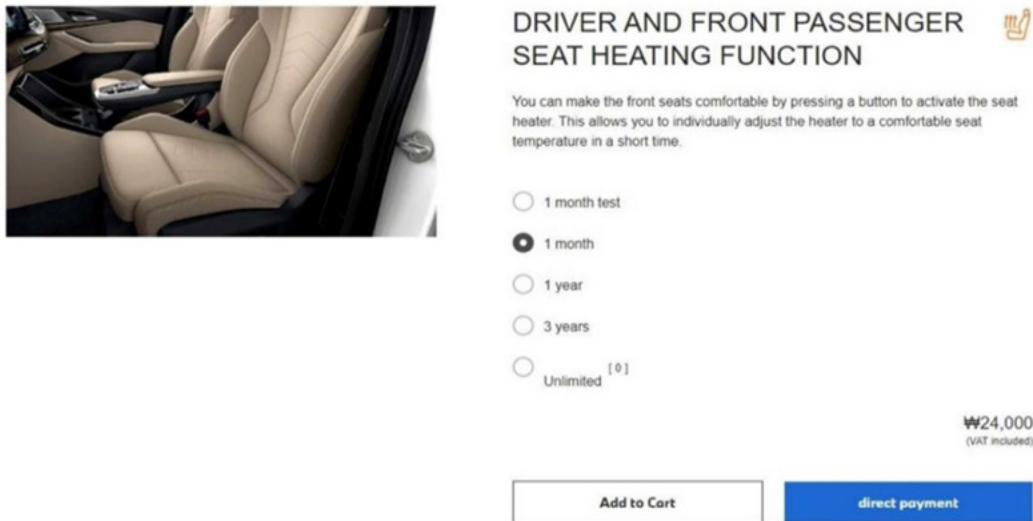
What is the Value of a Customized Experience that Consumers Want?

Leading automakers are quickly adapting to these shifts in vehicle subscription services by introducing features that offer consumers a novel 'value of experience'. For example, Mercedes-Benz offers subscriptions like 'Beginner Driver Mode' and 'Valet Service Mode,' allowing consumers to experience the novelty of purchasing additional functionalities. Beginner Driver Mode restricts the vehicle's maximum speed and power, catering to novice drivers, while Valet Service Mode safeguards personal data and vehicle functionalities when another person drives the car. These features can be activated on demand, enhancing both flexibility and convenience by providing tailored benefits

for specific situations. Consumers enjoy enhanced safety, comfort, and a better driving experience, realizing new value through these advanced technologies.

However, not all subscription models are well-received. BMW encountered strong backlash when it transitioned standard features, such as heated steering wheels and seats, to a subscription-based model. Consumers viewed this shift as simply imposing additional costs on features that were previously included for free. Responding to this reaction, BMW Korea decided to keep these features standard in the Korean market, a case highlighting that subscription services can falter if perceived solely as additional expenses.

[Figure 8] Consumer resistance to BMW's heated seat subscription service



Source: Hankyung, Pay for Heated Seats?...Consumers Angry at BMW (2022.07.13) / Image: BMW Korea official website (www.bmw.co.kr)

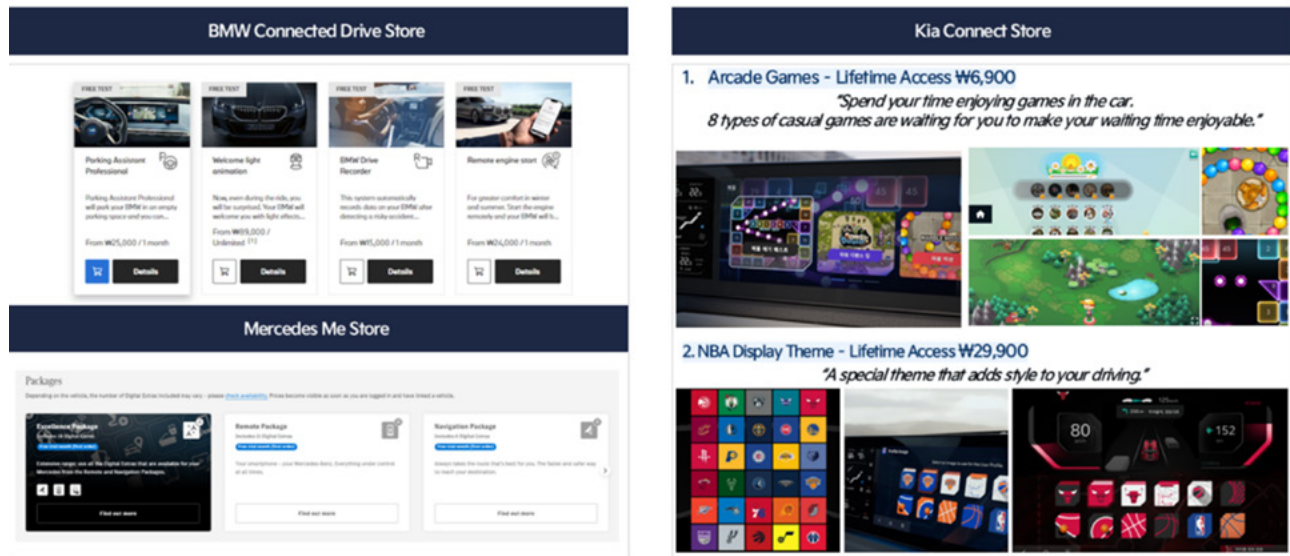
Thus, the key consideration for automakers in offering subscription services should be whether they deliver new value to the customer. Rather than merely adding costs, subscription services should allow consumers to experience previously unattainable value through the purchase of new features. BMW's experience underscores this principle well. Today's consumers expect more than standard vehicle options—they seek enhanced value through continually evolving software services.



[Figure 9] Subscription services which extend the in-vehicle customer experience

FoD CHANNELS BY MANUFACTURER_KR

In the Korean FoD market, major FoD channels are operating individual subscription-related website channels



Source: Ipsos, [FoD Market Study]

In the domestic market, this trend is rapidly spreading. Kia, for instance, offers in-vehicle services such as NBA themes and in-car games, redefining the vehicle from a traditional means of transportation to a lifestyle space that offers a sense of residence. These services cater to a range of consumer demands, strengthening bonds between brands and consumers by offering personalized experiences. Subscription services that allow consumers to personalize their vehicles and gain added value through innovative features and experiences will continue to be a key competitive advantage in the future.

Automotive Digital Subscription Services: Opportunities to Lead and Challenges in Building Trust

In the increasingly competitive digital vehicle subscription market, brands that provide personalized, secure, and cutting-edge technologies will find substantial opportunities for recurring revenue. The future automotive market will be driven by software rather than hardware, with manufacturers leveraging software-driven subscription strategies to deliver genuine value and lead the market. However, fully seizing these opportunities will require addressing several critical challenges.

Firstly, there is consumer resistance to additional costs. As the number of subscription features for a single vehicle grows, cumulative subscription fees may become burdensome. To address this, manufacturers should offer packages with supplementary benefits beyond mere feature additions, ensuring that consumers perceive tangible value. This approach helps lower the decision-making barriers for potential subscribers, encouraging them to explore and adopt new functionalities.



"Rather than simply pushing for the purchase of additional features, it would be better to offer related vehicle benefits alongside. For example, electric vehicles are difficult to maintain, so it would be great if the function subscription service included vehicle maintenance benefits."

(Niro EV Owner)

By offering additional vehicle service benefits along with simple subscription services, the perceived value relative to the cost would be enhanced, making it more appealing to consumers.

Second, data security remains a critical concern, as in-vehicle software deals with personal data, raising risks of breaches, hacking, and questions about how manufacturers handle this personal information. In the United States, proactive regulations for connected vehicles have been introduced to strengthen cybersecurity, while Korea has implemented laws such as UNR 155 to bolster cybersecurity management frameworks. Manufacturers should clearly communicate these improvements to build consumer trust in data protection.

Finally, a significant challenge lies in determining ownership for purchased subscriptions. When consumers subscribe to lifetime services, there is ambiguity about whether these features are tied to the owner or the vehicle itself. Unclear guidelines regarding whether subsequent owners can utilize the features without additional subscriptions create confusion and may discourage consumers from adopting such services. Establishing clear guidelines on the ownership and transferability of subscription features is crucial to reducing consumer confusion and resistance, paving the way for broader adoption.



4. THE FUTURE OF THE SUBSCRIPTION ECONOMY

As the subscription economy expands, a key impact is the anticipated shift in consumer behavior. By prioritizing use over ownership, this model motivates consumers to rent or lease products for designated periods instead of purchasing them outright. This shift in consumption patterns is expected to be particularly noticeable in high-cost products like home appliances and fashion rather than lower-priced goods. Likewise, demand is expected to rise for subscription models that cater to changing life stages or spatial needs, such as relocating to a new home or adapting to evolving personal circumstances.

This emphasis on flexible usability is bringing post-purchase subscriptions for features and software in high-cost durable goods to the forefront. One prominent example is the software (SW) subscription model in vehicles. In this model, consumers can selectively subscribe to in-vehicle digital functions based on their specific needs and preferences. By doing so, they can reduce unnecessary large expenditures and choose only the services they need, allowing them to experience cutting-edge technologies at a reasonable cost. As manufacturers increasingly offer tailored digital experiences, consumer behavior in the automotive subscription market is undergoing a significant transformation.

Secondly, subscription economy will enhance the loyalty of customers. The subscription model strengthens the relationship between companies and customers by providing recurring services, increasing customer loyalty and repurchase rates. Companies can enhance the user experience by offering customized services to subscribers and using data analytics to deliver personalized recommendations.

Lastly, the intensified competition and greater need for differentiation is expected. As the subscription economy grows, more companies are entering the market, which will inevitably heighten competition. This trend will amplify the demand for differentiation in service quality, pricing, and user convenience.



“The Key” to the Subscription Business and Corporate Challenges for Companies Seeking to Lead the Market

With an increasingly complex and fast-evolving business environment, including diversification of product lineups, premium offerings, and software competition, the subscription economy has significant growth potential through flexibility and customization. Furthermore, the analysis of customer behavior data presents opportunities for companies to create new value chains.

However, the focus should not solely be on one-time customer acquisition. Companies must retain sustainable customers through continuous product/service updates and additional benefits, ensuring that consumers experience the added value beyond simple product purchases.

The key strategy lies in evolving offerings to align seamlessly with consumer preferences. By 2025, businesses must be even more responsive to shifting consumer trends, lifestyle changes, and cultural dynamics. Companies that closely observe and engage with consumer needs will gain a competitive edge, underscoring the growing importance of adapting to the ever-changing landscape of the subscription economy.

ESG & PUBLIC OPINION



ESG:

THE REALITY OF ESG DISCOURSE FROM INDIVIDUAL AND CORPORATE PERSPECTIVES



HYUNGMIN CHOI
Research Team Leader
Ipsos PA Korea

ESG, A Perspective From Corporations and Public Opinion in Korea

1. REVIEW ESG

What is ESG? In Korea, many people are familiar with this term, and those involved in related fields likely have a deep understanding of this term. ESG has been discussed in Korean society for a considerable period. Following the COVID-19 pandemic around 2020, a global ESG wave swept across the world. Korea was no exception, and it has been nearly four years since this trend began. Terms like “ESG management,” “ESG consumption,” and “Sustainability” have become commonplace in the media, academic field, and business. The pandemic heightened public interest in environmental and health issues, and most notably, the ESG concept was introduced into the investment market. While there are various explanations for the ESG boom, a significant contributing factor was BlackRock’s decision in 2021 to incorporate ESG into its investment products, rapidly popularizing the concept among a wide audience.

How significant is ESG in our society? It’s difficult to find deep analyses of how ESG has been discussed and what consensus has been reached since its surge in popularity 4-5 years ago.

While numerous studies exist on the characteristics of ESG in Korean society, most focus on the response levels of Korean corporations or the government. Few would agree that leaving ESG solely to corporations and the government would ensure its successful implementation. The value of ESG becomes clear only when it is grounded in societal consensus. If ESG is treated as a highly specialized field like science or engineering and the task is left solely to experts, it may remain unresolved indefinitely.

The reason we are reviewing ESG, a concept that emerged several years ago, is because the missions of our current era are inextricably linked to ESG. It is no exaggeration to say that the societal challenges we face, such as climate change, social inequality, governance oversight, and corporate ethics, are all encompassed within the ESG framework. However, how has Korean society perceived and discussed ESG? Given the broad scope of ESG, it is unlikely to be effective without a societal consensus. First, let us understand the concept of ESG.

The Concept of ESG

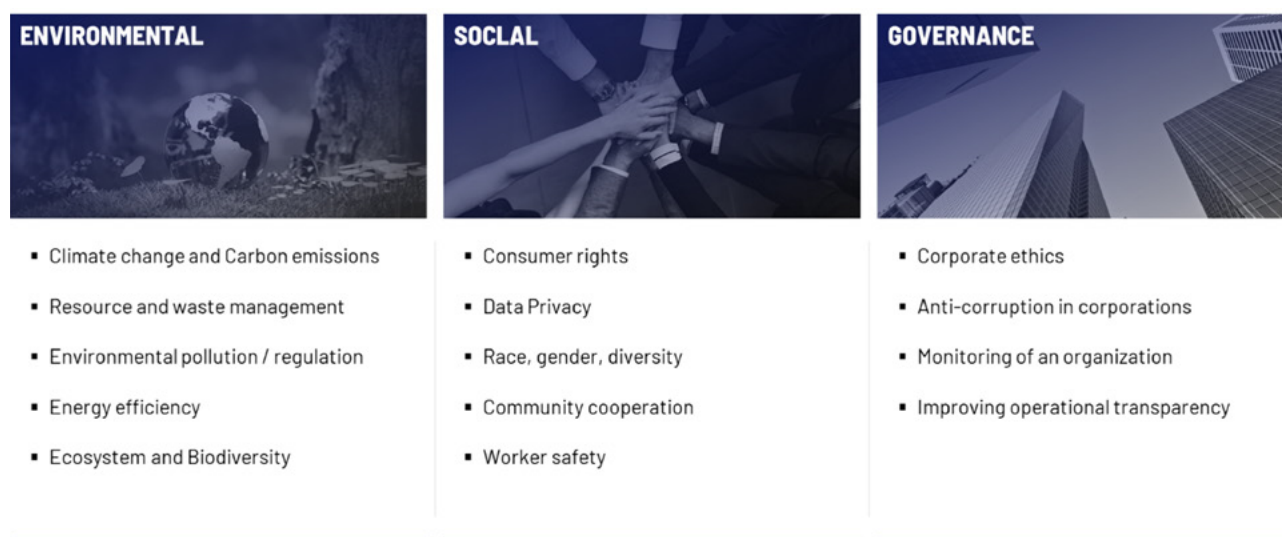
ESG is an acronym that stands for Environmental, Social, and Governance. It represents a set of standards for measuring a company's environmental and social impact. ESG is often used in an investment context but also applies to customers, suppliers, employees, and the public. ESG focuses on three key areas:

- **Environment:** This includes climate change, carbon emissions, resource and waste management, pollution and regulation, energy efficiency, and biodiversity.

- **Social:** Social factors cover consumer protection, data privacy, gender and racial equality, worker safety, and community engagement.
- **Governance:** Governance encompasses corporate ethics, social responsibility, anti-corruption, and organizational audit and transparency.

In essence, ESG is a framework that helps organizations evaluate their sustainability and long-term impact on society. By considering environmental, social, and governance factors, companies can make more informed decisions and create greater value for their stakeholders.

[Figure 1] The concept of ESG (Kang, 2024)



Source: Kang, Eunyoung (Statistics Research Institute), [A Basic Study on developing ESG Statistics](2024.04)

The term "ESG" emerged in 2004 during an investor conference in Paris focused on "Implementing Responsible Investment." It was used again in a report published by the UNEP FI (UN Environment Programme Finance Initiative) and the UN Global Compact at the Global Compact Leaders Summit that same year, where the profitability of ESG investing was highlighted, further fueling its spread. In April 2006, the New York Stock Exchange marked a significant milestone when major global investment firms such as BlackRock and Vanguard signed the Principles for Responsible Investment (PRI), accelerating the adoption of ESG principles. By 2021, the number of signatories to the PRI had reached 4,000 (Kang, 2024). The PRI's core principle is to incorporate ESG issues

into investment analysis and decision-making, signifying the financial industry's commitment to actively integrating ESG considerations into their investment activities.

While the preceding sections have provided a foundational conceptual definition and historical overview of ESG, a concrete understanding of specific ESG activities and concepts may still be elusive. This is largely due to the expansive nature of ESG, which encompass the entire spectrum of issues related to our physical environment and society. Given the broad scope of environmental, social, and governance concerns, various researchers have proposed diverse definitions of ESG, leading to a multitude of interpretations.

Regulations that directly impact businesses are emerging, making it impossible to dismiss ESG as merely a theoretical concept. For instance, the establishment of global ESG disclosure standards has become a significant hurdle for large corporations. The International Sustainability Standards Board (ISSB) released

its final report in June 2023, mandating ESG disclosures. Consequently, numerous companies will be required to disclose information, such as annual reports, aligned with ESG standards. The time when ESG can be dismissed as mere talk is rapidly approaching (Green Peace, 2023).

2. WHAT ESG MEANS FOR KOREAN COMPANIES

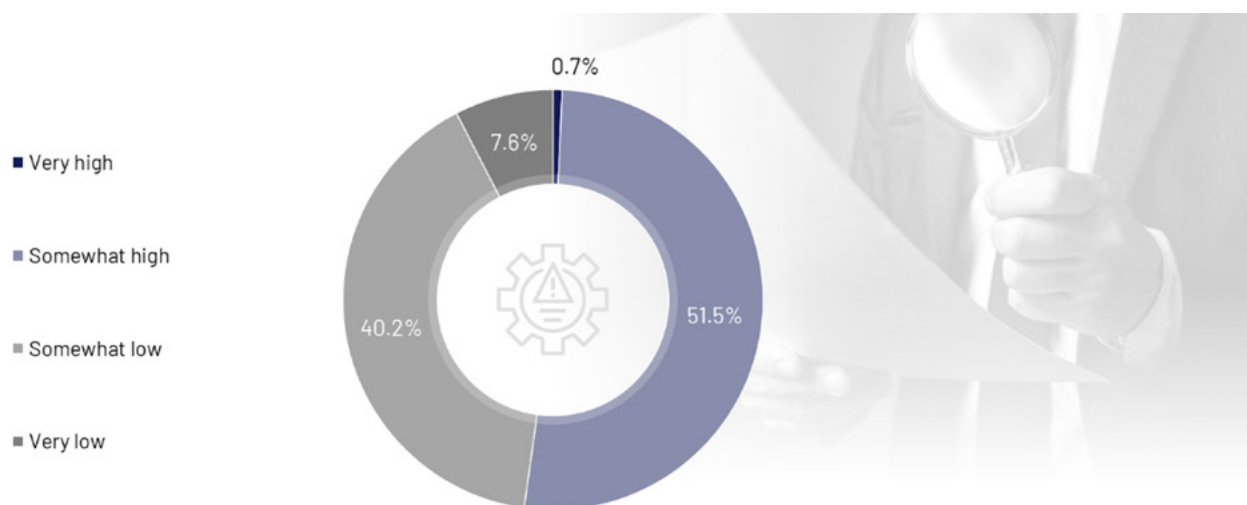
What does ESG mean for Korean corporations? Among individuals, corporations, and governments, corporations are the entities most closely intertwined with ESG. One of the most common uses of ESG is in the term “ESG management,” which clearly indicates that ESG is deeply embedded in corporate activities. Corporate operations can contribute to environmental pollution, serve as suppliers interacting directly with consumers, and bear the responsibility of transparently disclosing governance structures. Even within a narrow definition of ESG, corporations are implicated in all three dimensions: environmental, social, and governance. Therefore, it is crucial to examine the preparedness and understanding of ESG among Korean corporations.

When discussing the relationship between corporations and ESG, it is essential to first

address the issue of global ESG regulations. In South Korea, particularly among large corporations, awareness of ESG regulations is widespread. A survey of South Korean export companies regarding their ESG responses provides insights into how Korean businesses perceive ESG.

According to a survey of 300 exporting companies conducted by the Korea Chamber of Commerce and Industry titled “Current Status and Challenges of Supply Chain ESG Audits for Exporting Companies,” it can be concluded that Korean companies are taking a very casual approach to ESG. When asked about the possibility of terminating contracts due to ESG deficiencies, over half of the companies perceived a high likelihood of having contracts terminated by their clients due to their lack of ESG management.

[Figure 2] Possibility of contract termination due to ESG deficiencies in the future



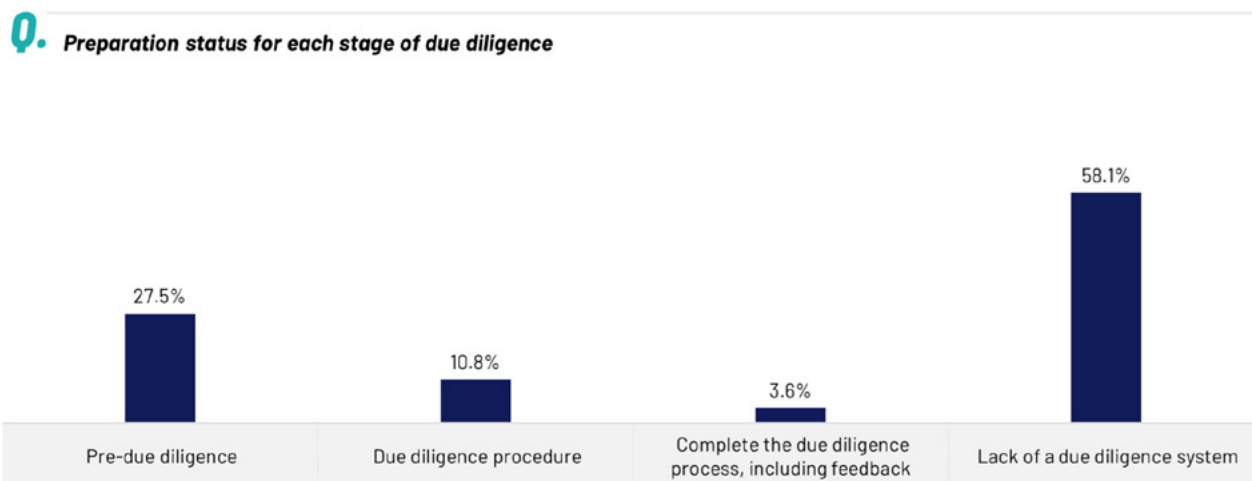
Source: The Korea Chamber of Commerce and Industry's Press release, [Assessment of export companies readiness for supply chain ESG due diligence](2022.07.18)

A significant 51.5% of respondents indicated a “Somewhat high” likelihood of contract termination due to ESG deficiencies, while 0.7% responded with a “Very high” likelihood. Overall, 52.2% of respondents agreed with the possibility of contract termination, significantly higher than the 47.8% who disagreed. This suggests that

ESG factors are perceived as a potential concern for South Korean exporting companies. In other words, South Korean exporters recognize that they are not meeting global expectations regarding ESG. How about the level of response to ESG? The table below confirms that the level of preparedness for ESG is also low.

[Figure 3] Preparation status for each stage of due diligence

[Unit: %]



Source: The Korea Chamber of Commerce and Industry's Press release, [Assessment of export companies readiness for supply chain ESG due diligence](2022.07.18)

This study examines the readiness of South Korean companies for ESG audits conducted by their clients. Respondents were asked to assess their level of preparedness for audits, with four options: ‘Pre-due diligence,’ ‘Due diligence procedure,’ ‘Complete the due diligence process, including feedback,’ ‘Lack of a due diligence system.’ The results showed that an overwhelming 58.1% of respondents indicated that they did not have a due diligence system in place. 27.5% of companies had established Pre-due diligence, 10.8% had undergone due diligence, and a mere 3.6% had completed the due diligence process.

Of the companies that participated in this survey, 135 were small and medium-sized enterprises (SMEs), compared to 84 large enterprises and 81 mid-sized enterprises. This indicates that SMEs constituted the majority of the survey participants. Given the limited resources of SMEs, it is understandable that ESG initiatives,

which often require immediate financial investments, may be prioritized lower than other business needs. It is important to recognize that Korean SMEs face unique challenges in responding to global regulations. Compared to large corporations, SMEs often have weaker corporate governance, limited capital and human resources, labor-intensive operations, and a higher degree of dependence on large corporations within the supply chain (Yun, 2013). Consequently, many studies on ESG in Korea have focused specifically on the challenges faced by SMEs.

To further understand companies' perceptions and attitudes toward ESG, we examined the findings of a study conducted by the Seoul Institute on “Analysis of the Current Status and Policy Needs of ESG Management.” This study compared the ESG practices of public and private sector organizations.

[Figure 4] Overview of Evaluation of ESG Management Implementation and Policy Needs Analysis

	Public sector	Private Sector
Target	All public institutions under the Seoul Metropolitan Government	Medium/Small Businesses companies in Seoul
Method	Paper survey with official documents	Face to Face
Duration	2022.04.08~22	2022.05.23~06.13
Valid samples	24 institutions (90%)	310 companies

Source: Hwang, In Chang, Kim KoUn, Baek Jong-Rak, Yi Yoon-Hye (The Seoul Institute), [Environmental, Social, and Governance: Public Policy Perspective] (2022.12.29)

This study presents the results of an ESG survey conducted on 24 public institutions and 310 mid-sized/small enterprises in Seoul from April to June 2022, using a combination of paper questionnaires and face-to-face interviews. The survey focused on ESG awareness and perception. Understanding ESG is a prerequisite for its implementation. How well did the surveyed companies understand the concept of ESG? There is a noticeable difference in ESG awareness between public institutions under the Seoul Metropolitan Government and private companies in Seoul. However, even when combining the Top2 categories, "Very well informed" and "Well informed," for both groups, the percentage falls short of 50%.

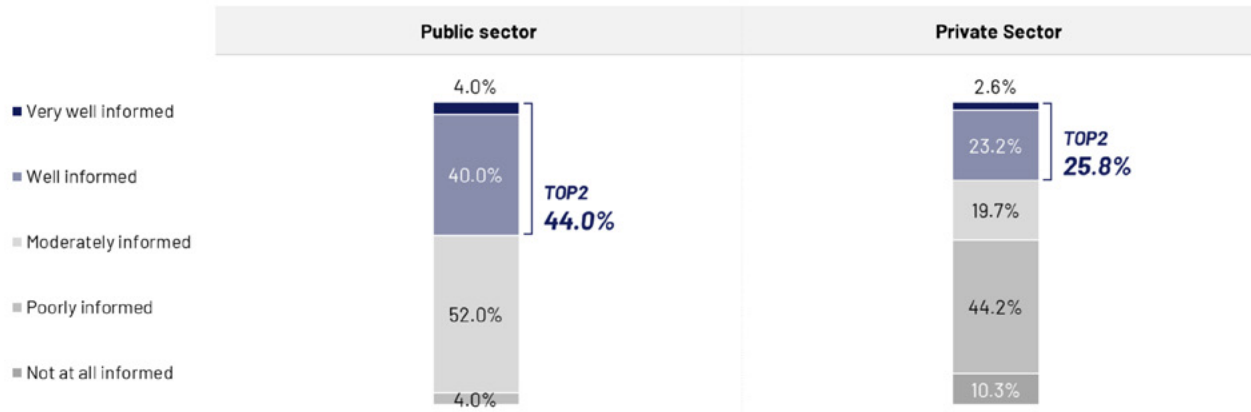
44% of public institutions reported being aware of ESG concepts, with an additional 52.0% indicating a moderate level of awareness. This suggests that ESG awareness is relatively high within the public sector. However, ESG awareness in the private sector is significantly lower at 25.8%. Even more concerning, 44.2% of companies reported being "Poorly informed", and 10.3% indicated they were "Not at all informed." In total, over half (54.5%) of the companies surveyed admitted to having limited or no knowledge about ESG. The survey findings indicate a positive correlation between company size and ESG awareness, with larger companies demonstrating higher levels of understanding.

Conversely, a staggering 75.2% of small businesses reported being unaware of ESG, suggesting that ESG adoption among small Korean companies is a distant prospect. In conclusion, the level of ESG awareness and preparedness among Korean companies, particularly smaller enterprises, remains inadequate. This poses a significant challenge as Korean businesses are the primary stakeholders responsible for driving ESG implementation.



[Figure 5] Perception of ESG management

Q. To what extent are you familiar with ESG management?



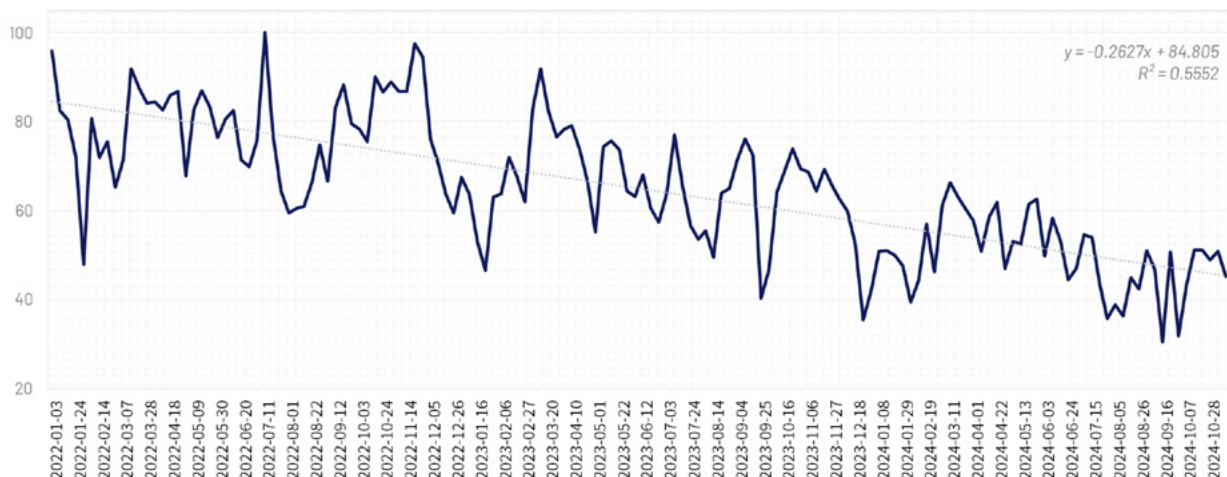
Source: Hwang, In Chang, Kim KoUn, Baek Jong-Rak, Yi Yoon-Hye (The Seoul Institute), [Environmental, Social, and Governance: Public Policy Perspective](2022.12.29)

3. WHAT ESG MEANS FOR KOREAN CITIZENS

As previously mentioned, ESG is more closely associated with organizational levels, such as corporations and governments, rather than individuals. Issues like environmental protection, social equity, and governance reform are intrinsically linked to businesses and governments. Stepping beyond corporations and government, what is the broader sentiment towards ESG in South Korean society? There appears to be a declining trend in ESG interest within South Korea.

To analyze the trend in search volume for the term “ESG” from 2022 to the present (November

2024), I utilized Naver Data Lab’s search trend service. This analysis tool allows for a comparative analysis of the relative search volume over time. In South Korea, interest in ESG surged in 2021 and 2022. However, search volume data indicates a relative decline in interest since 2022. Trend analysis further confirms this downward trajectory (Beta=-0.2627, R square=0.5552). Despite years of active discussions on ESG, it is difficult to find substantial evidence, either in academia or the media, suggesting that South Korea has successfully embraced and implemented ESG practices.

[Figure 6] Analysis of search trends for ‘ESG’

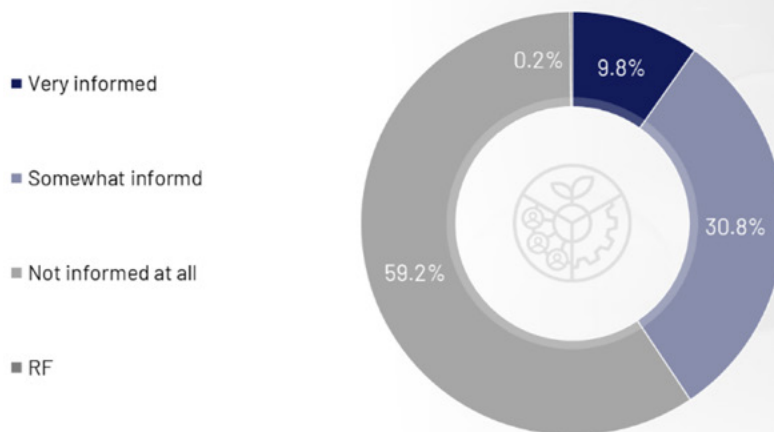
Source: Naver Datalab Search Trend

To understand public sentiment towards ESG, a nationwide survey was conducted by Ipsos Korea on October 17-18, 2024. The survey revealed that while 40.6% of South Koreans reported being “Informed” of ESG, a significant 59.2% indicated that they had “Not informed at all.”

A more detailed analysis of the 40.6% who expressed ‘informed’ reveals that only 9.8% considered themselves “Very informed” about ESG. 30.8% indicated a mere superficial understanding of the concept (Somewhat informed).

[Figure 7] Perception of ESG in Korea

[Unit: %]



Source: Ipsos Korea Survey, October 17-18, 2024.

When compared to the 54.6% of private companies that reported being “poorly informed” or “not at all informed” about ESG as shown in [TAB 03], the 59.2% figure from the public survey reveals a similar level of ‘Not informed.’ Unfortunately, both businesses and the public in Korea exhibit high levels of unfamiliarity with ESG. When examining ESG awareness among different occupational groups in Korea, self-employed individuals and blue-collar workers exhibited lower levels of awareness at 32.1% and 38.8%, respectively, compared to the overall average. Similarly, housewives showed a relatively low level of awareness at 32.4%. In contrast, over half of white-collar workers (51.6%) and students (51.4%) indicated awareness of ESG concepts. This suggests that occupational factors significantly influence ESG awareness. Excluding specific occupational groups, it can be concluded that the term “ESG” is not yet widely familiar to South Korean citizens. This lack of familiarity is likely a contributing factor to the limited discourse on ESG in Korean society. A deeper understanding of ESG is a prerequisite for discussing practical implementation strategies.

What does it truly mean for the public to “understand” ESG? Given my consistent advocacy for the imperative of ESG practices, I doubt anyone would dispute its necessity. However, one question that has lingered in my mind is why, despite the long-standing discourse and the recent surge in popularity of the term ESG, awareness in Korea remains relatively low. As we say, “to affirm everything is to affirm nothing.” In this context, a BBC article that questions the very concept of ESG is particularly intriguing. Kristen Talman, in her BBC piece, characterizes ESG as both “everything” and “nothing.” The core argument of this article is as follows: (Talman, 2023)

The journalist attributes the vulnerabilities of the ESG movement and the factors contributing to its decline to the term becoming “an umbrella catchphrase with little concrete meaning.” The journalist points out the inherent contradictions within ESG factors, arguing that its meaning is ambiguous, and its practical application is challenging. Without a clear definition and actionable guidelines, individuals interpret ESG in various ways.

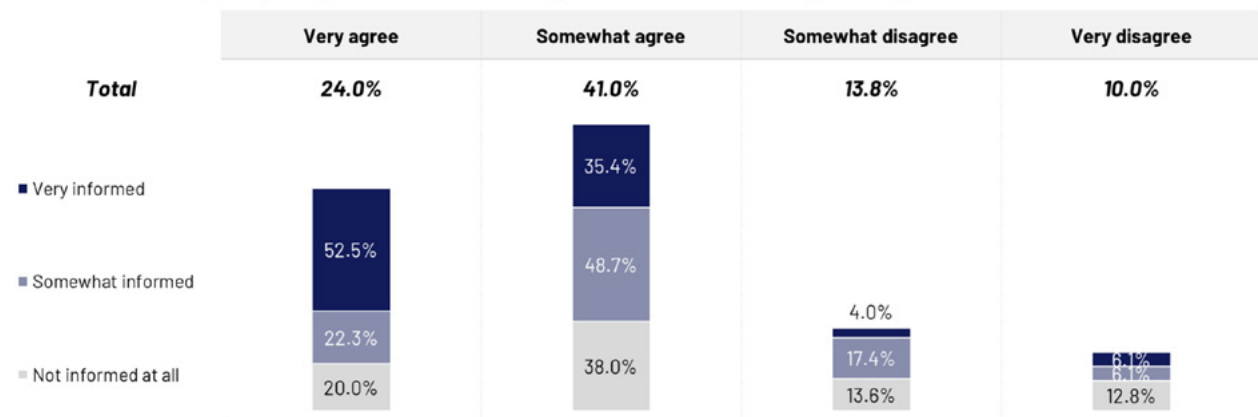
This critique can be equally applied to South Korean society. The high proportion of respondents who claim to be familiar with ESG but have only a superficial understanding of the term suggests that Korea has merely adopted ESG in a superficial manner. South Korean society lacks the foundation to lead a substantive discourse on ESG. A deep dive into the ESG concept is necessary to disseminate its underlying message more widely. Another result of nationwide surveys has shown a high level of positive responses when respondents were asked to define ESG and its relevance to their daily lives.

Despite the overall low awareness of ESG, the high positive response regarding its relevance to daily life is encouraging. The top2 responses, “Very agree(24.0%)” and “Somewhat agree(41.0%),” combined for a total of 65.0% when asked about the relevance of ESG to daily life. Even among respondents who reported being “Not informed at all” about ESG, a significant 58% expressed a positive correlation(Very agree 20% + Somewhat agree 38%).



[Figure 8] The relevance of ESG to daily life

Q. ESG, short for Environment, Social, and Governance, emphasizes a company's social responsibility, focusing on environmental, social, and governance factors. Do you think ESG is related to your daily life in Korea?



Source: Ipsos Korea Survey, October 17-18, 2024.

While it may seem negative that both corporations and individuals in Korea have shown a relatively low level of consensus regarding ESG, the underlying issue appears to be an inappropriate approach to ESG, characterized by abstract perceptions, a campaign-like mentality,

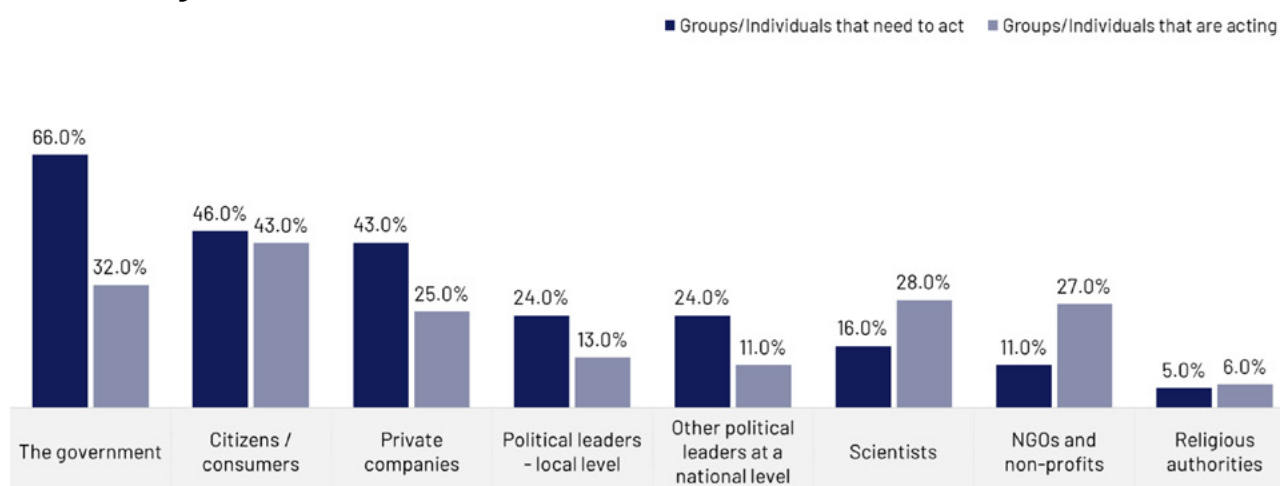
and a lack of exploration into the deeper meaning of ESG. ESG, though a convenient term, has become an “everything” encompassing too many topics, rendering it essentially “nothing” in the Korean context.

4. MORE DETAILS ARE BETTER

Why not break down ESG into concrete issues? ESG is often perceived as a broad, overarching concept or a mere catchphrase. Instead, by posing specific questions such as “What are your thoughts on the prediction that next summer will be hotter than this year?” or “How aware are you of disability rights issues, given the recent protests at subway stations?” or “Do you believe that prosecutors’ investigative powers are being exercised fairly?” or “Do you think Korean conglomerates prioritize shareholder-friendly management?”, we can encourage a broader range of Koreans to express their opinions. While ESG may have been a trending term, its underlying message is intrinsically linked to our society.

The findings of an Ipsos Global survey highlighting the importance of individuals in driving ESG initiatives are noteworthy. When asked who should take the lead in addressing environmental issues and climate change, respondents placed significant emphasis on the role of individuals. While governments were considered the most important actors to take the initial steps in environmental protection (66%), citizens/consumers ranked second (46%). Interestingly, when asked about the entities that are most effective in environmental protection, citizens/consumers were ranked first, followed by governments (32%), scientists (28%), and NGOs and non-profit organizations.

[Figure 9] Who should be vs. who currently is taking action to improve the environment and fight climate change?



Source: Ipsos, [ESG: MAKE A DIFFERENCE](2023.06.12)

By shifting the focus to individuals and delving into specific ESG issues, I believe we can uncover new avenues for improvement in the existing conceptual framework and approaches. While the level of discourse on ESG in Korea is relatively low and there are numerous political and social challenges surrounding it, we cannot afford to ignore these issues. In particular, global challenges such as environmental pollution and climate change induced by carbon emissions cannot be postponed any longer. I hope to see more discussions on implementing ESG practices in Korea.



K-FOOD: K-CULTURE AND MARKETING

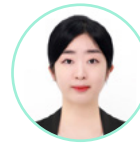


K-FOOD:

K-CULTURE AND MARKETING



GYUNGHYUN LEE
Sr. Research Manager
Ipsos Innovation Korea



SOYOON KIM
Sr. Research Executive
Ipsos Innovation Korea

1. THE GLOBAL RISE OF K-FOOD

K-food, deeply rooted in traditional Korean cuisine, has evolved to include modern variations and convenient meal options, experiencing steady growth and gaining popularity among diverse global consumers. Initially, traditional dishes like kimchi, bulgogi, and bibimbap garnered attention in Western markets, driven by a rising interest in fermented and healthy foods. The health benefits of these dishes—such as the probiotics in kimchi, the balanced nutrients in bibimbap, and the distinctive marinade of bulgogi—have successfully appealed to health-conscious consumers, making them staples in supermarkets and restaurants, especially in the US and Europe.

Recently, convenient and easy-to-prepare K-food items like ramen, gimbap, and tteokbokki have seen a surge in global popularity. These products have captured the attention of younger consumers and busy individuals, thanks to their delicious flavors and affordability. The global rise of K-pop and K-dramas has also fueled international interest in experiencing the foods featured in these shows, further driving demand for K-food. Widely available

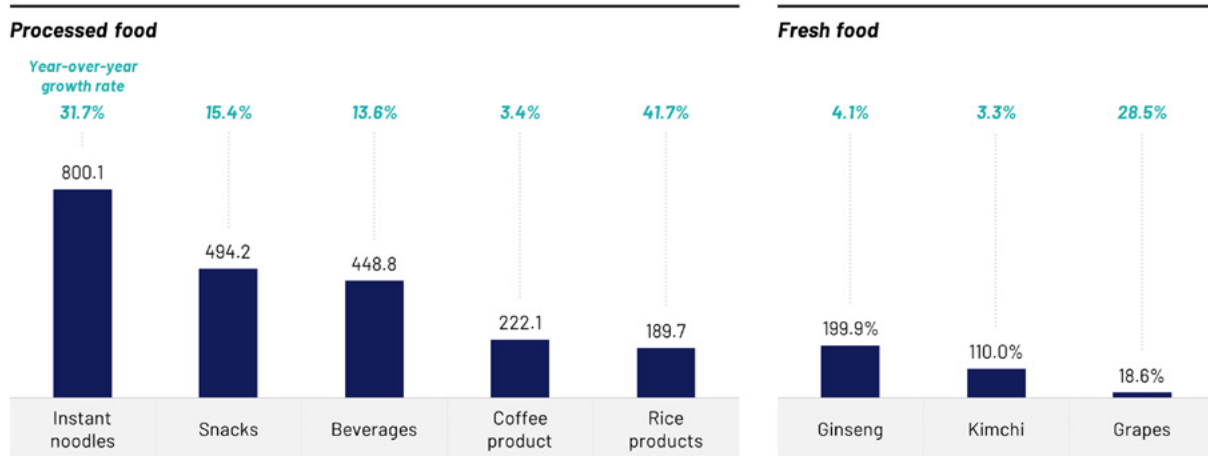
in local supermarkets, these products offer simple yet authentic K-food flavors, benefiting from the accessibility and convenience that modern consumers value. Consequently, while traditional Korean cuisine continues to thrive in health-focused markets, convenience foods have become particularly popular with younger generations and urban consumers seeking quick, flavorful meal options.

This article explores the growth potential and sustainability of K-food by examining three key aspects: the changing dynamics of K-food's expansion, the growing global appeal of spicy flavors, and the rise of health-conscious food trends. K-food consumption patterns vary depending on economic and cultural contexts, and with the worldwide spread of Hallyu (the Korean Wave), consumers are discovering K-food in increasingly diverse ways. By analyzing these shifts in consumer behavior, we aim to forecast K-food's future development and highlight its value as a sustainable and culturally significant culinary trend.

2. NEW HORIZONS FOR K-FOOD: FROM PREMIUM WELLNESS CUISINE TO MAINSTREAM DINING, HALLYU & SOCIAL MEDIA

[Figure 1] Performance by Key Item (2024.1.1~8.31)

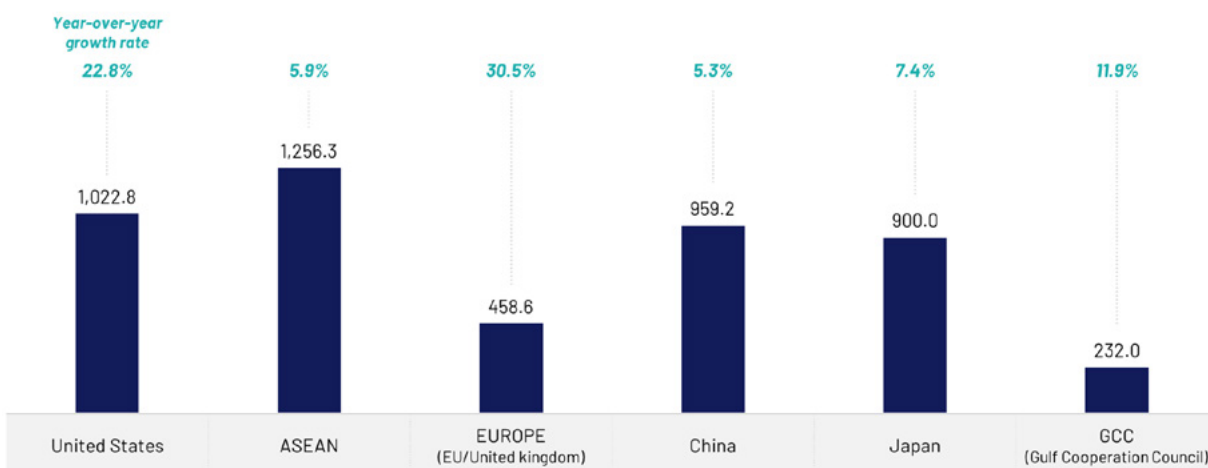
[Unit: million dollars, %]



Source: Ministry of Agriculture, Food and Rural Affairs (MAFRA)

[Figure 2] K-Food Export Value and Growth Rate by Major Market (2024.01.01~08.31)

[Unit: million dollars, %]



Source: Ministry of Agriculture, Food and Rural Affairs (MAFRA)

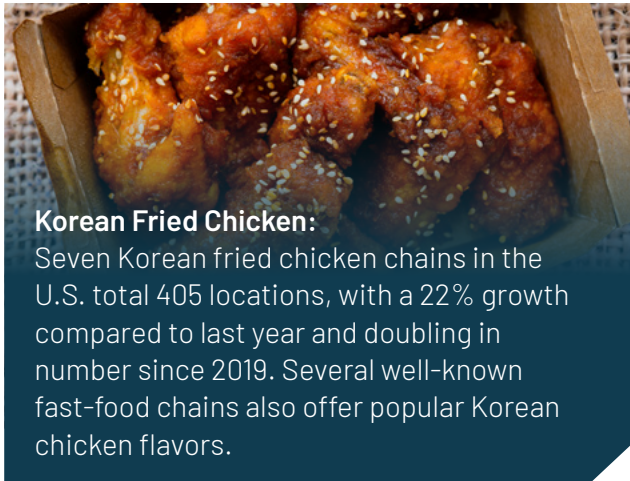
Recent consumption trends for K-food in both domestic and international markets are undergoing notable changes. In global markets, particularly in developed countries, there is a growing demand for premium, health-conscious Korean cuisine, driven not only by high-income individuals but also by consumers who prioritize well-being. Upscale Korean restaurants are gaining popularity by offering premium dishes that reinterpret traditional recipes with a modern twist. The positive reception of low-sodium and low-calorie menus made with fermented foods, especially among health-conscious domestic consumers, highlights the ongoing premiumization and wellness-oriented evolution of Korean cuisine.

At the same time, casual K-food menus that cater to a wide range of economic groups are making inroads into mainstream markets. This trend suggests that Korean food is transitioning from being viewed as a foreign specialty to becoming a regular dining option. Additionally, the affordability of K-food appears to be a key factor that appeals to consumers looking to save on dining out. The growing presence of Korean restaurants and food channels in regions such as the US, Europe, and Japan exemplifies the diminishing barriers to K-food, significantly enhancing opportunities for global consumers to experience it. According to Circana's 2024 report, the number of Korean restaurants in the US has increased by 10% year-over-year.

By shifting the focus to individuals and delving into specific ESG issues, I believe we can uncover new avenues for improvement in the existing conceptual framework and approaches. While the level of discourse on ESG in Korea is relatively low and there are numerous political and social challenges surrounding it, we cannot afford

to ignore these issues. In particular, global challenges such as environmental pollution and climate change induced by carbon emissions cannot be postponed any longer. I hope to see more discussions on implementing ESG practices in Korea.

[Figure 3] K-Food in the U.S.



Source: Circana trend report (2024)

The global expansion of K-food is greatly influenced by the role of Hallyu content. Media such as Korean dramas, entertainment shows, and YouTube videos not only introduce the cooking process and cultural background of K-food to a global audience but also provide

consumers with opportunities to experience K-food indirectly. Hallyu content goes beyond just showcasing food; it naturally conveys Korea's unique food culture and culinary philosophy, helping to foster a deeper understanding of K-food.

[Figure 4] Culinary Class Wars



For example, Culinary Class Wars, which topped Netflix's non-English TV content rankings worldwide for three consecutive weeks, played a key role in introducing the creativity and diversity of Korean cuisine, or Hansik, to a global audience. The program highlights how Korean cuisine can evolve on the global stage through modern reinterpretations and fusion dishes, rather than just showcasing traditional dishes like kimchi, bibimbap, and bulgogi. In doing so, it created a connection between international culinary trends and Korean cuisine, helping to convey the appeal of Korean food to a broader audience.

K-food is also spreading rapidly on social media. The hashtag #KoreanFood has been mentioned millions of times, significantly increasing its global recognition. In particular, "Mukbang" content presented by Korean YouTubers has gained immense popularity worldwide,

showcasing the diverse menus and cultural values of Korean food to international viewers. This content helps position K-food not just as food, but as a cultural "experience," sparking curiosity and boosting consumer engagement with Korean cuisine.

The expansion and changing perception of K-food result from a complex interplay of cultural and economic, communication environmental factors. Alongside the growth of premium Korean cuisine, Korean food has become a regular dining option that is well-received both in Korea and abroad. With its unique flavors and health benefits, K-food has significant potential for diverse development, both domestically and internationally. Based on this, it is expected to strengthen its position in the global culinary market.

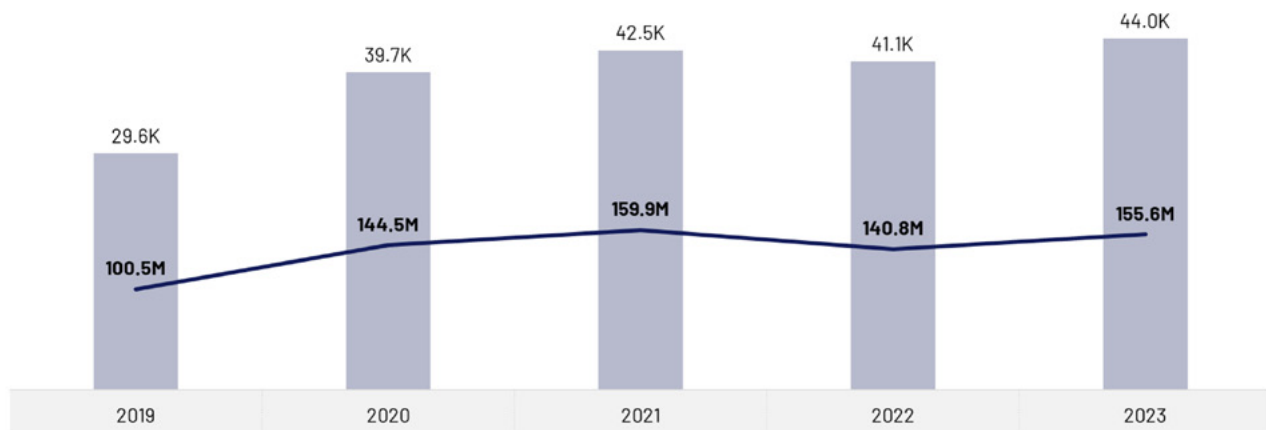


3. K-FOOD'S CURRENT STATUS: EXPANSION OF PRODUCT LINES (HEALTHY & CONVENIENT FOODS, SPICY CRAZE)

[Figure 5] Expansion from traditional Korean cuisine to healthy and convenient meals

Kimchi Export Volume Trend

[Unit: t, US\$]



Source: Korea Customs Service

As health and environmental awareness increases, in developed countries, K-food is evolving to reflect vegan and health food trends. In Europe, in particular, health-conscious Korean food products like vegan kimchi are gaining attention, representing a reinterpretation of traditional Korean cuisine as a health food. Since 2022, major supermarket chains in the UK have begun selling vegan kimchi, and it has been very well-received by health-conscious consumers. Vegan kimchi offers a suitable option for vegan consumers as it maintains a deep, rich flavor without using any animal products (such as fish sauce) during the fermentation process. Freeze-dried kimchi blocks, a tailored strategy for the

European market, are being exported and are significantly contributing to export growth. The freeze-drying method preserves the flavor and nutrients of kimchi while making it more accessible to consumers trying it for the first time. This shift suggests that Korean food is establishing itself as a sustainable option that considers both health and the environment.

The demand for healthy food is not limited to kimchi in the case of K-food. Various categories of K-food, which address health concerns while offering the convenience of easy preparation and consumption, are emerging as strong followers and making their mark in international markets.

[Figure 6] Korean Frozen Kimbap

Export countries for frozen kimbap:

United States, Canada, Australia, Japan, Taiwan, Singapore, Thailand, Hong Kong, Mongolia, Indonesia, Cambodia, Qatar, Kuwait, United Arab Emirates, United Kingdom, France, Germany, Austria, Belgium.

> Expanded to 19 export countries

Source: Korea Customs Service

Frozen kimbap, a vegan product made with plant-based ingredients to replace animal-based ones that are difficult to export, began selling in the US in August 2023, and the initial shipment of 50 tons sold out in less than a month. K-content on Netflix, where kimbap frequently appeared, played a role in boosting the popularity of frozen kimbap. Influencers' videos on social media further fueled curiosity among American consumers. While this trend started in the US, interest in kimbap is now growing in Europe, Southeast Asia, and the Middle East.

Why has frozen kimbap become so popular? Above all, it's because it's a convenient and nutritious health food that fits the modern lifestyle. Kimbap has gained popularity as a healthy, well-balanced meal, offering a good mix of nutrients thanks to its core ingredients of seaweed and rice, complemented by various vegetables and protein. However, for consumers who didn't have easy access to Korean restaurants or grocery stores, trying kimbap was difficult, and preparing it at home was also a hassle.

Frozen kimbap removed these barriers. As a convenient and healthy food, it fits well with the handheld food culture, offering a quick and easy meal solution. Unlike other meals that are bulky or require elaborate preparation, it can be eaten in one bite. Additionally, frozen kimbap is a low-calorie meal (around 300 kcal) and is made with seasoned tofu, burdock root, japchae, and other ingredients, without using animal products like meat, ham, or eggs. These frozen kimbap are

offered at a more affordable price (around \$3.99) compared to locally sold kimbap (priced between \$7 and \$12), which has also contributed to their price competitiveness and influenced consumer choices.

While it may look like a simple roll of kimbap, it incorporates several advanced technologies. Thanks to rapid freezing technology, which minimizes moisture evaporation, the frozen kimbap retains over 90% of the texture of fresh kimbap. A specialized container was also developed with spaces between each roll of frozen kimbap to ensure even heating in the microwave in just 3 minutes. These innovative food-tech applications in frozen kimbap suggest the potential for more food-tech integrated products in the future.

K-food, adapted to modern food and beverage culture, is not only gaining popularity through specific products but is also leading to a shift in the overall perception of Korean cuisine. Korean cuisine, which is centered around fermentation and vegetables, is receiving positive feedback from vegan, flexitarian, and eco-conscious consumers. The sustainable characteristics of Korean food are expected to gradually become a significant consumer trend. With the development of various K-food products such as vegan kimchi, vegan bulgogi, and plant-based fermented sauces, K-food is likely to continue appealing not only to health-conscious consumers but also to environmentally conscious ones.

Spicy Craze

K-food's spicy flavor is gaining global popularity, with Buldak Ramen leading the charge. This intensely spicy noodle dish has become a huge hit among global consumers who enjoy a challenging spicy taste, helping to establish K-food's new global identity. The spicy flavor craze has gone beyond just being a taste characteristic, turning the unique spiciness of Korean cuisine into a core element of K-food. So, what propelled Buldak Ramen to global popularity and boosted Korea's noodle exports?

First, consumer participation and media influence played a significant role. In addition to its inherent appeal, Buldak Ramen began spreading rapidly through social media platforms

like YouTube. Its extreme spiciness made eating it a challenge in itself, and the "Fire Noodle Challenge" gained traction after YouTube star Korean Englishman Josh posted a video of himself trying Buldak Ramen. If you search for "Korean food mukbang" on YouTube today, you'll find countless videos featuring Buldak Ramen. Earlier this year, a famous American female rapper posted a video of herself eating Buldak Ramen, which garnered 32 million views in just one month and even led to a shortage of the product. Additionally, in June, the New York Times reported on the shortage of Buldak Ramen in major US retailers and Korean grocery stores, further contributing to its popularity. This frequent media exposure fueled curiosity among foreign consumers.

[Figure 7] Buldak Ramen on YouTube



Second, a crucial factor in Buldak Ramen's success both domestically and internationally is its "localization" strategy. In short, this means considering the preferences of consumers in each country and offering a variety of flavors tailored to local markets. Buldak Ramen wasn't just one flavor; it offered multiple options to satisfy diverse consumer tastes, contributing to its widespread popularity in different countries. For the Japanese market, Yakisoba Buldak Ramen reflects the traditional noodle dish style favored by Japanese consumers, achieving a balance of spiciness and the savory flavor of fried noodles. In the Thai market, a product that

captures the flavor of mala—the spicy taste of Sichuan province—combined Buldak Ramen's signature heat with unique spices, appealing to local palates. In the Americas, including the U.S., "Habanero Lime Buldak Ramen" was introduced. The Americas have a strong culture of pairing hot sauces with food, and among these, habanero sauce is a popular choice in the U.S. This product combined the intense heat of habaneros with the refreshing taste of lime, catering to American consumers' preferences. As American cuisine often incorporates lime or lemon juice, this product resonated naturally with local tastes and quickly gained significant popularity.

Third, Buldak Ramen gained immense popularity through its marketing strategy, which incorporated an element of “play.” In China and Southeast Asia, Samyang Foods organized events such as “Buldak Go to School” and the “Buldak School Road Show,” where they visited high schools and universities to offer Buldak tastings and spicy noodle eating competitions. These fun experiences attracted the attention of young people and quickly became hot topics on social media in each country. Additionally, the “ME WE PLAY BULDAK” dance challenge, featuring music composed by NewJeans’ main producer and choreography performed by a girl group, was launched across nine countries, including Korea, China, and Southeast Asian nations, primarily on TikTok. The challenge garnered over 700 million views and nearly 50,000 participants.

CONCLUSION

K-food is evolving from traditional cuisine into a global culinary culture that incorporates modern elements. Its perception and consumption patterns are shifting in response to changes in consumers’ economic and cultural factors. Additionally, K-food, reflecting trends in spicy foods and health-conscious eating, has significant potential for further growth in the global market.

The continued growth of K-food, both domestically and internationally, is driven by a complex interplay of economic and cultural factors. In Korea, there is a growing demand for upscale, health-conscious Korean cuisine among high-income earners and wellness-focused consumers. Modern reinterpretations of traditional recipes are proving especially popular. Overseas, casual K-food menus catering to a wide range of economic groups are gaining traction. The popularity of Hallyu content, such as K-pop and K-dramas, is fueling increased interest in K-food. As the number of Korean restaurants in the US, Europe, and Japan rises, K-food is experiencing dual growth, becoming both more upscale and more mainstream, which is contributing to its widespread popularity among global consumers.

The development of Hallyu content and media has played a significant role in the global spread of K-food. Korean dramas and YouTube content have introduced the preparation process and cultural background of K-food to global audiences, giving consumers the opportunity to experience it firsthand. Additionally, K-food is being positively received by overseas consumers due to the health benefits of spicy and fermented foods, which is helping to establish K-food’s distinct personality and identity.

In response to evolving health-conscious consumer trends, K-food has expanded its offerings to include healthy and convenient options such as vegan kimchi and frozen kimbap. These innovations have been well received by global consumers who value environmentally friendly and sustainable consumption. Particularly popular products like Buldak Ramen have gained worldwide attention through localization strategies and effective media marketing.

K-food is not just limited to traditional Korean dishes; it holds the potential to evolve into a sustainable food culture that emphasizes health and environmental consciousness. For K-food to be more deeply experienced on the global stage, further in-depth research and analysis are needed. Through this, Korean cuisine can establish itself as a representative global culture. Now is the time to understand consumer expectations for K-food and to consider its sustainable, future-oriented development in response to these changes.



AI: FROM DATA TO INSIGHTS



AI:

FROM DATA TO INSIGHT USING MULTI-AGENT AI SYSTEM



JEONGHO SHIN

Project Manager
Ipsos Data Science Korea



SUHYUN SUL

Research Manager
Ipsos Healthcare Korea

1. THE NEED FOR MULTI-AGENT AI SYSTEM IN MARKETING RESEARCH

Two years after ChatGPT's release, companies are utilizing generative AI as a tool for innovation across their businesses, fundamentally changing how people work.

The marketing research industry is no exception. According to an internal survey conducted by Ipsos Korea in August 2024, 74.4% of respondents reported using conversational AI services like Ipsos Facto in their work. They used AI for survey translation and grammar review (82.5%), market and industry background research (56.1%), and open-ended response analysis (40.4%). 82.5% of all respondents reported improved work productivity.

Despite these achievements, generative AI is not yet fully utilized across research work processes. These limitations can be attributed to three main factors. First, while conversational AI services are effective for simple task processing through human-AI interaction, they are limited in supporting the overall research workflow and decision-making process. Second, pre-trained AI models have limitations in understanding the specific context and background of individual

projects, restricting their practical analytical support. Third, ensuring result reliability is difficult due to hallucination, where AI generates non-factual or inaccurate information as if it were true.

The Concept of Multi-Agent AI System

Multi-agent AI systems operate similarly to agile organizations, where multiple independent agents cooperate to achieve common goals. Just as experts in a Scrum Team collaborate toward sprint goals, specialized AI agents work autonomously while maintaining close communication and collaboration to effectively complete complex projects.

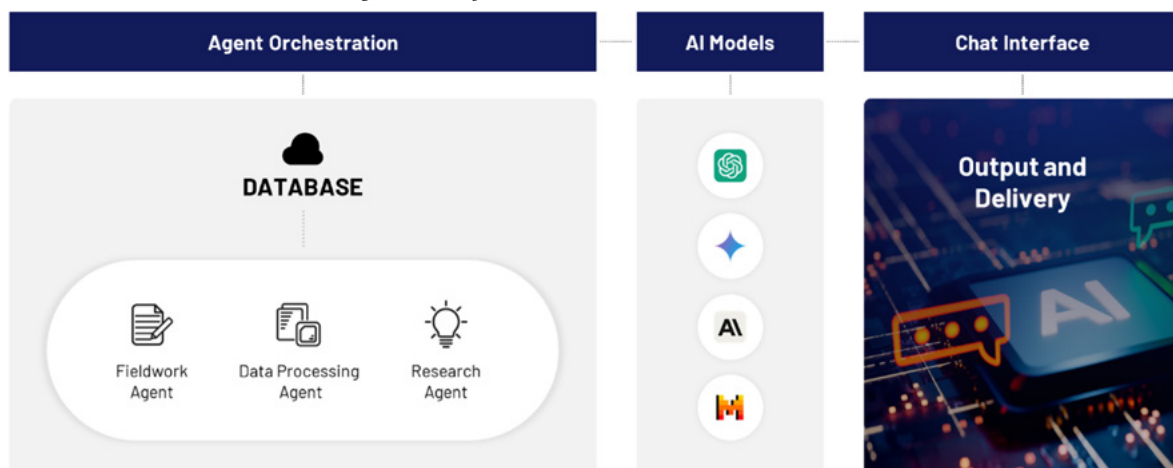
This seamless collaboration among specialized AI agents transcends the limitations of single AI systems. It can understand and manage the end-to-end workflow of the research process, perform in-depth analysis tailored to project characteristics, and derive more effective problem-solving solutions.

The basic structure of a multi-agent AI system is shown in Figure 1. Under the overall management of Agent Orchestration, three agents in the database area (Fieldwork, Data Processing, Research) collect and process data, and the results analyzed through central AI models are delivered via Chat Interface. This functions

similarly to how experts collaborate organically under a project manager's supervision.

In this article, we examine how to effectively implement multi-agent AI systems in research processes, using brand tracking studies as a case example.

[Figure 1] Framework of Multi-Agent AI System



2. BEYOND SURVEYS: HOLISTIC INSIGHTS FROM BRAND TRACKING AND EXTERNAL DATA

Definition and Importance of Brand Tracking Studies

Brand tracking studies are regular surveys that measure and analyze key indicators such as brand awareness, preference, and image to track brand performance. These studies enable companies to diagnose brand competitiveness and optimize their brand strategies by quickly detecting shifts in consumer perceptions in response to market changes.

Brand tracking studies are essential activities for companies pursuing long-term business performance through brand equity building. Aaker (1991) defines brand equity as “a strategic asset formed by consumer perceptions, attitudes, and behaviors,” emphasizing that this asset ultimately drives financial performance. Keller (1993) also argues that “brand equity is a crucial factor influencing consumer purchase decision-making processes, requiring proactive management to maximize brand value.

Additionally, Srivastava (2016) conducted an in-depth analysis of the relationship between brand equity management and corporate performance in the digital age. He emphasized the financial impact of brand equity on corporate profitability, growth rate, and shareholder value creation. His research revealed that companies can secure long-term competitive advantages, particularly by enhancing brand-consumer interactions in the digital environment.

Given the importance of brand equity, companies need to continuously monitor consumer perceptions through brand tracking studies. These insights enable them to develop effective brand management strategies and secure competitive advantages.

Brand Equity Measurement Indicators and Strategic Utilization

Brand tracking studies are used to measure and analyze the key components of brand equity. Figure 2 shows the main measurement indicators and utilization methods of brand tracking studies.

[Figure 2] Brand Tracking Study Indicators and Utilization

Measurement Area	Measurement Indicators	Analysis Application
Brand Awareness	Top of Mind Awareness Unaided Awareness Aided Awareness	Expand opportunities for purchase consideration Develop new customer acquisition strategies Measure marketing communication effectiveness
Brand Association/Image	Brand Attributes Brand Personality Brand Values	Develop differentiated positioning strategies Set brand communication direction Analyze strengths and weaknesses vs. competition
Perceived Quality	Product/Service Quality Evaluation Reliability Performance Excellence	Justify premium pricing Identify brand extension opportunities Determine quality improvement strategies
Brand Loyalty	Repurchase Intention Net Promote Score	Develop customer retention strategies Predict profitability Optimize marketing efficiency
Market Segmentation	Demographic Characteristics Purchase Behavior Patterns Lifestyle	Define target market segments Develop targeted marketing strategies Identify emerging market opportunities

The Value of Integrating Survey Data with External Data

Brand tracking studies are essential tools for measuring changes in consumer perceptions and attitudes. However, consumer experiences with brands are formed through complex interactions of various factors, making it difficult to accurately identify the drivers of change using brand metrics alone. Therefore, integrating brand tracking data with various external data sources is essential to maximize its analytical value.

Figure 3 shows key external data sources for brand performance analysis. For example, when a decline in brand awareness is detected,

its root causes can be accurately diagnosed by correlating it with competitors' marketing expenditure data, TV/digital advertising share, and product launch status. Additionally, analyzing brand preference trends alongside consumer price index, consumer sentiment index, and social media trend data can provide detailed insights into the impact of external environmental changes.

The integration of brand tracking data with external data enables a multidimensional understanding of market environment and consumer behavior changes. This holistic approach provides a robust foundation for developing competitive brand strategies.

[Figure 3] External Data Types and Usage Purposes for Brand Performance Analysis

Measurement Area	Measurement Indicators	Analysis Application
Competitive Market Data	Competitor Marketing Activities Market Share Performance New Product Launch Activities	Analyze competitive landscape dynamics Identify market opportunities and threats
Macroeconomic Indicators	Gross Domestic Product (GDP) Inflation and Unemployment Rates Exchange and Interest Rates	Assess macroeconomic impact on brand performance Develop demand forecasting models
Consumer Behavior Data	Social Media Sentiment and Engagement Search Term Analytics Consumer Purchase Behavior	Generate actionable consumer insights Identify emerging consumer trends and behaviors

3. ENHANCING BRAND TRACKING WITH MULTI-AGENT AI: A FRAMEWORK FOR INTEGRATION

Multi-Agent AI System for Brand Tracking Studies

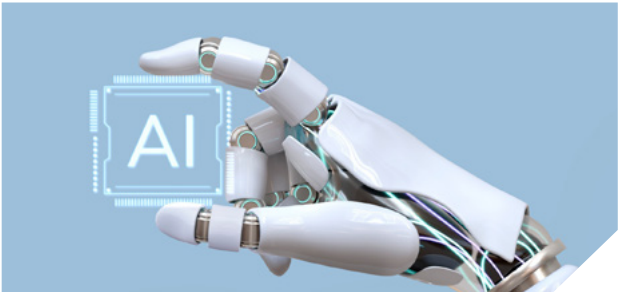
Multi-Agent AI System for Brand Tracking Studies While the adoption of generative AI is expanding to address these challenges, current conversational AI services still show structural limitations. Chat-based interfaces prove effective for one-time analyses but fall short for brand tracking analysis, which demands continuous data integration and complex workflow management. Specifically, these systems struggle to consistently handle sophisticated tasks such as real-time external data integration, time series analysis, and pattern detection in changing data.

While the use of generative AI is expanding to address these challenges, current conversational AI services still show structural limitations. Chat-based interfaces are useful for one-time analysis but are not suitable for brand tracking analysis that requires continuous data integration and complex workflow management. In particular, it is difficult to consistently handle complex tasks such as linking various external data in real-time, performing time series analysis, and detecting patterns of change.

To address these limitations, implementing a multi-agent AI system becomes essential. For

brand tracking studies, this system comprises three specialized agents: the Data Management Agent for data handling, the Analysis Engine Agent for computational processing, and the Insight Generation Agent for strategic interpretation.

These agents collaborate systematically to perform brand tracking analysis. First, the Data Management Agent collects, cleanses, and integrates brand survey data and external data into structured analytical datasets. Next, the Analysis Engine Agent conducts in-depth analysis of trends and patterns in key indicators, deriving meaningful results through time series and comparative analyses. Finally, the Insight Generation Agent synthesizes the analytical findings into actionable strategic recommendations to support decision-making. Figure 4 illustrates the specific composition and functional roles of each agent in the multi-agent AI system.



[Figure 4] Components and Functional Roles of Multi-Agent AI System

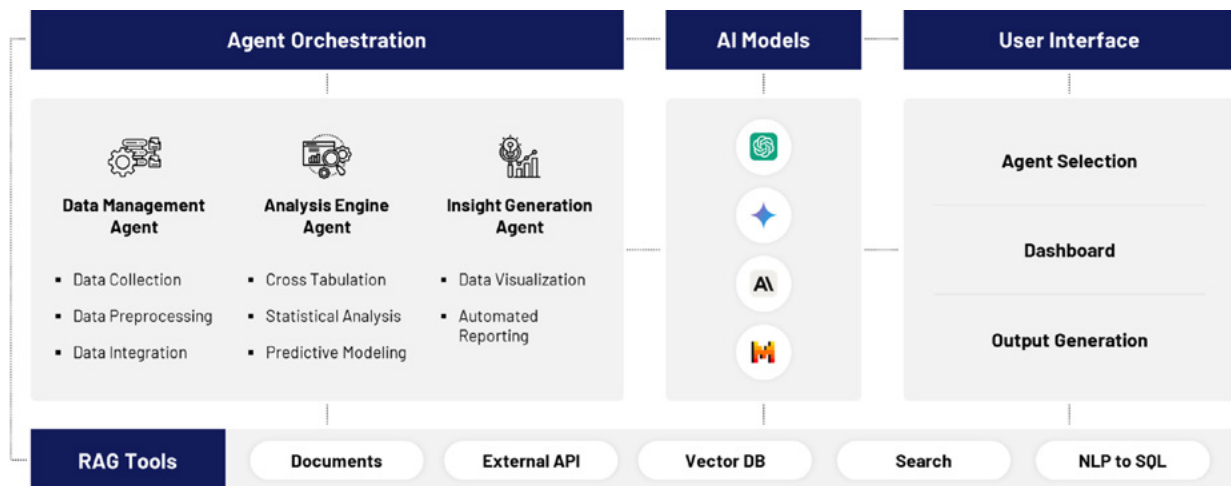
Measurement Area	Measurement Indicators	Analysis Application
Data Management Agent	Data Collection and Preprocessing Data Quality Management Data Integration	Cross-source Data Standardization Missing Value/Outlier Detection and Treatment Data Integrity Validation
Analysis Engine Agent	Statistical Analysis Pattern Recognition Predictive Modeling	Brand Performance Metrics Analysis Consumer Behavior Analytics Market Trend Forecasting
Insight Generation Agent	Data Visualization Automated Report Generation	Interactive Dashboard Development Strategic Insights and Recommendations Generation

Designing Multi-Agent AI System Framework for Brand Tracking

Implementing an effective multi-agent AI system requires sophisticated framework design. Figure 5 presents the comprehensive framework

of a multi-agent AI system for brand tracking studies. This framework demonstrates the integrated architecture centered on agent orchestration, AI Models, and user interface components, illustrating both individual agent functionalities and their systematic interactions.

[Figure 5] Multi Agent AI System Framework for Brand Tracking Study



The framework comprises three key components with distinct roles and interactions. The Data Management Agent functions as the foundational infrastructure layer. This agent collects diverse data sources including brand tracking surveys, social media analytics, and market trend indicators and transforms them into standardized analytical formats through robust data quality management protocols.

Next, the Analysis Engine Agent conducts multidimensional analysis of the preprocessed data. Through multivariate statistical analyses, it evaluates fundamental brand performance metrics. The agent employs natural language processing technologies for consumer sentiment analysis, while also identifying key influence factors through correlation analysis between brand indicators and external variables.”

Finally, the Insight Generation Agent transforms analytical outputs into actionable strategic recommendations. It develops interactive visualization dashboards and synthesizes comprehensive insights. At the core of this integrated process, AI Models facilitate natural

language interactions between users and agents, enabling streamlined orchestration and execution of complex analytical workflows.

Operating System of Multi-Agent AI Systems

The seamless collaboration and efficient operation among agents rely on two fundamental concepts: Agent Orchestration and RAG (Retrieval Augmented Generation, a method for enhancing AI outputs with retrieved contextual information).

Agent Orchestration functions as the central coordinator of the entire analytical process. It determines the sequence and priorities of each agent’s tasks, controls the data flow between agents, and optimizes overall system efficiency. This orchestration process is analogous to a symphony conductor who coordinates the timing and volume of each section to achieve overall harmony.



RAG enhances the analytical sophistication of brand tracking studies. This technology operates in three phases: retrieving relevant information from databases, augmenting it with current data through contextual integration, and generating enriched insights through comprehensive analysis.

For example, when Brand A experiences a 15% decrease in preference among female customers aged 20-30 compared to the previous quarter, RAG technology first retrieves historical precedents of similar preference declines, along with contemporary consumer trends and competitive activity data. This historical data is synthesized with current market conditions, consumer behavior patterns, and seasonal variables to enhance analytical granularity. Finally, RAG leverages this integrated dataset to identify key drivers of preference decline and formulate effective response strategies based on validated historical success cases.

Considerations for Building and Operating Multi-Agent AI System

Key Considerations for Building and Operating Multi-Agent AI Systems The successful deployment of a multi-agent AI system requires rigorous governance in two critical domains: data quality management and system operations. Data quality management ensures operational stability, while system operations maintain processing accuracy, collectively enhancing the system's overall performance, reliability, and scalability.

Data quality management forms the foundation of the system's architecture. This encompasses establishing robust standards for cross-source data integration, defining data aggregation cycles, standardizing metric computation methodologies, and implementing consistent protocols for handling missing values. The framework requires systematic evaluation and refinement whenever research design modifications occur.

From an operational standpoint, the system demands comprehensive knowledge of both business domains and AI technologies. This expertise serves as a critical foundation for mitigating potential risks in agent interactions and precisely defining business requirements for optimal prompt engineering.

Furthermore, the development of LLM-optimized data processing strategies represents a critical consideration. While LLMs demonstrate superior capabilities in text processing, they face significant constraints when interpreting complex data structures, particularly cross-tabulation tables. The risk of hallucination increases substantially with multiple categorical variables or complex hierarchical structures. Addressing these limitations requires sophisticated technical approaches, including data transformation into structured sequential formats and the implementation of specialized auxiliary models for tabular data analysis.

4. A COLLABORATIVE FUTURE: AI + HI FOR BRAND TRACKING EXCELLENCE

Brand tracking studies serve as critical instruments for measuring and managing brand equity, a fundamental driver of long-term business performance. Key brand metrics including awareness, image, perceived quality, and loyalty achieve optimal analytical value when correlated with diverse external data sources. However, traditional analytical frameworks have shown inherent limitations in their capacity to effectively integrate and analyze these multidimensional datasets.

Multi-agent AI systems offer a comprehensive framework for addressing these limitations. Agent Orchestration technology enables systematic management of analytical processes, while RAG technology facilitates contextual data interpretation to generate actionable insights. The automated integration of cross-source data not only enhances operational efficiency but also significantly strengthens analytical precision and result reliability.

These advancements represent a transformative shift in the marketing research industry. While AI systems manage data processing and foundational analytics, researchers can focus on their core strengths: generating strategic insights and creating substantive value. This evolution transcends conventional data-driven decision-making, moving toward an integrated AI+HI (Artificial Intelligence + Human Intelligence) framework that synergizes AI's analytical capabilities with human strategic insight. Consequently, brand tracking studies will deliver more nuanced, comprehensive, and actionable insights for strategic decision-making.



REFERENCES

1. Ipsos Global Trends 2024
2. Ipsos Korea [Ipsos Market Trends 2025] Oct. 2024
3. Ipsos, [Home Appliances Subscription Market Research] 2024.09.13
4. Ipsos, [FoD Market Study] 2024.07.02
5. Ipsos, [ESG: MAKE A DIFFERENCE] 2023.06.12
6. Senior Insight Lab, Home Meal Replacement Usage Survey, 2021
7. Seoul Metropolitan Office of Education, Seoul Student Values Survey Research, 2023
8. Dietary Planning for Health Survey 2024, College Tomorrow 20s Research Institute, 2024
9. Trend Monitor, Fandom Culture Survey, 2021
10. KT Economic Research Institute, [The Korean subscription market] 2024
11. LG Electronics, [2023 business report] 2023
12. KATECH Industry Trend Vol.92, [The Subscription Economy Penetrating the Automobile Industry] 2022.04.25
13. Green Peace, 'What is ESG reporting and why is it important? Understanding the global mandatory ESG reporting.' 2023.07.31
14. Hwang, In Chang, Kim KoUn, Baek Jong-Rak, Yi Yoon-Hye (The Seoul Institute), [Environmental, Social, and Governance: Public Policy Perspective] 2022.12.29
15. Kang, Eunyoung (Statistics Research Institute), [A Basic Study on developing ESG Statistics] 2024.04
16. Naver Datalab Search Trend
17. Talman, Kristen (BBC News), 'How 'ESG' came to mean everything and nothing' 2023.11.15
18. The Korea Chamber of Commerce and Industry's Press release, [Assessment of export companies' readiness for supply chain ESG due diligence] 2022.07.18
19. Yoon, Jinsoo, 'Recommendations for promoting corporate social responsibility in SMEs,' [CGS Report] (vol. 3-6) 2013.03.29
20. Ministry of Agriculture, Food and Rural Affairs (MAFRA)
21. Circana trend report (2024)
22. Korea Customs Service
23. Aaker, D. A. (1991). Managing brand equity: Capitalizing on the value of a brand name. The Free Press.
24. Colson, E. (2019, July 8). What AI-driven decision making looks like. Harvard Business Review. 37. Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. Journal of Marketing, 57(1), 1-22.
25. Srivastava, R. K. (2016). Aligning marketing-based assets to drive financial performance. International Journal of Research in Marketing, 33(3), 404-421.
26. Wooldridge, M. (2009). An introduction to multiagent systems (2nd ed.). Wiley

ABOUT IPSOS

Ipsos is the world's third largest market research company, present in 90 markets and employing more than 18,000 people.

Our passionately curious research professionals, analysts and scientists have built unique multispecialist capabilities that provide true understanding and powerful insights into the actions, opinions and motivations of citizens, consumers, patients, customers or employees. We

serve more than 5000 clients across the world with 75 business solutions.

Founded in France in 1975, Ipsos is listed on the Euronext Paris since July 1st, 1999. The company is part of the SBF 120 and the Mid-60 index and is eligible for the Deferred Settlement Service (SRD).

ISIN code FR0000073298,
Reuters ISOS.PA,
Bloomberg IPS:FP
<https://www.ipsos.com>

GAME CHANGERS

In our world of rapid change, the need for reliable information to make confident decisions has never been greater.

At Ipsos we believe our clients need more than a data supplier, they need a partner who can produce accurate and relevant information and turn it into actionable truth.

This is why our passionately curious experts not only provide the most precise measurement, but shape it to provide a total understanding of society, markets and people.

To do this we use the best of science, technology and know-how and apply the principles of security, simplicity, speed and substance to everything we do.

So that our clients can act faster, smarter and bolder.

Ultimately, success comes down to a simple truth:

You act better when you are sure.

IPSOS FLAIR COLLECTION

SOUTH KOREA 2025

SHIFTS AND EXPLORATIONS

Decoding Emerging Trends
and Opportunities

CONTACT US

For more information

✉ eunhae.yoo@ipsos.com

For more insights

🌐 ipsos.com

 [Ipsos Korea](#)

 [Ipsos Korea](#)

View the full Ipsos Flair collection

🌐 www.ipsos.com/en/flair-collection