VisitBritain VisitEngland

Market and Trade Profile: South Korea

October 2021

Destination Bristol ©Gary Newman

Overview

- **'Chapter 1: Inbound market statistics'** provides insights on key statistics about South Korean travellers, where they are going, and who they are. It also takes a look at Britain as a destination and its competitive set.
- **'Chapter 2: Experiences and perceptions'** features details about what visitors from South Korea are likely to do in the UK, how they felt during their visit to the UK, and whether they would recommend a stay there to their acquaintances. Perceptions of Britain held by South Koreans in general are also highlighted.
- **'Chapter 3: Understanding the market'** takes a close look at consumer trends in South Korea, and the booking, planning and further travel behaviour of this source market. Some details on how to best reach South Korean consumers are indicated, too.
- **'Chapter 4: Access and travel trade'** shows how people from South Korea travel to the UK, how to best cater for their needs and wants during their stay, and gives insights into the South Korean travel trade. Further ways of working with VisitBritain and other useful research resources are pointed out in the appendix.

Please note that the majority of this report refers to the market conditions for travel from South Korea to the UK prior to the COVID-19 pandemic, and gives some insight on changes which have resulted from the crisis. An international recovery sentiment tracking survey is available.

Contents

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How to use this document

- VisitBritain's Market Profiles are intended as **comprehensive summaries** of available data and insights for key inbound markets to the UK.
- Data is provided in as much detail as possible, across a range of topics. They are best used as **reference documents**, rather than being read from start to finish. For further information on a market, please consult the links in the Appendix.
- To help the reader to find data which will be helpful to them, we have used signposting and summaries throughout.
- To read key summary data points about this market, turn to the Executive Summary.
- Within each Chapter, there are **summary slides** to introduce data on the following slides.
  - **Chapter 1** summaries: 1, 2, 3
  - **Chapter 2** summaries: 1, 2
  - **Chapter 3** summaries: 1, 2, 3, 4
  - **Chapter 4** summaries: 1

Executive Summary

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1: Inbound market statistics

Chapter summary

- In 2019, South Korea was ranked as the 9th most valuable outbound market globally, with travellers spending US$32.7 billion abroad.
- Nights and spend from South Korea in the UK grew from 2018-2019. There were 183% more visits to the UK by South Koreans in 2019 vs. 2009, and 193% more spending within the same period.
- The UK was their 6th most visited destination in Western Europe in 2019, after Spain, the Czech Republic, France, Germany, and Austria.
- South Korea was the UK's 27th largest source market by volume and 28th most valuable for visitor spending in 2019. Average spend per visit from South Korea was 36% higher than the global average for all visits to the UK in the same year.
- South Koreans are similarly likely to visit the UK in spring (28%) or summer (26%) and demonstrate slightly more even seasonal spread than the all-market average.
- Due to the COVID-19 pandemic, visits to the UK from South Korea declined by 71% in 2020. Also, in Q1 2021, there were 99% fewer visits from South Korea than there were in the same period in 2020*. Visits are forecasted to recover to 2019 levels by 2026.

Source: UNWTO, Oxford Economics, International Passenger Survey by ONS *very small sample, air departures only. Market-level inbound statistics have not been produced for full-year 2020; see p. 11 for more.

9th

South Korea's 2019 ranking for international tourism expenditure

2: Experiences and perceptions

Chapter summary

- South Koreans demonstrate positive perceptions of the UK – ranking it 4th out of 50 nations for overall brand.
- A majority of South Korean holiday visitors choose Britain as a destination because of its cultural attractions. South Koreans have a high opinion of British culture, ranking sport and contemporary culture 3rd out of 50 nations.
- South Korean's top activities while visiting the UK are dining in restaurants, sightseeing famous monuments/buildings, and shopping. Compared to other markets, they particularly favour museums, art galleries, guided tours, and the performing arts. However, they under-index on outdoor and sporting activities.
- A potential trip to the UK is most likely to be described by South Koreans as educational and romantic.
- 98% of departing holiday visitors from South Korea were either 'extremely likely' or 'likely' to recommend the UK for a holiday or a short break.

Biggest draws
to the UK for South
Korean holiday visitors:

cultural attractions,
somewhere new,
a different
culture from their own

Source: International Passenger Survey by ONS, Apex Rdc, Anholt-IPSOS Nation Brands Index 2020

3: Understanding the market

Chapter summary

- South Korea is the 10th largest economy in the world by GDP, with key exports being electronics, textiles, shops, automobiles, and steel. South Korea ranks 13th globally for number of high net worth individuals.
- With one of the lowest fertility rates globally, it is an ageing society, with growing concerns about age challenges and health.
- In 2018, the government voted in changes to legal working hours that provided working South Koreans with more leisure time, opening the door to new leisure trends.
- In 2019, more than half of the South Korean population travelled abroad, and slow travel, JOMO ('joy of missing out'), and local gastronomy were the most prominent travel trends. In the same year, Southeast Asian destinations were gaining in popularity, alongside Budapest in Hungary.
- In the spring of 2021, 56% of South Korean respondents planned to travel internationally for a leisure trip in the next 12 months, and Britain was ranked 5th within Europe as a next destination choice. Receiving a COVID-19 vaccination is most likely to trigger international travel for South Korean respondents.

Source: Skyscanner, IMF, UN Population Prospects, TCI/VisitBritain/VisitScotland/Visit Wales/London&Partners 2021

80%

of South Korean travellers are thinking more about sustainability and the environmental impact of travel

4: Access and travel trade

Chapter summary

- 80% of South Korean visitors arrive via plane, but a significant proportion arrive by Eurostar. 18% arrived via the tunnel in 2019, compared to the global average of 10%. Many South Korean holiday visits include a trip to another country. South Korean nationals neither need a visa to visit the UK nor any countries in the Schengen area, which makes a multi-trip through Europe easier for them, facilitating their use of Eurostar.
- Direct, non-stop seat capacity increased by over 50% from 2009-2019. 2012 marked a milestone in direct connectivity between the two countries with British Airways launching a new service on this route, and both Asiana Airlines and Korean Air gaining an important uplift in capacity that same year.
- In 2019, all direct flights linked Seoul Incheon to London Heathrow, with local carriers representing most of the direct, non-stopping seat capacity.
- Due to the COVID-19 pandemic, seat capacity between South Korea and the UK was down 69% in 2020 compared to 2019, but scheduled seats are rising each month within Q4 2021 and into 2022.
- The South Korean trade is accelerating towards online solutions, with a growing FIT segment. Understanding the market and building relationships is key with the local trade.

Source: Apex, IPS

+51%

In seat capacity between 2009 and 2019 on direct, no stopping routes between Seoul and London

Inbound market statistics

Chapter 1

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1.1 Key statistics

Key insights

- In 2019, there were 301,000 visits from South Korea to the UK, with visitors spending £285 million.
- 2017 was a record year for South Korea for visits, nights and spend. However, nights and spend from South Korea in the UK grew from 2018-2019.
- The long-term trend also remains positive: there were 183% more visits to the UK by South Koreans in 2019 vs. 2009, and 193% more spending within the same period.
- Most visits from South Korea to the UK are made for holidays, significantly more than the all-market average (67% of all South Korean visits, vs. 41% of all inbound visits to the UK in 2019).
- London is by far the leading destination: from 2017-2019, South Koreans spent 60% of their nights in the UK in London.

67%

of South Korean visits to the UK in 2019 were for a holiday

Source: International Passenger Survey by ONS. Please note that market-level inbound statistics have not been produced by the ONS for full-year 2020 as the IPS was suspended from mid-March; latest full-year inbound data is for 2019. More information is available here.

1.1 Key statistics: global context and 10 year trend

Global context

Measure	2019
International tourism expenditure (US$bn)	32.7
Global rank for international tourism expenditure	9
Number of outbound overnight visits (m)	32.2
Most visited destination	Japan
Most visited destination in Western Europe	Spain

Inbound travel to the UK overview

Measure	Visits (000s)	Nights (000s)	Spend (£m)
10-year trend	+183%	+93%	+193%
2009	107	1,478	97
2010	147	2,328	112
2011	177	1,681	161
2012	177	1,426	112
2013	209	1,796	197
2014	210	1,712	199
2015	337	2,279	209
2016	317	2,748	228
2017	352	3,479	330
2018	305	2,469	271
2019	301	2,851	285
Share of UK total in 2019	**0.7%**	**1.0%**	**1.0%**

Source: International Passenger Survey by ONS, UNWTO, Oxford Economics

1.1 Key statistics: volume and value

Inbound volume and value

Measure	2019	Change vs. 2018	Rank out of UK top markets
Visits (000s)	301	-1%	27
Nights (000s)	2,851	+15%	28
Spend (£m)	285	+5%	28

Due to the Covid-19 outbreak in Q1 2020, visits from South Korea to the UK decreased by 14% in the first three months of 2020 compared to those months in 2019, down to to 56,000*. In Q1 2021, there were 400 visits from South Korea, with those visitors spending £500,000 in the UK. These figures represented -99% visits compared to Q1 2020, and -99% spend**.

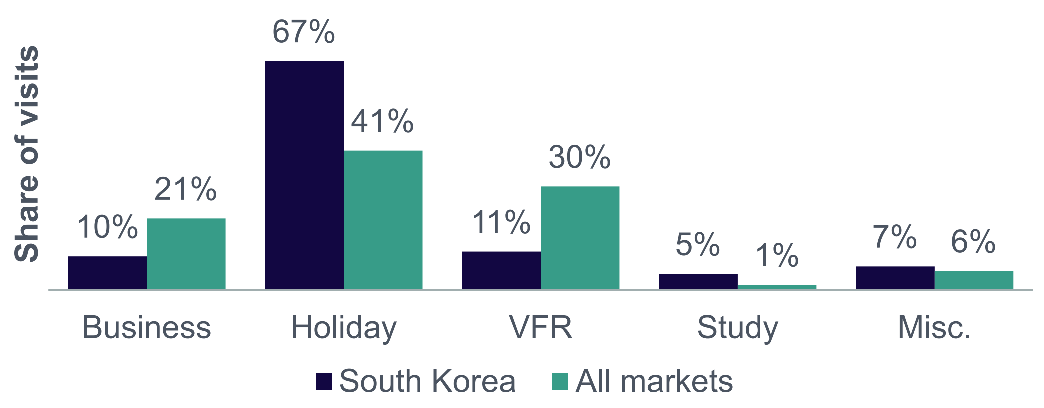
Source: International Passenger Survey by ONS, *provisional data for January-March 2020 **small base, air departures only for 2021

Key metrics by journey purpose (2017-2019)

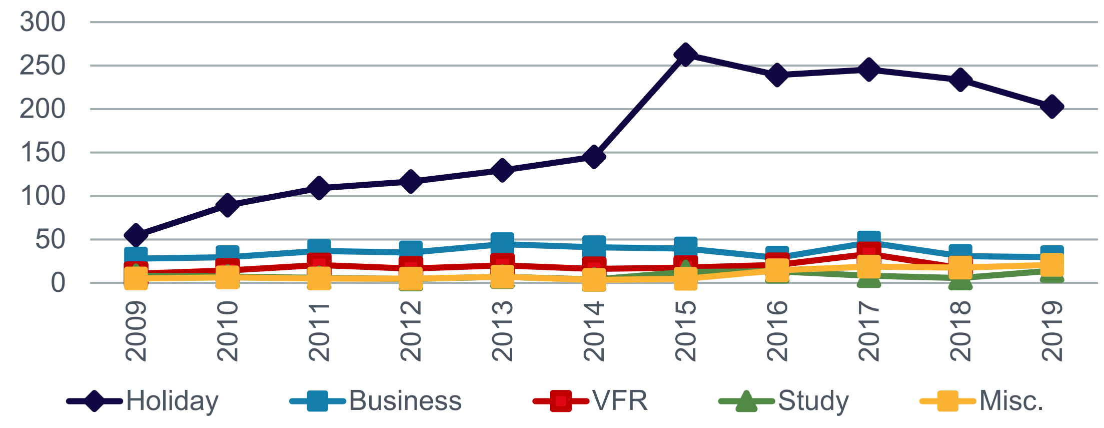
Averages by journey purpose in 2019	Nights per visit	Spend per night	Spend per visit
Holiday	6	£120	£694
Business**	6	£210	£1,235
Visiting Friends/ Relatives**	13	£77	£1,002
Study**	93	£65	£6,063
Misc.**	9	£50	£453
All visits	9	£101	£925

1.1 Key statistics: journey purpose

Journey purpose 2019



Journey purpose trends (visits 000s)



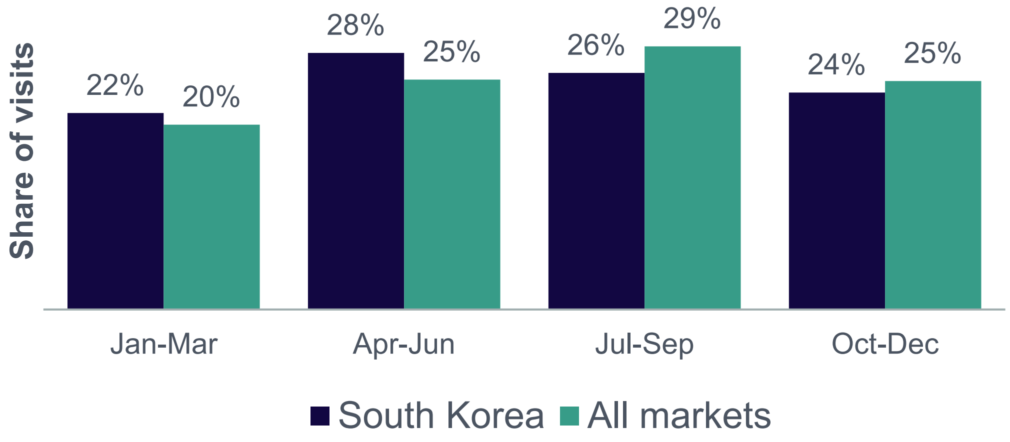
- Most visits from South Korea to the UK are made for leisure: 67% of visits were for a holiday in 2019, and 11% to visit friends or relatives. Business is the third most common reason for which South Koreans visit the UK, comprising 10% of all visits.
- South Korean visitors are much more likely to be holiday visitors than the global average (67% vs 41%).
- Fewer visits were made for study (5%), or miscellaneous purposes (7%) in 2019.

- Holidays have dominated visits from South Korea to the UK for many years. Volumes steadily increased from 2009 to 2014, peaked in 2015, and have declined slightly since then. However, there were still around four times more holiday visits in 2019 compared to 2009.
- Holiday visitors also account for over half the inbound spending from South Korea in the UK in 2019 (59%), followed by VFR visits (15%) and study visits (12%).
- In terms of nights, holiday visits also topped the table for nights spent by South Korean visitors in the UK in 2019 (44%), followed by study visits (34%) and VFR (13%).

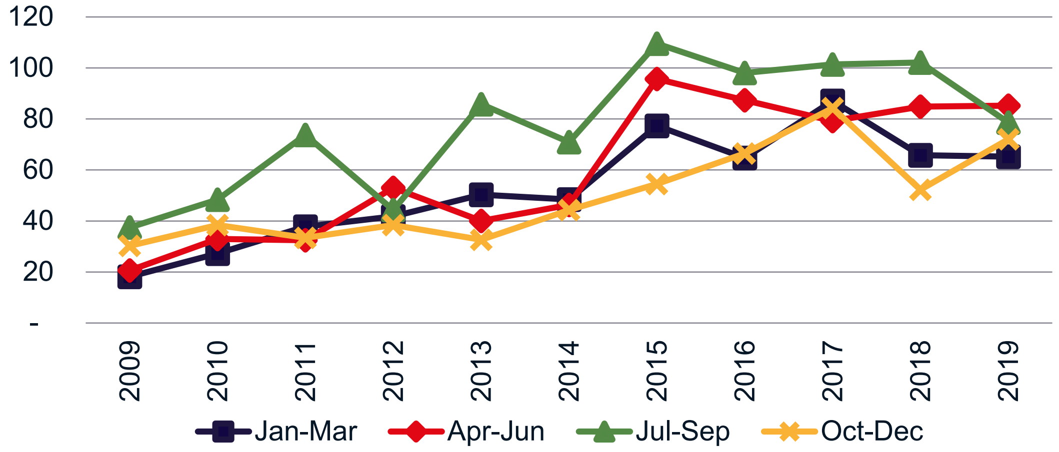
Source: International Passenger Survey by ONS

1.1 Key statistics: seasonality

Seasonality 2019



Seasonality trend (visits 000s)

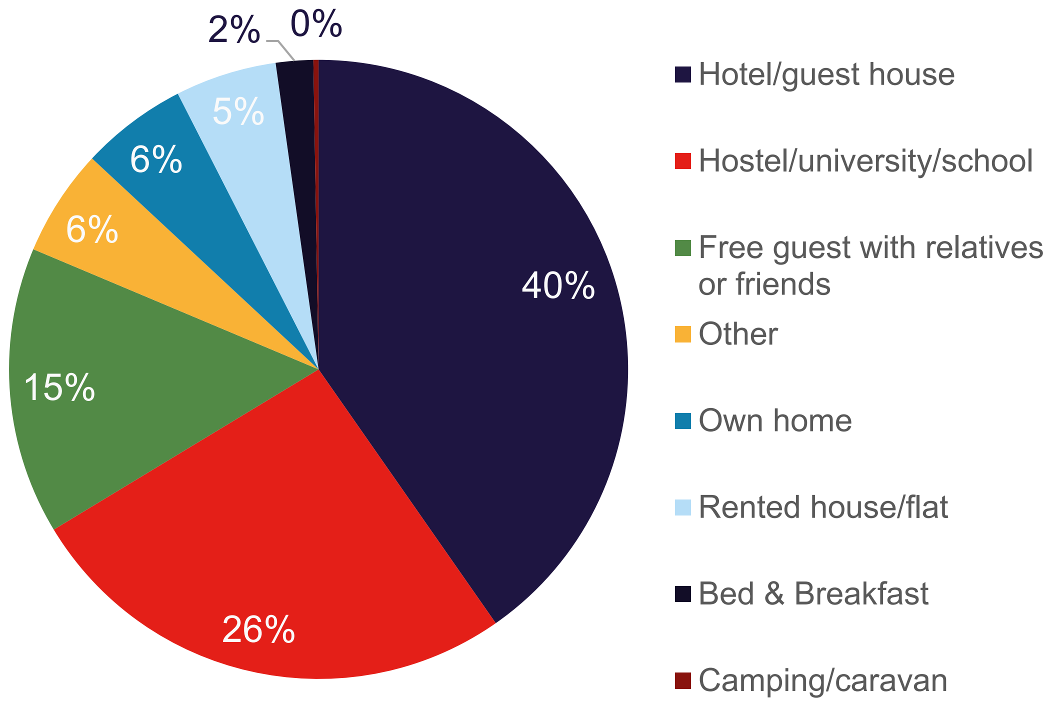


- Visits from South Korea are relatively well seasonally spread, but they were slightly more likely to come to the UK in spring in 2019 (28%), and this was above the all market average (25%).
- The next most popular quarter in 2019 was summer (26%), followed by autumn (24%) and winter (22%).
- Trends when it comes to visits per quarter have been volatile over the last 10 years, but summer has been the most prominent season apart from in 2012 and 2019.

Source: International Passenger Survey by ONS

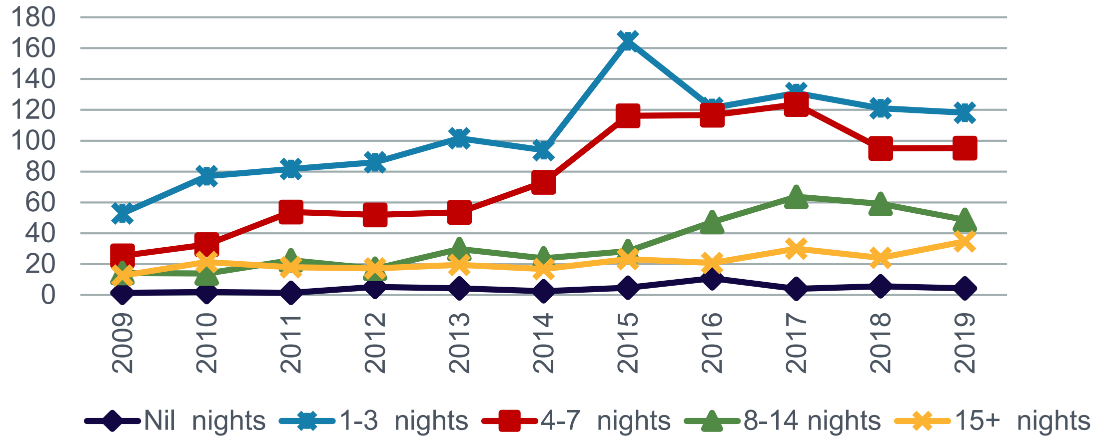
1.1 Key statistics: length of stay and accommodation

Accommodation stayed in, in 2019 (nights, %share)



Note: please read the pie chart clockwise

Duration of stay trend (visits 000s)

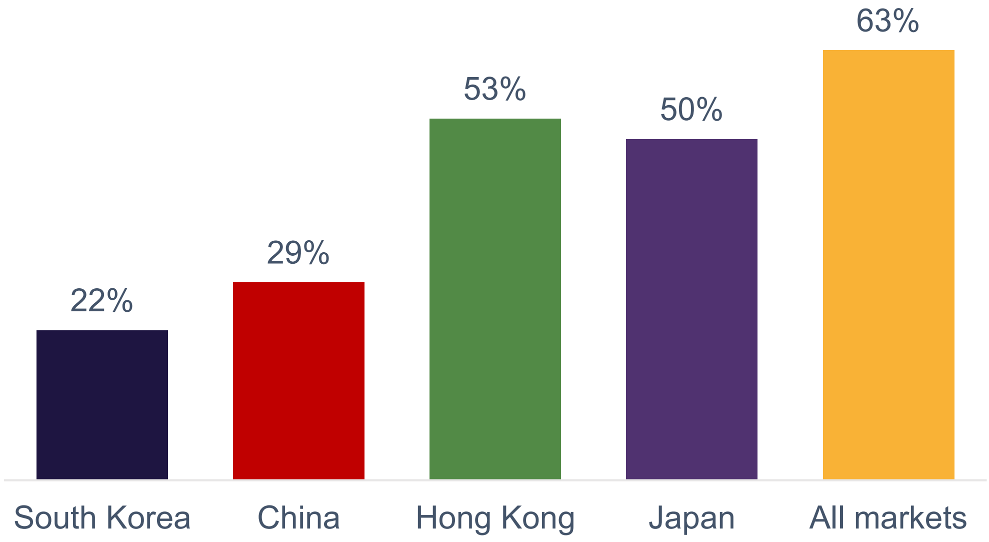


- Most South Korean visitors stay in the UK for less than a week, with short stays of 1-3 nights being most popular (often as part of a multi-country trip). However, the volume of 4-7 night visits were growing before dipping in 2018.
- On average in 2019, South Korean visitors spent 40% of their nights in the UK at hotels or guest houses, 26% in hostels, universities or schools, and 15% as free guests with relatives or friends.

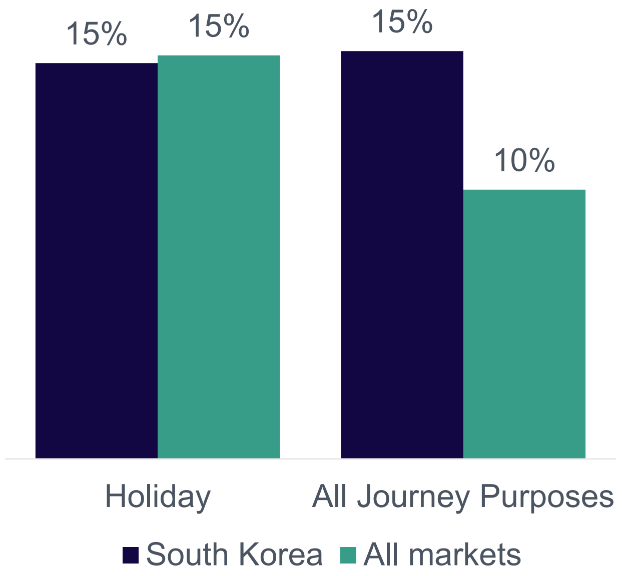
Source: International Passenger Survey by ONS

1.1 Key statistics: repeat visits and package tours

Proportion of overnight holiday visitors to the UK who have been to the UK before*



Proportion of visits that are bought as part of a package or all-inclusive tour in 2019**



- Only 22% of holiday visits from South Korean residents to the UK (excluding UK nationals) were made by repeat visitors in 2015, but the share among business visits from South Korea was more than triple that (71%).
- The proportion of South Korean holiday visits to the UK bought as part of a package, or all-inclusive tour matched the all market average in 2019.

International Passenger Survey by ONS. *2015, excluding British nationals;
**See definition of a package holiday in appendix

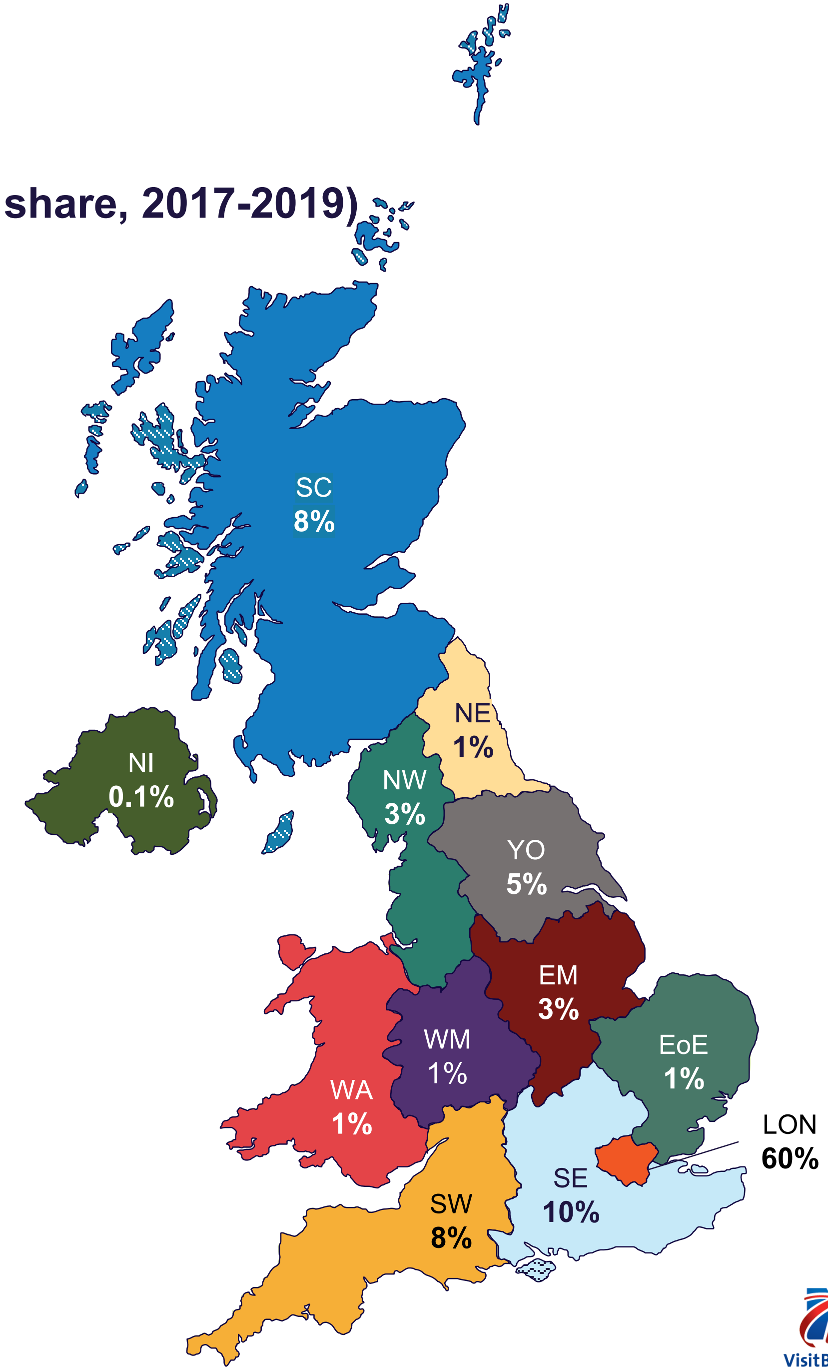
1.2 Getting around Britain

Annual visits to the UK (2017-2019 average)

Region	Nights stayed (000)	Visits (000)	Spend (£m)
Total	2,928	318	294
Scotland (SC)	224	19	19
Wales (WA)	32	4	5
Northern Ireland (NI)	3	1	1
London (LDN)	1,747	275	223
North East (NE)	43	4	1
North West (NW)	78	18	5
Yorkshire (YO)	145	3	4
West Midlands (WM)	24	4	2
East Midlands (EM)	84	2	2
East of England (EoE)	15	2	1
South West (SW)	229	12	21
South East (SE)	296	15	9
Nil nights (Nil)	N/A	5	0.6

Source: International Passenger Survey by ONS

Nights (% share, 2017-2019)

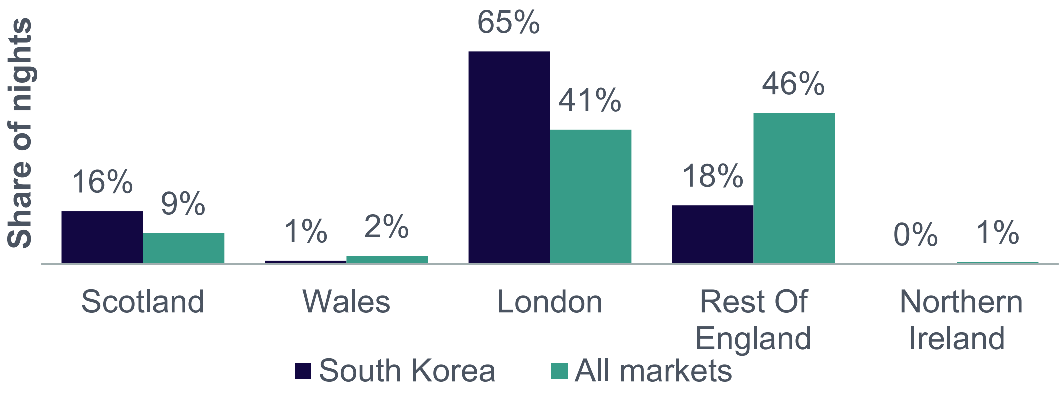


1.2 Getting around Britain: regional spread and top towns/cities

Top towns and cities visited 2019

Town	Visits (000s)
London	165
Edinburgh	9
Manchester	8
Glasgow	3
Bristol	3

Regional spread 2019

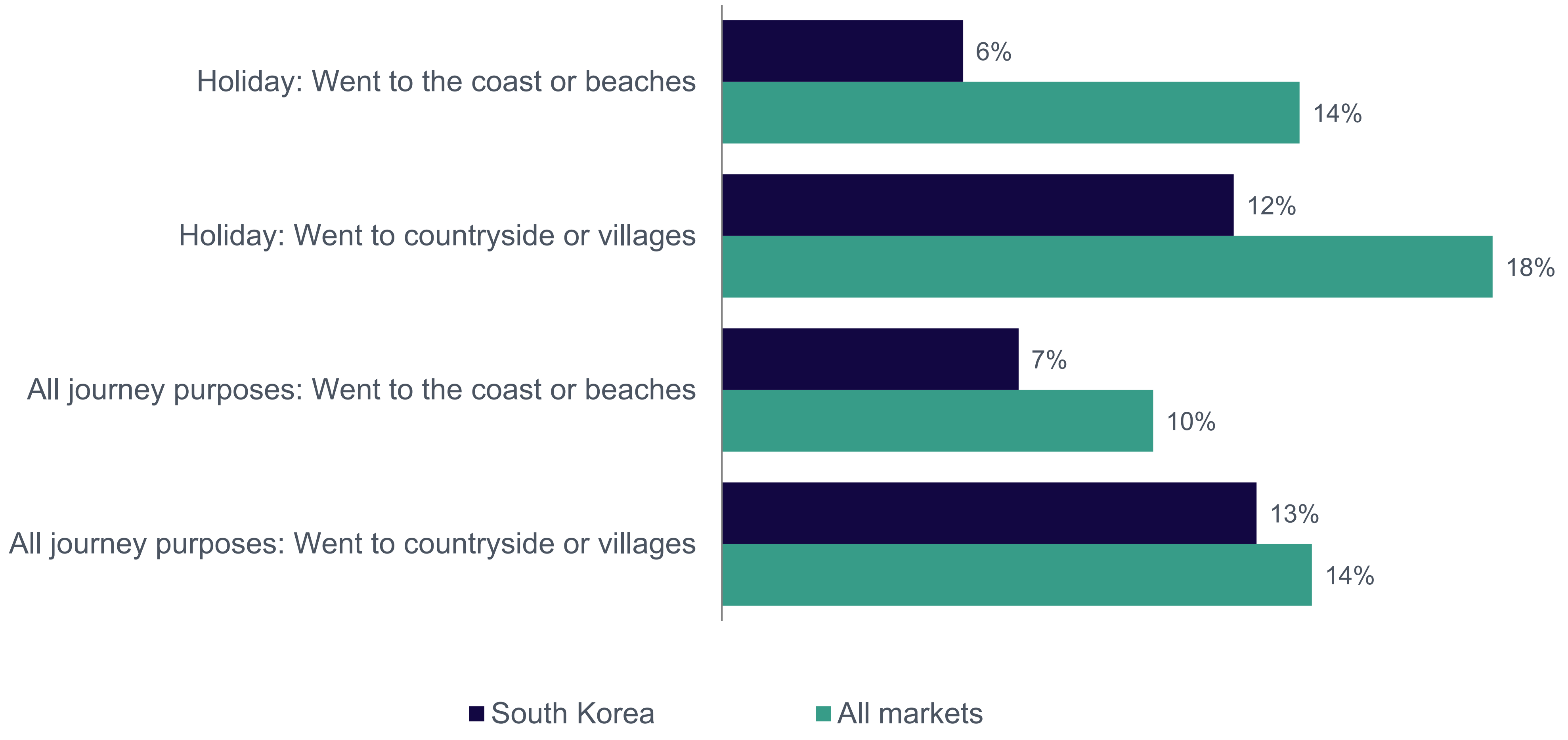


Source: International Passenger Survey by ONS

- London is the leading destination for a trip to the UK. 60% of the nights spent in the UK by visitors from South Korea were in London, compared to 42% of all inbound visitors' nights, in 2017-2019. Holiday visitors are particularly likely to spend time in London.
- 18% of the nights spent in the UK by South Korean visitors in 2019 were spent in the rest of England, compared to the all-market average of 46% in that year. South Koreans visiting the UK to visit friends and relatives are the most likely group to spend nights in the rest of England.
- South Korean visitors to the UK spent more time in Scotland than the all-market average (16% vs. 9% respectively in 2019). However, South Koreans under-index on time spent in Wales and Northern Ireland.
- When looking at all journey purposes, South Korean visitors are slightly more likely to go to the British countryside or villages than to the British coast or beaches.

1.2 Getting around Britain: visits to coast, countryside and villages

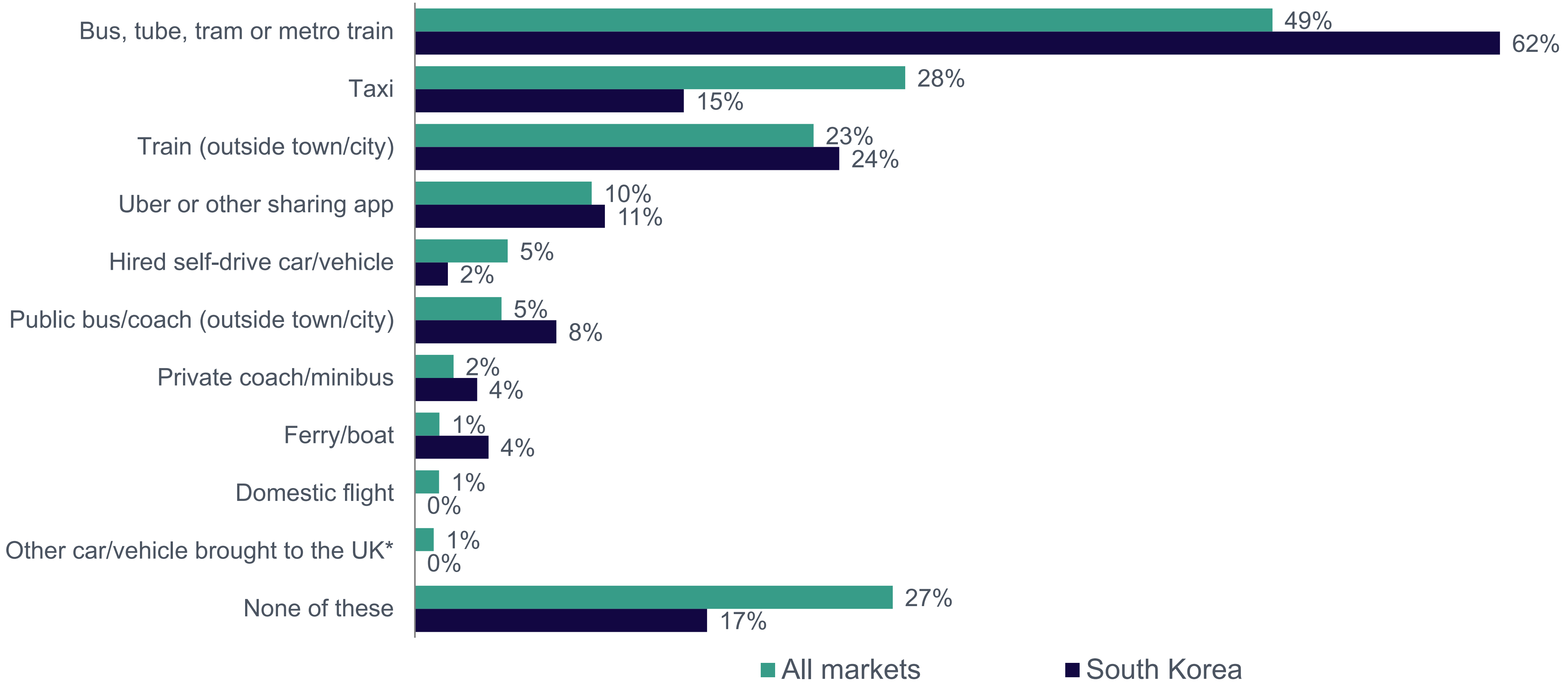
Propensity to visit coast, countryside and villages



Source: International Passenger Survey by ONS 2016

1.2 Getting around Britain: use of internal modes of transport

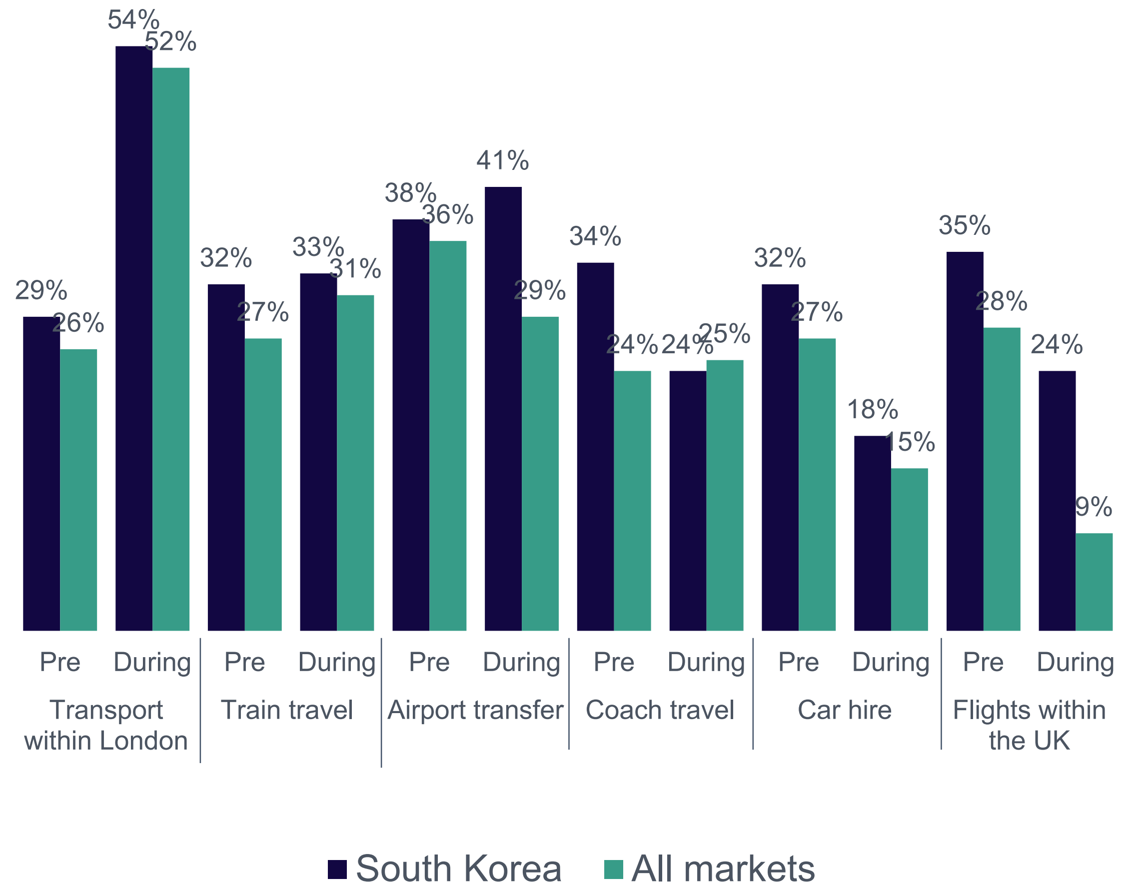
Propensity to use internal modes of transport



Source: International Passenger Survey by ONS 2018; most lorry drivers were not asked this question, and as a consequence, are not taken into account in the results for 'car/vehicle you/group brought to the UK

1.2 Getting around Britain: purchase of transport

Transport services purchased before or during trip (%)



- South Korean visitors are more likely than visitors from other markets to take public transport when staying in a town or city (63% compared to an all market average of 48%).
- When outside of towns and cities, they are also more likely to take a public bus or coach (9% vs. the all market average of 5%) or train (26% vs. the all market average of 23%).
- Additionally, they are more likely than the all market average to take an Uber, but much less likely to take a taxi.
- South Korean travellers prefer to book coach travel and car hire before their journey, but leave booking other travel types to during their stay.

Source: International Passenger Survey by ONS, VisitBritain/IPSOS 2016, base: visitors

1.3 Visitor demographics

Visitor characteristics

- Slightly more visits from South Korea to the UK are made by men than women (54% vs 46% respectively in 2019). This is influenced by a strong skew of men visiting the UK for business.
- Visitors from South Korea to the UK tend to be younger than the all-market average visitor to the UK.
- Around 1-in-4 South Korean visitors were aged 25-34 years old in 2019. However, 16-24s are the age group showing the most growth in visits since 2014, at +123%.
- South Korean visitors are most likely to visit the UK solo, or with friends, and over-index on rates of travelling with friends compared to the all-market average (24% vs. 10%).

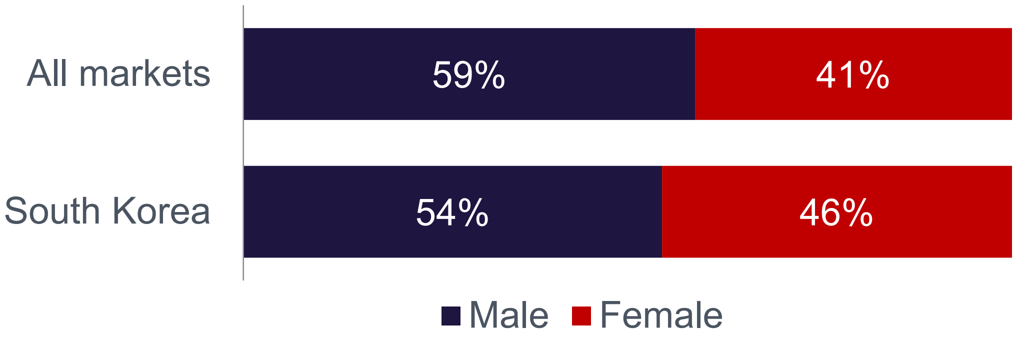
Over 4 in 5

holidaymakers from South Korea would be extremely likely to recommend the UK

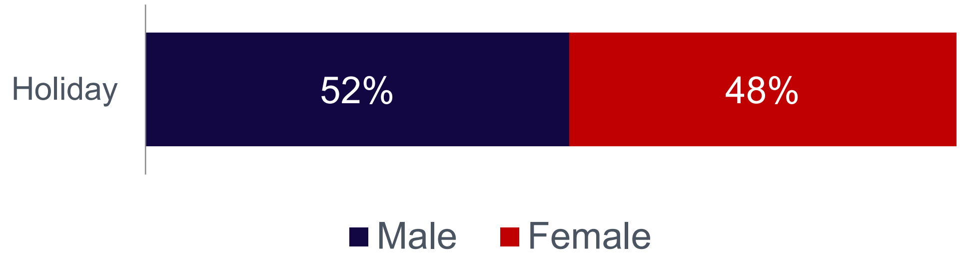
Source: International Passenger Survey by ONS

1.3 Visitor demographics: gender and age groups

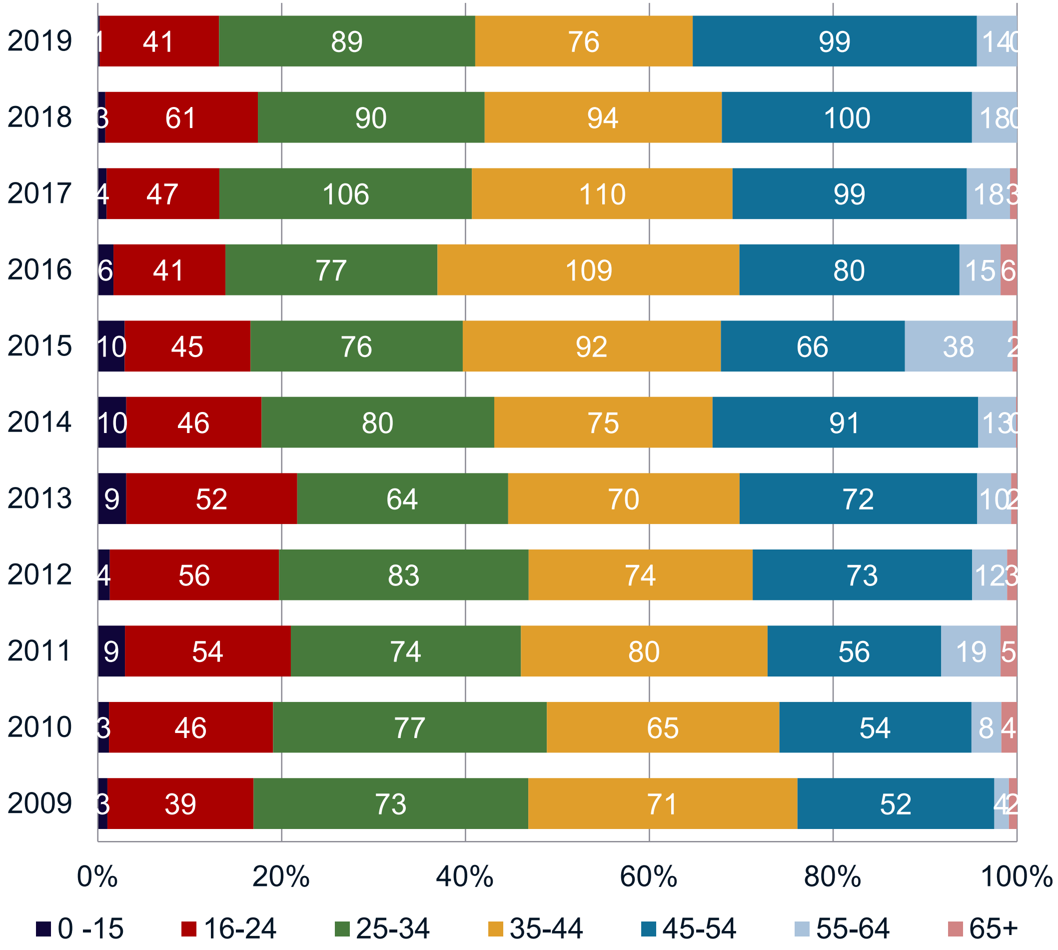
Gender ratio of visits (2019):



Gender ratio of visits from South Korea by Holiday purpose (2019):



Age group trend (visits in 000s)



Source: International Passenger Survey by ONS

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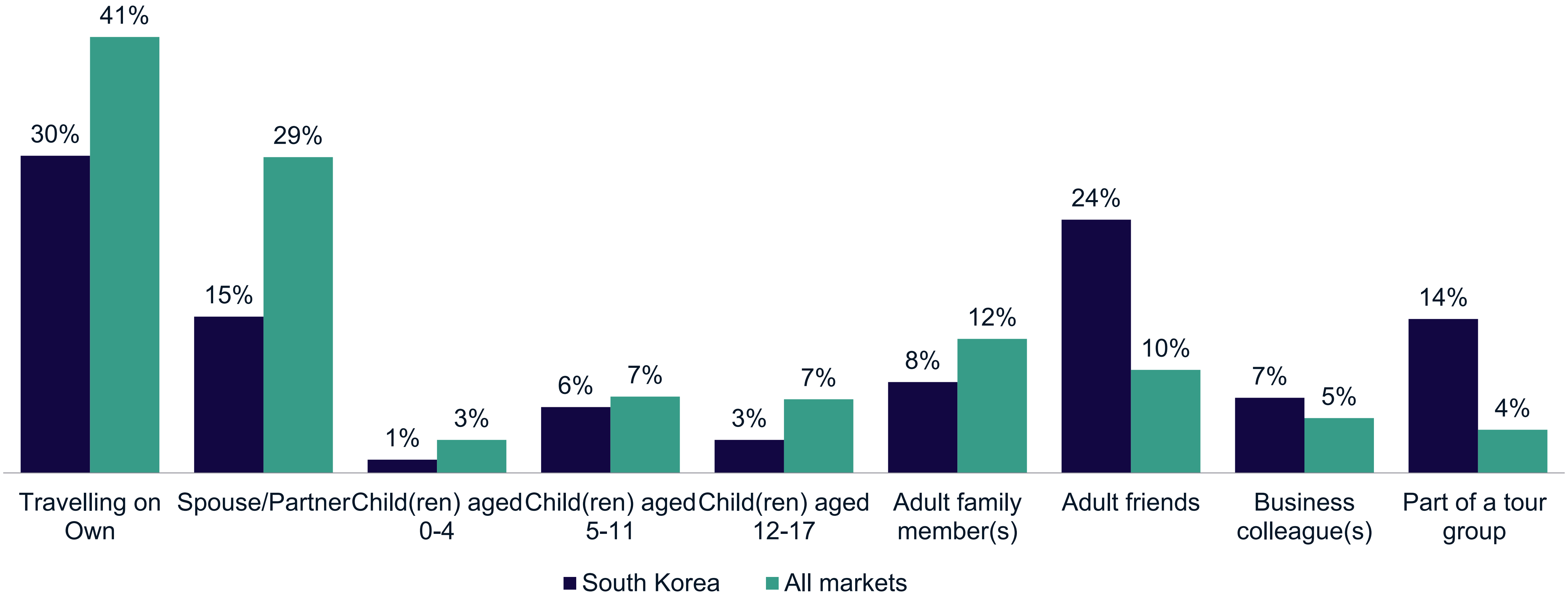
1.3 Visitor demographics: travel companions

Who have South Korean visitors to the UK travelled with?

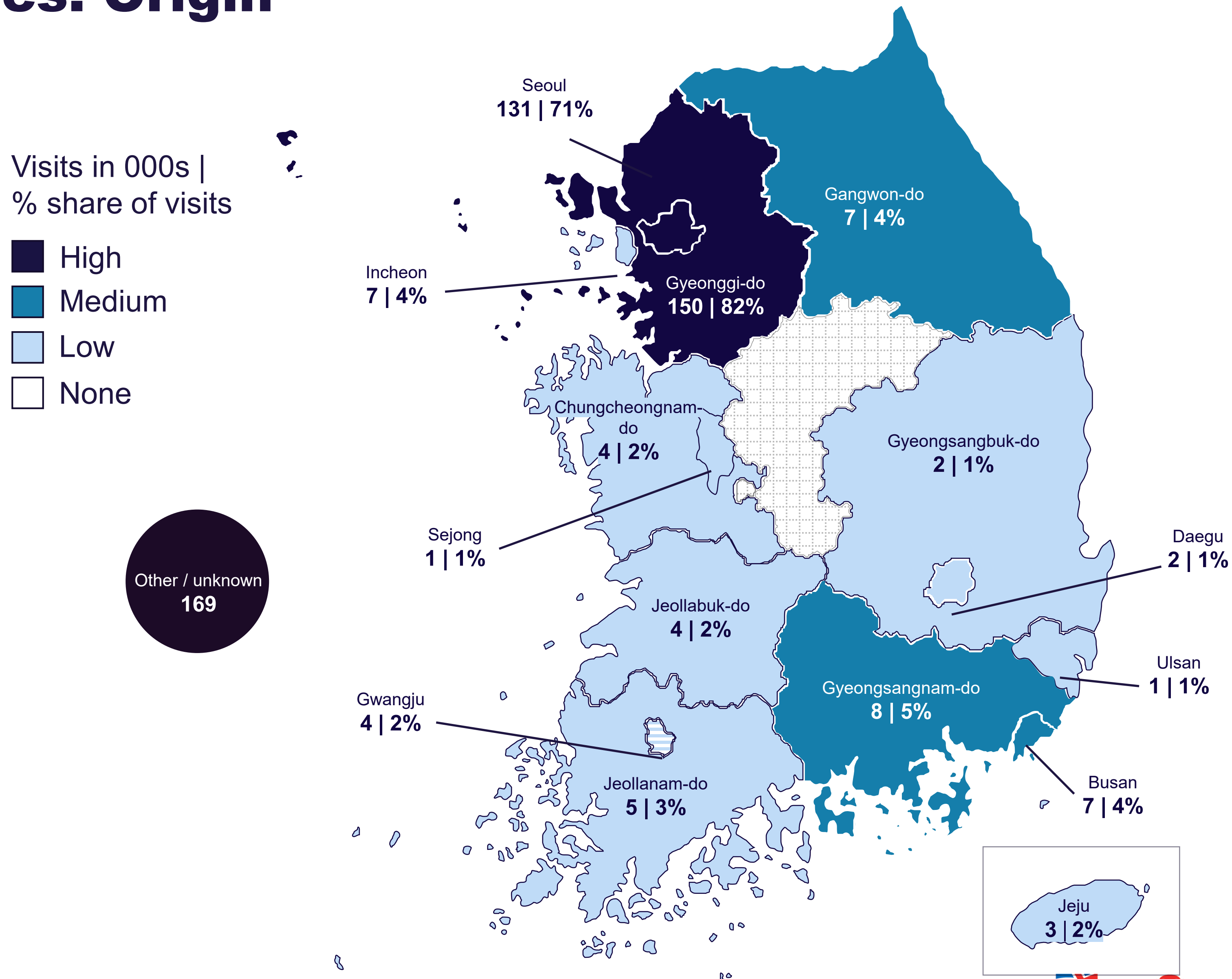


Source: International Passenger Survey by ONS, 2017, 'Who accompanied you on your visit to the UK, excluding UK residents you may have visited during your trip?'

1.3 Visitor demographics: Origin

Visits to the UK (2017)

- Over 80% of South Korean visitors to the UK come from the Gyeonggi region, and the majority of these originate from the capital city of Seoul. Only two other provinces individually account for 4% or more of visits to the UK: Gangwon and Gyeongsangnam.
- Approximately 70% of South Korea is considered mountainous, so the country's population is concentrated in the lowland areas. Gyeonggi province, which surrounds the capital of Seoul and contains the port of Incheon, is the most populous.



Source: International Passenger Survey by ONS 2015, CIA World Factbook 2021

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1.4 The UK and its competitors (1)

Market size, share and growth potential

- The UK was the 6th most visited destination in Western Europe by South Korean travellers for overnight trips in 2019, after Spain, the Czech Republic, France, Germany, and Austria.
- Before 2020, the South Korean outbound market was growing; global overnight visits from this market grew by 191% from 2009 to 2019.
- However, due to the COVID-19 pandemic, global overnight visits from South Korea shrank by 85%, and visits to the UK declined by 71%. Visits to the UK are forecasted to recover to 2019 levels by 2026.
- Among our competitor set of destinations, Spain saw the largest increase in market share between 2009 and 2019, with a growth of 12 percentage points. The Czech Republic also gained 9 percentage points of share in the same time period. However, looking further ahead, Australia is forecast to see the most growth up to 2029, at +4 percentage points, while the UK is forecasted to retain its market share.

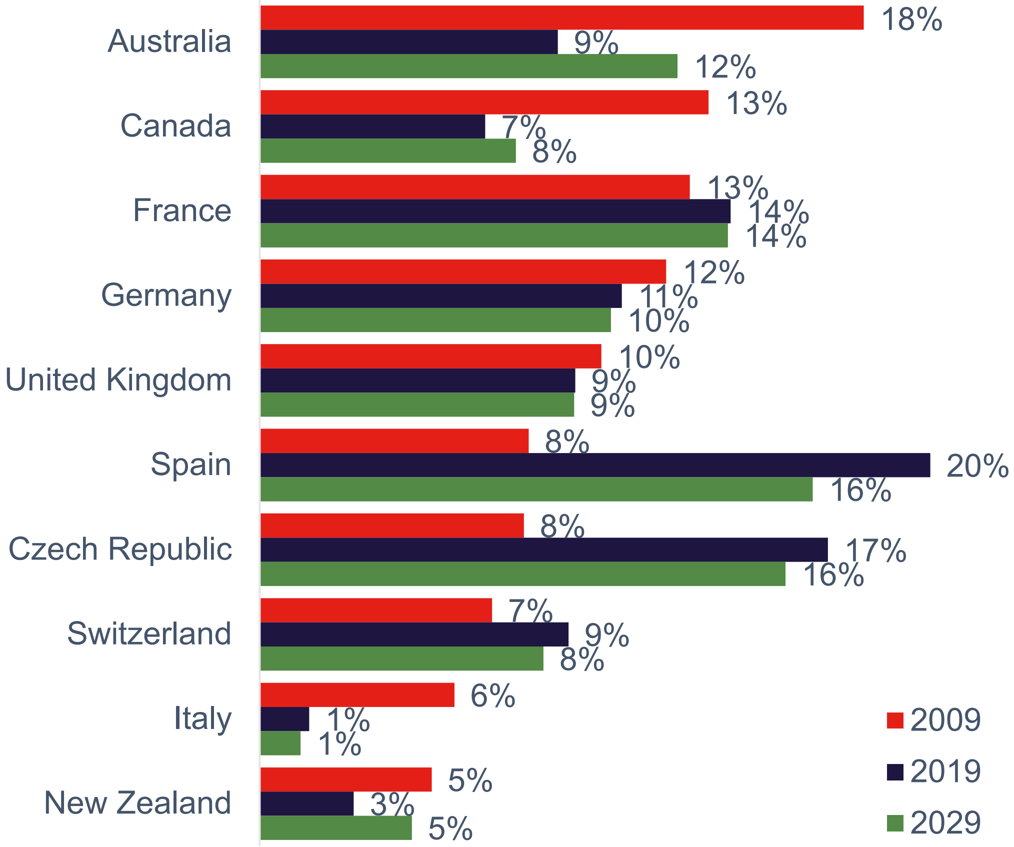
The UK ranks 6th

Most visited destination in Western Europe from South Korea in 2019

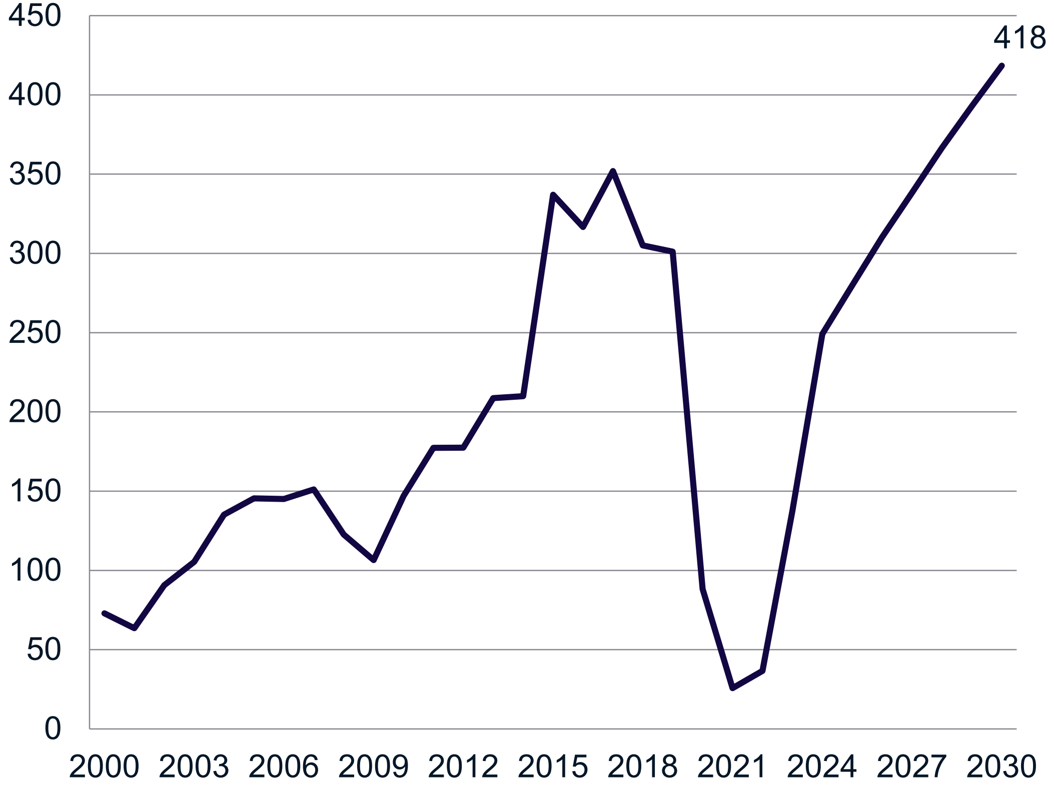
Source: Oxford Economics/VisitBritain

1.4 The UK and its competitors (2)

The UK's market share of South Korean visits among competitor set



Historic and potential visits to the UK (000s)



Source: Oxford Economics for competitor set based on overnight visits, 'Historic and potential visits' displays total visits based on International Passenger Survey historic data and Oxford Economics forecasts with VisitBritain adaptations

Experiences and perceptions

Chapter 2

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2.1 Inbound activities: summary

- Dining in restaurants is the number one activity which South Korean visitors take part in during their visit to the UK, followed by sightseeing famous monuments/buildings, and shopping. 71% of South Korean visits include restaurant dining.
- South Korean visitors have a particular enjoyment of culture; over-indexing on visiting museums and art galleries and going on guided tours, compared to the all-market average. They are also more likely to attend the theatre/musical/opera/ballet or a festival.
- In contrast, South Korean holiday visitors are less likely than the all-market average to visit national parks or parks and gardens, and are also less likely to take part in sports activities.

Top 10 activities for South Korean visitors during their visit to the UK

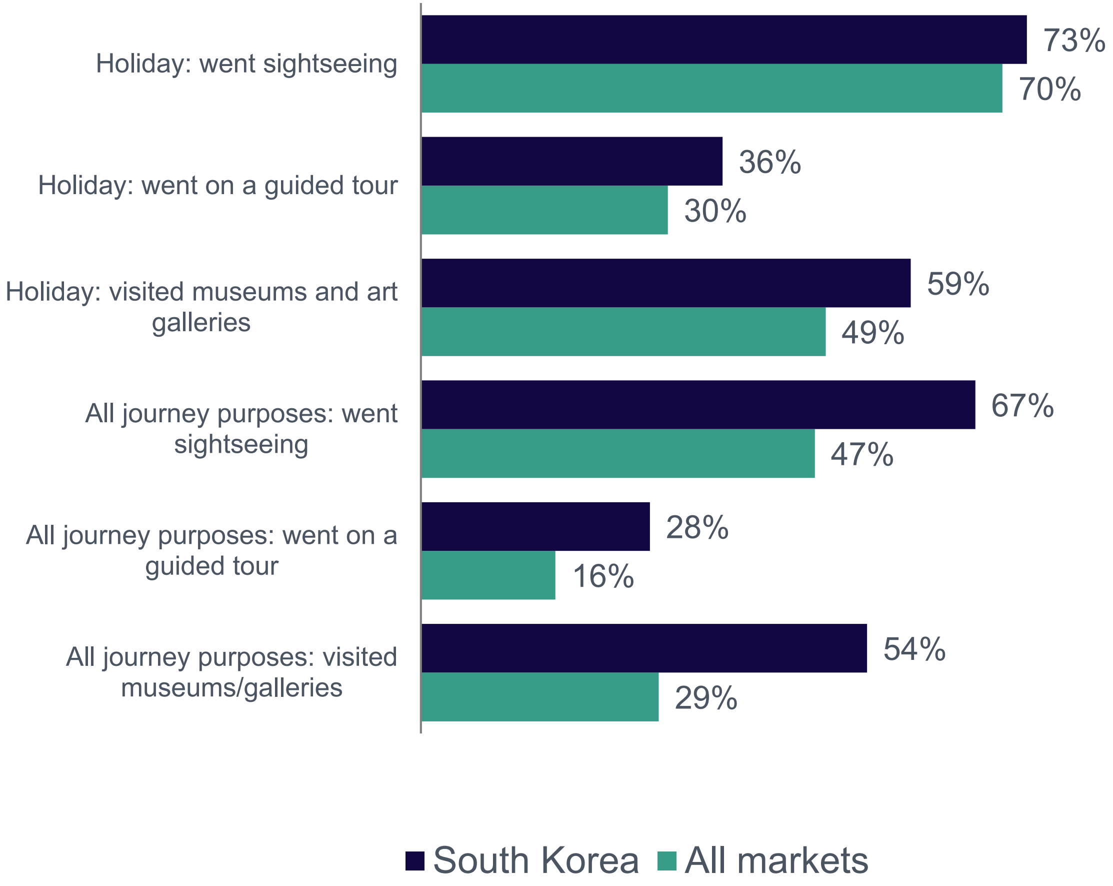
1. Dining in restaurants
2. Sightseeing famous monuments/buildings
3. Shopping
4. Visiting museums or art galleries
5. Visiting castles or historic houses
6. Visiting parks or gardens
7. Visiting religious buildings
8. Going on a guided tour
9. Going to the pub
10. Walking in the countryside

For more information on activities, please visit our webpage of activities undertaken in Britain

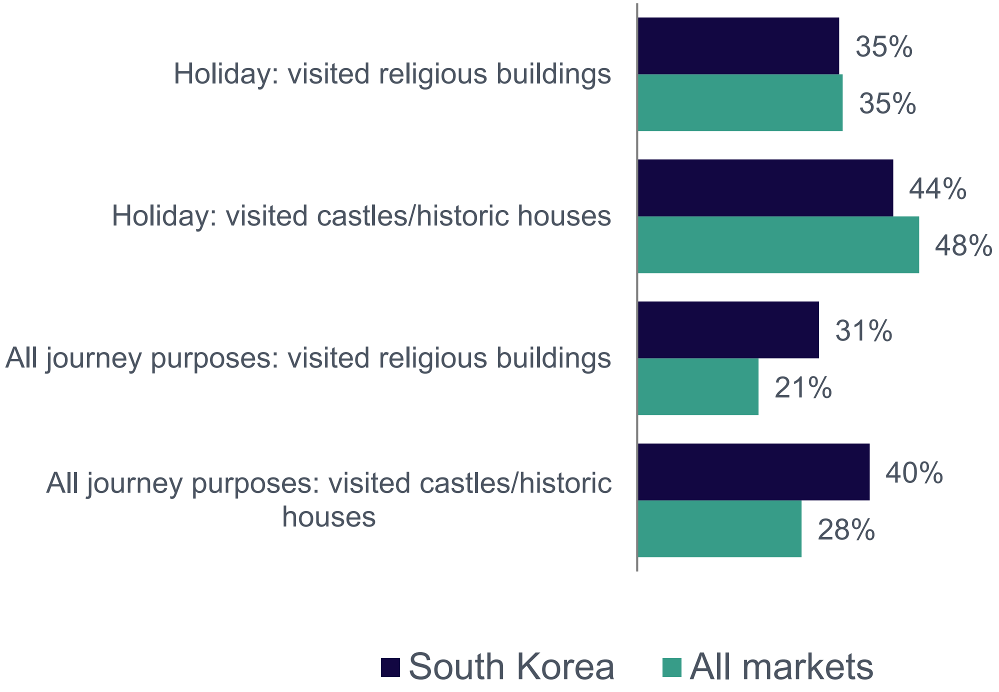
Source: International Passenger Survey by ONS, rankings based on 2006-2019 data. In this section, only total and Holiday journey purpose findings are shown, due to low base sizes for other purposes.

2.1 Inbound activities: tourism and heritage

Propensity to visit museums and galleries



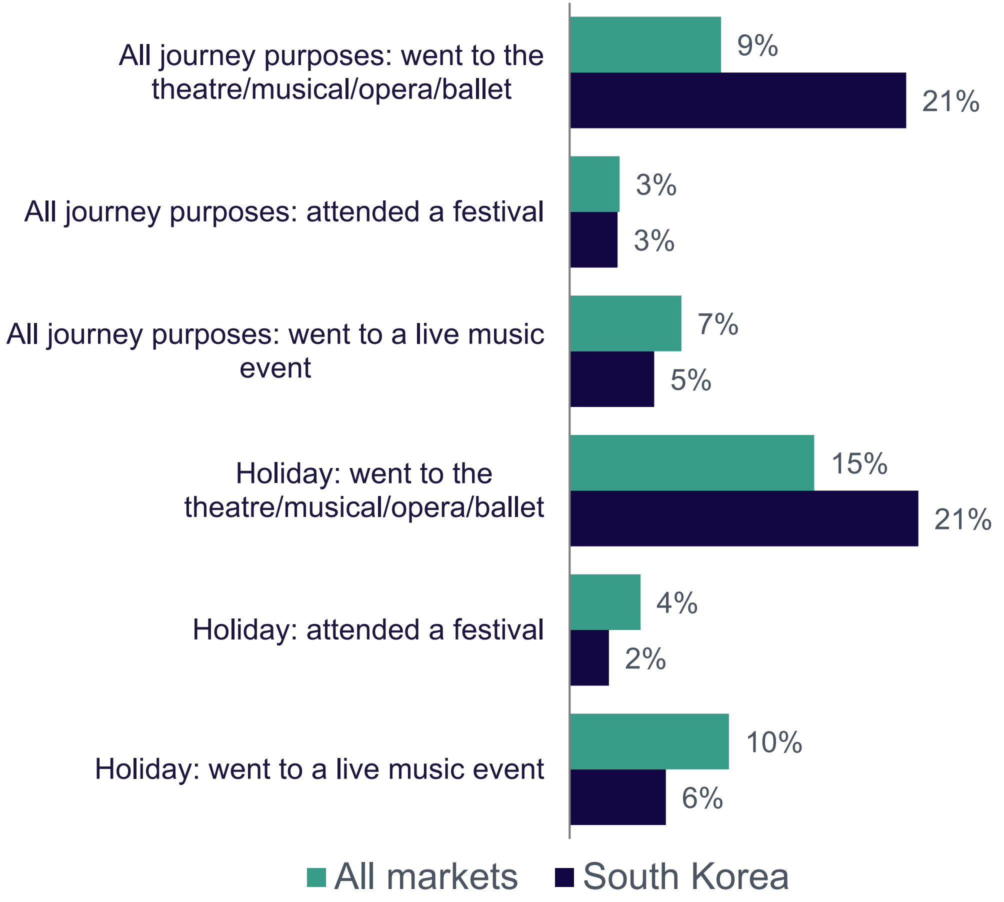
Propensity to visit built heritage sites



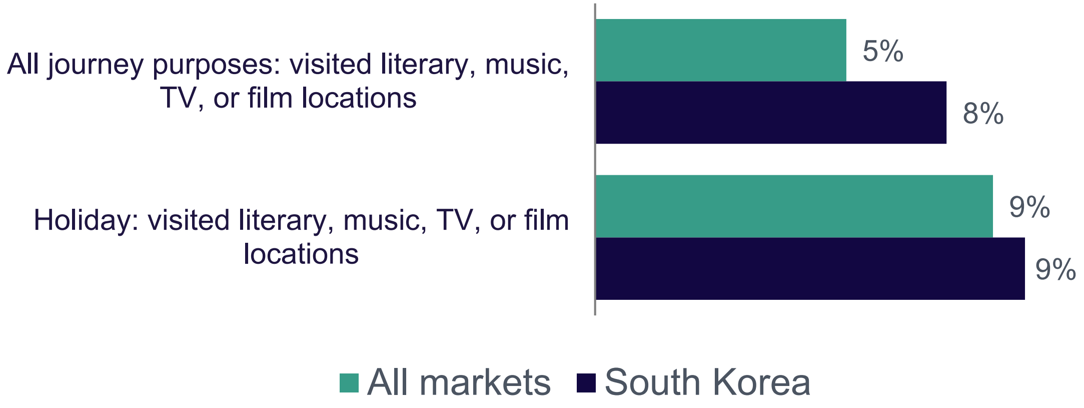
Source: International Passenger Survey by ONS, 2016

2.1 Inbound activities: culture

Propensity to attend the performing arts



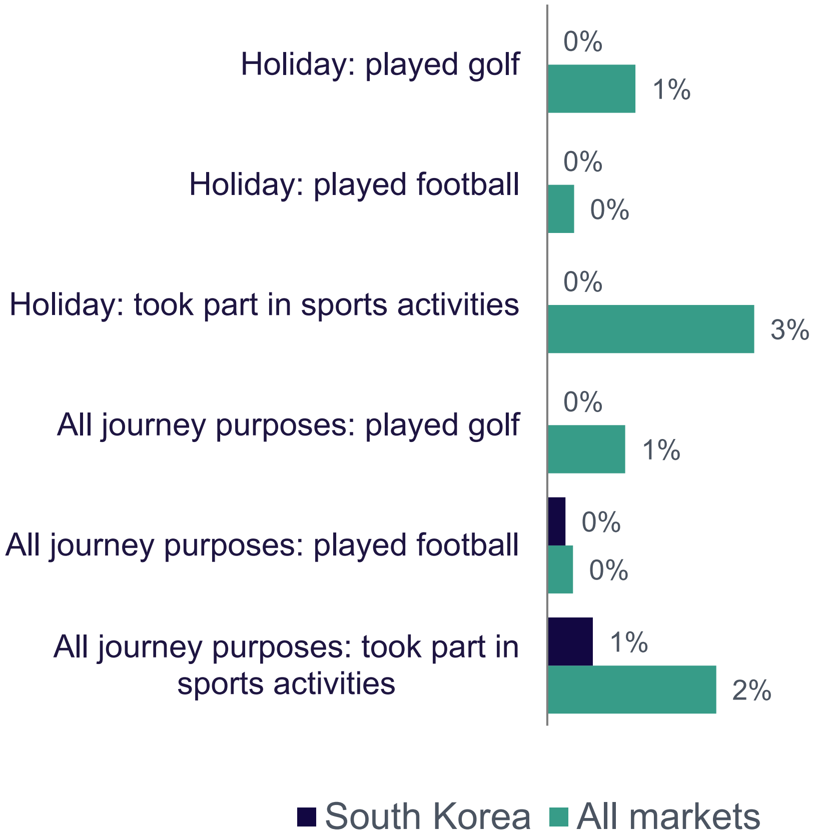
Propensity to participate into other culture-related activities



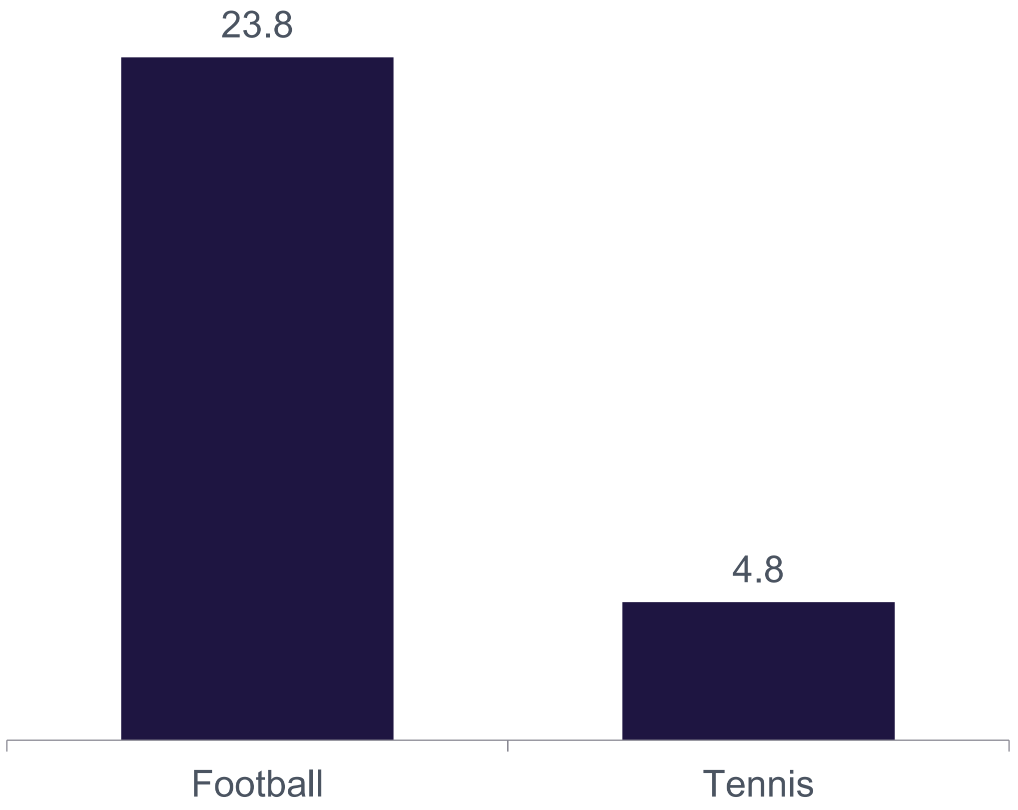
Source: International Passenger Survey by ONS, 2016 (performing arts) and 2013 (watch sport live)

2.1 Inbound activities: sports

Propensity to partake in sports-related activities

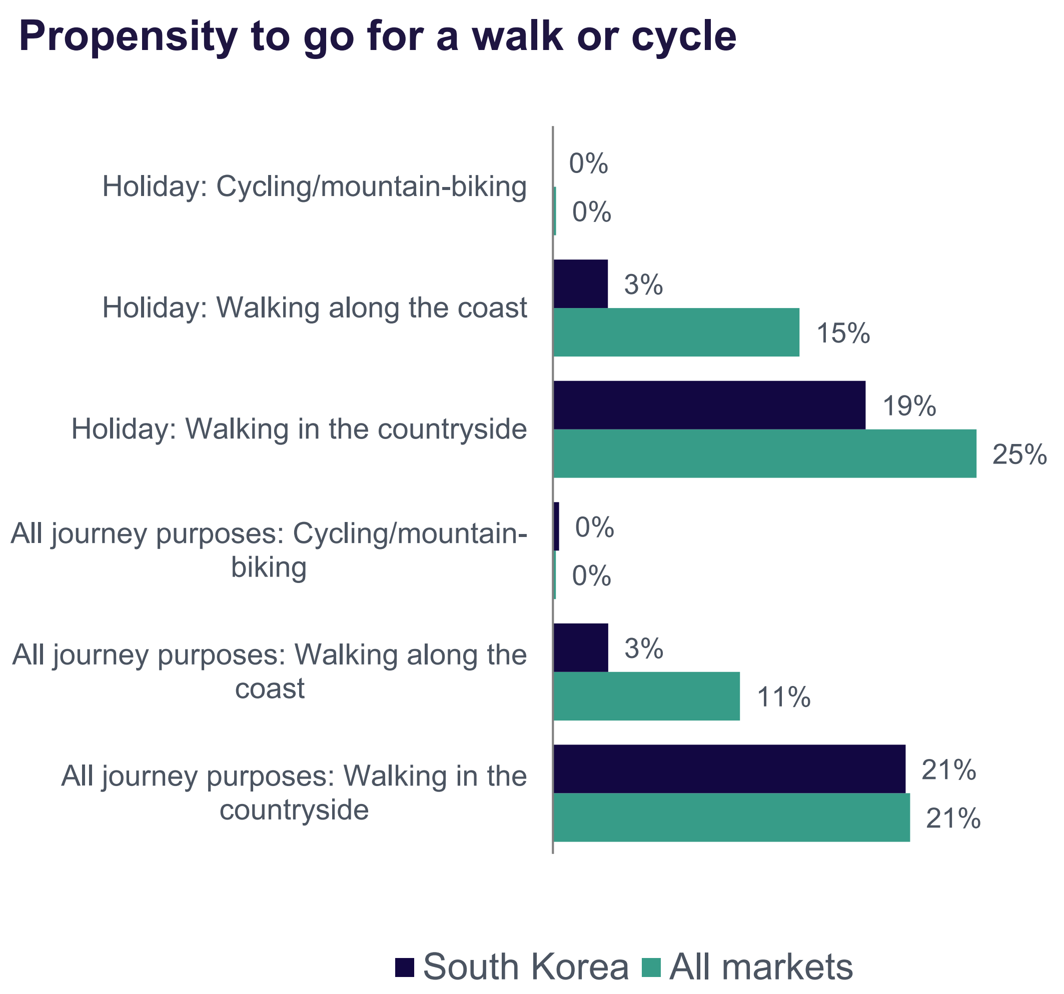


Number who watched sports live during trip (000s)



Source: International Passenger Survey by ONS, 2016 (performing arts) and 2019 (watch sport live)

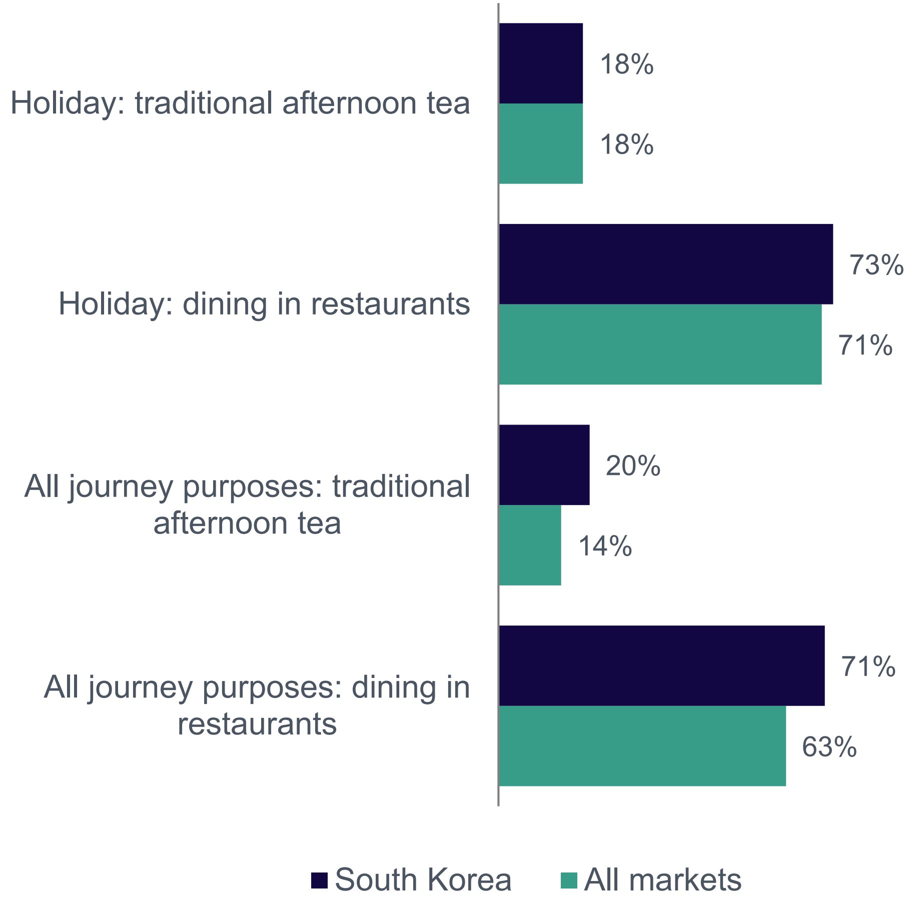
2.1 Inbound activities: outdoors



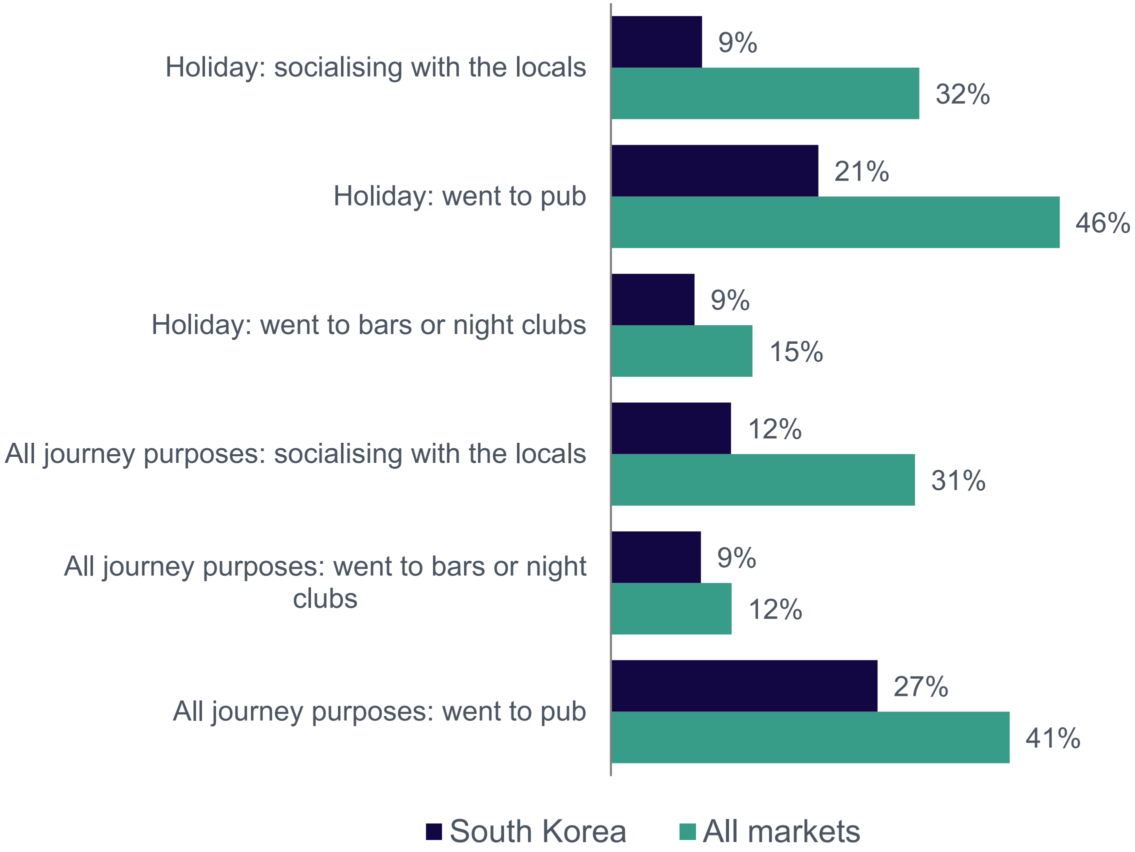
Source: International Passenger Survey by ONS, 2016 (visiting parks and gardens and a national park), 2010 (walking along the coast) and 2007 (walking in the countryside)

2.1 Inbound activities: going out

Propensity to go to restaurants, or to have a traditional afternoon tea



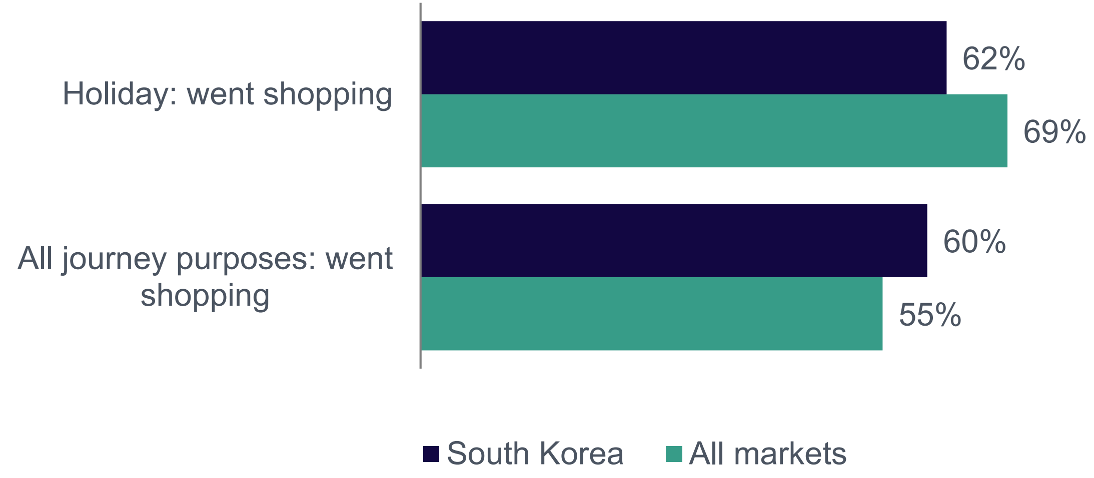
Propensity to go to the pub or bars and night clubs, or to socialise with locals



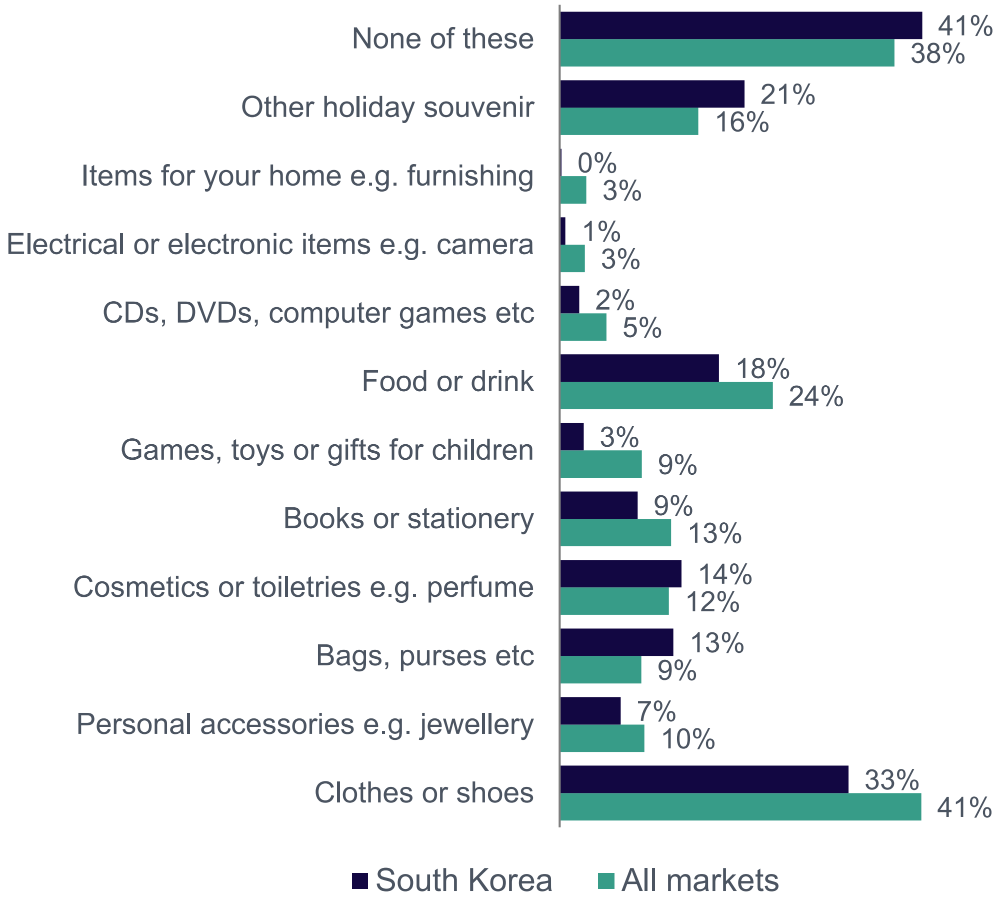
Source: International Passenger Survey by ONS, 2008 (dining in restaurants) and 2017 (all other activities)

2.1 Inbound activities: shopping

Propensity to go to shopping



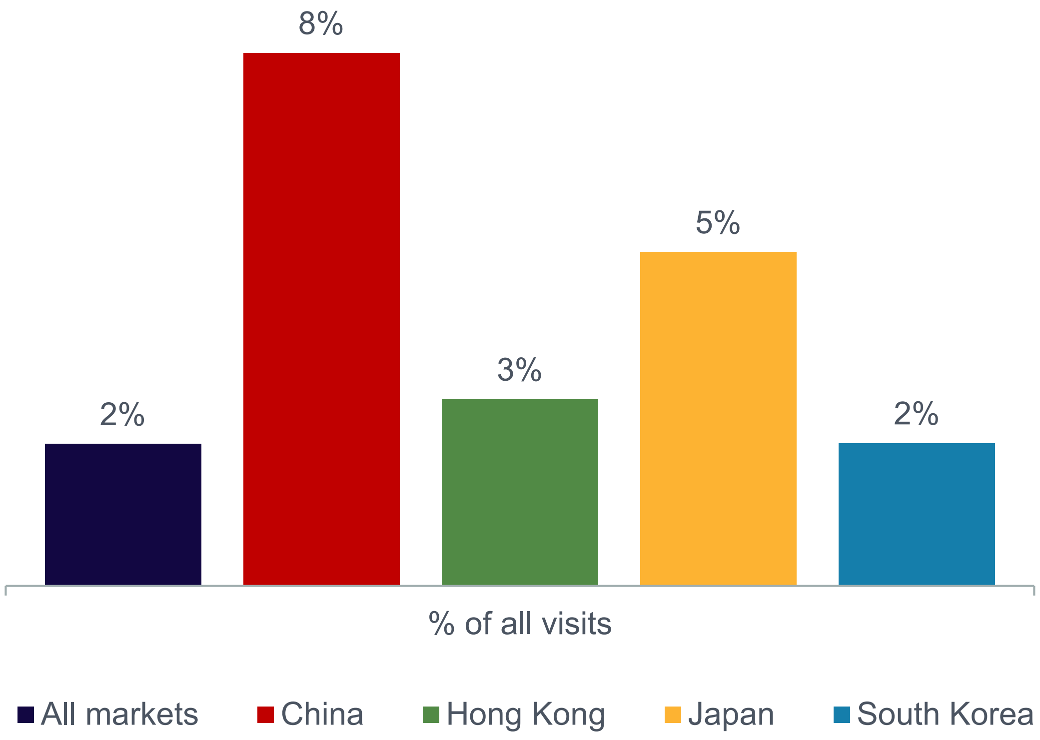
Propensity to purchase selected items



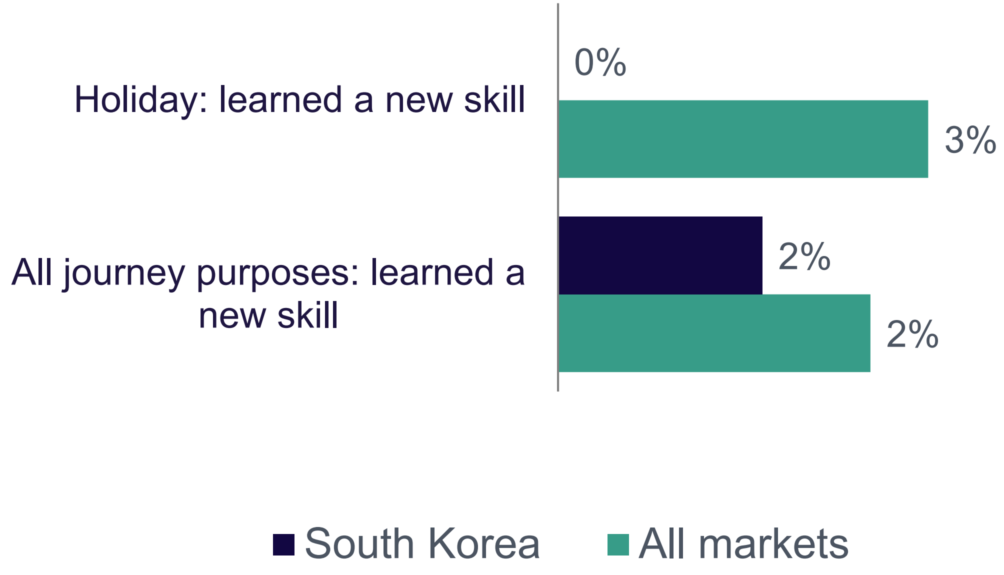
Source: International Passenger Survey by ONS, 2017 (shopping) and 2013 (purchase of selected items) – please note that the data about ipurchased items is to be updated shortly given the revision of the 2009-2018 IPS data in May 2020

2.1 Inbound activities: learning

Propensity to participate in an English language course during a visit to the UK



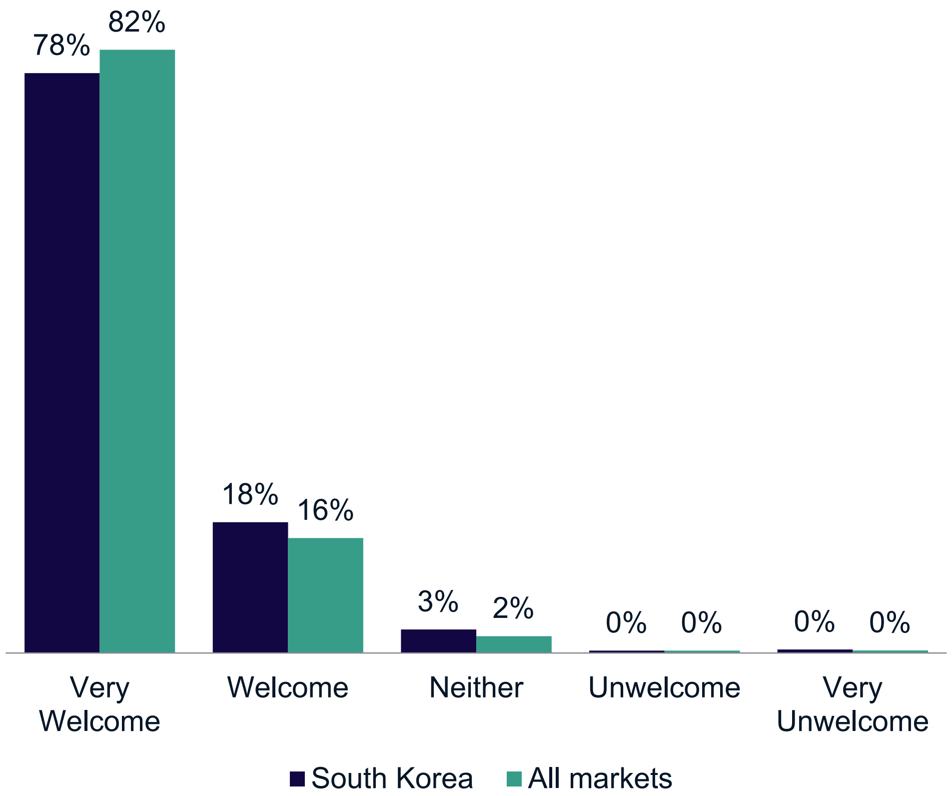
Propensity to learn a new skill or craft



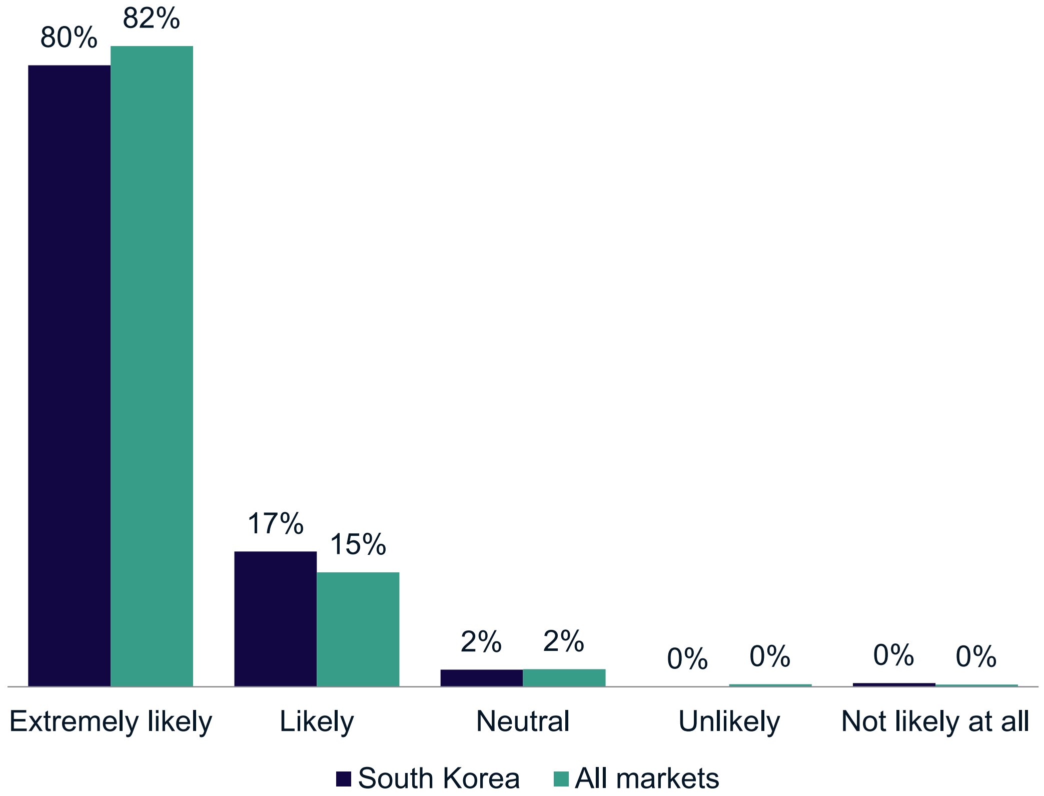
Source: International Passenger Survey by ONS, Did you go on any English language courses during this visit? Displayed as % of all visits in this market, visits incl. participation in an English language course might be based on a small sample.

2.2 Welcome and recommending Britain

Feeling of 'welcome' in Britain



Likelihood to recommend Britain



Source: International Passenger Survey by ONS, 2017

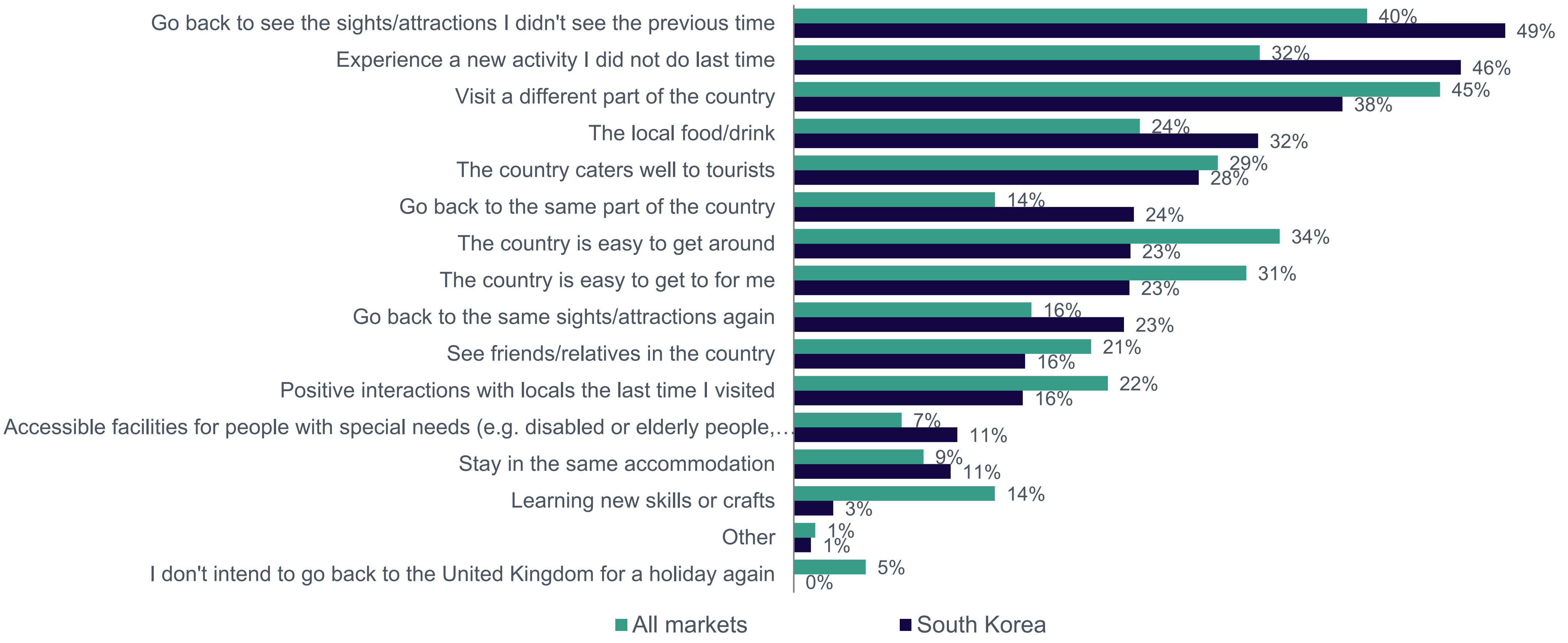
2.2 Reasons to return to a holiday destination

Reasons to return to a destination in general

Source: Anholt Nation Brands Index, powered by Ipsos 2019

2.2 Reasons to return to the UK

Reasons to return to the UK



Source: Anholt Nation Brands Index, powered by Ipsos 2019

2.3 Perceptions of the UK (1)

- South Koreans have a positive perception of the UK's culture, ranking the country 4th among 50 nations in 2020.
- When asked why they chose Britain as a holiday destination, cultural attractions are the most influential reason for South Korean travellers by far (about half chose this as a key motivation). The fact that Britain was a new destination where they hadn't been before, as well as its different culture compared to theirs, also appealed to many holidaymakers.
- South Korean travellers tend to look for a holiday destination where they can enjoy the beauty of the landscape, that will provide fun and laughter, and something to broaden their mind or stimulate their thinking. However, competitor destinations such as France, Italy, the USA or Australia are better perceived than Britain on their capacity to offer those to the South Korean holidaymakers.
- South Koreans rate Britain most highly as a destination where they can visit world-famous sites, historic places, watch a sporting event, or even go partying.

Biggest draws to Britain for South Korean holiday visitors:

cultural attractions, somewhere new, a different culture from their own

Source: Arkenford 2013, VisitBritain/IPSOS 2016, Anholt-IPSOS Nation Brands Index 2020

2.3 Perceptions of the UK (2)

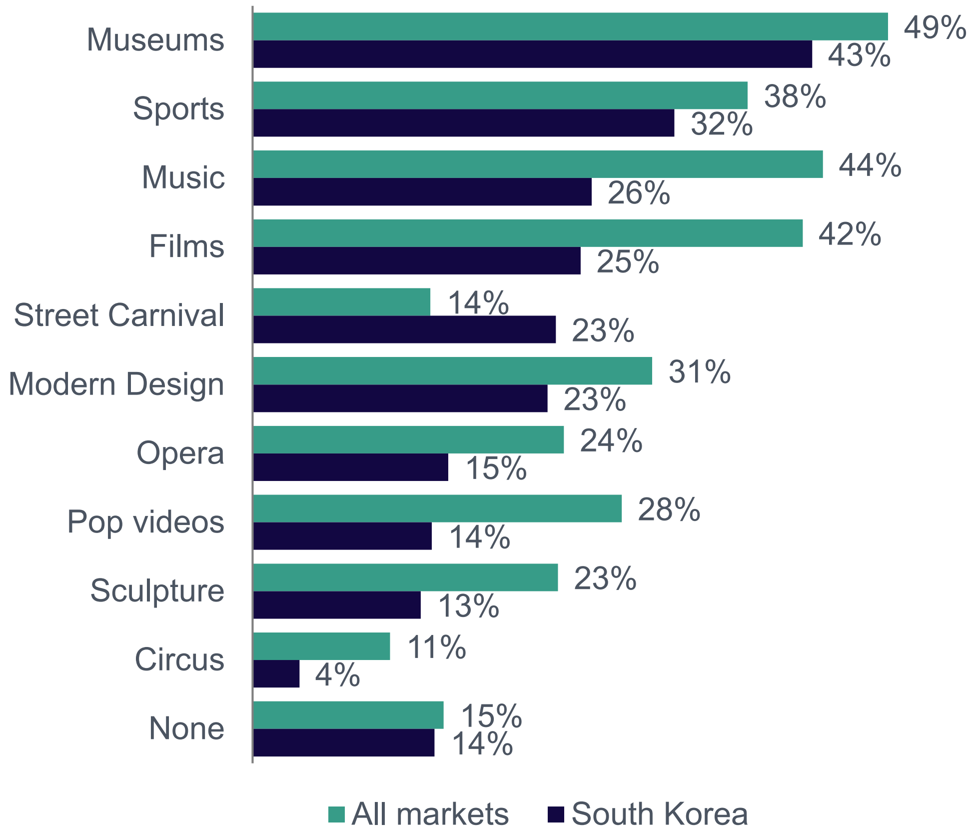
UK's ranking (out of 50 nations)

Measure	South Korean respondents	All respondents
Overall Nation Brand	**4**	**2**
Culture (overall)	**3**	**3**
The country has a rich cultural heritage	6	6
The country is an interesting and exciting place for contemporary culture such as music, films, art and literature	4	4
The country excels at sports	3	3
People (overall)	**9**	**4**
If I visited the country, the people would make me feel welcome	22	11
Tourism (overall)	**7**	**4**
Would like to visit the country if money was no object	5	5
The country is rich in natural beauty	18	23
The country is rich in historic buildings and monuments	7	5
The country has a vibrant city life and urban attractions	4	4

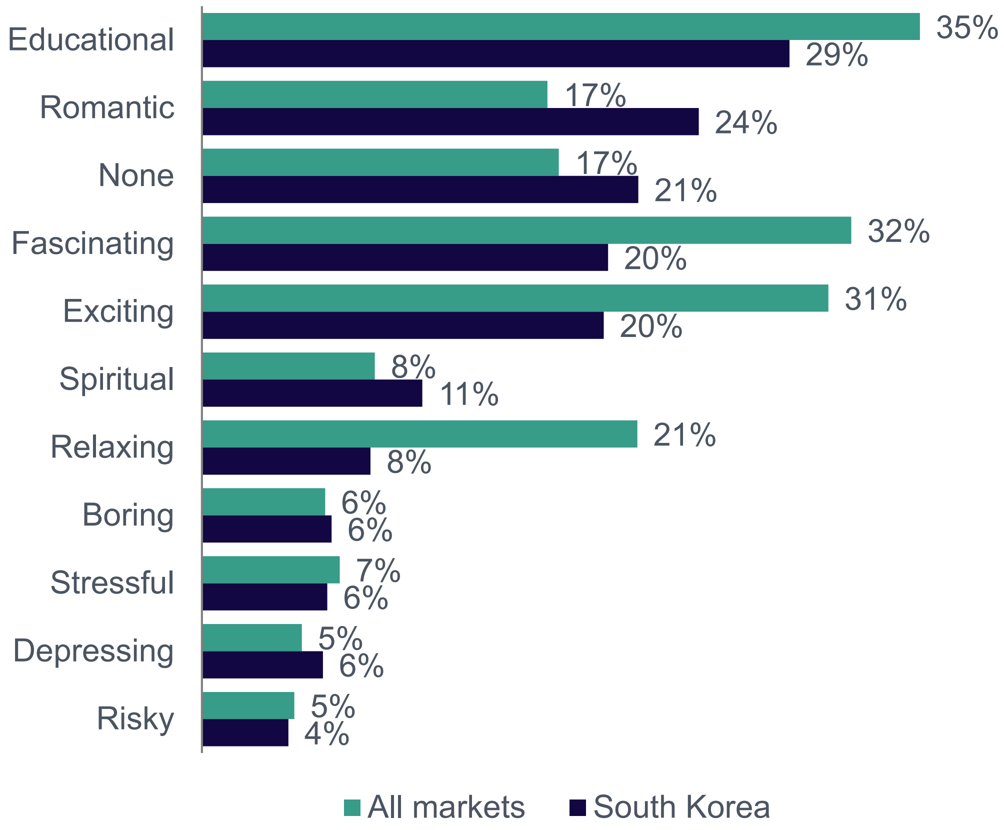
Source: Anholt Nation Brands Index, powered by Ipsos 2020

2.3 Perceptions of the UK (3)

Cultural associations



Adjectives describing a potential trip to the UK



Source: Anholt Nation Brands Index, powered by Ipsos 2020

2.3 Perceptions of the UK (4)

Holiday wants and % saying destination is best place for… top 20

Importance	Perception	GB	FR	IT	AU	US	GE
5.95	Enjoy the beauty of the landscape	26%	37%	40%	70%	33%	22%
5.84	Have fun and laughter	10%	27%	31%	36%	37%	10%
5.79	Broaden my mind/ Stimulate my thinking	30%	41%	44%	44%	45%	27%
5.73	See world famous sites and places	49%	60%	63%	23%	29%	35%
5.72	Provides a wide range of holiday experiences	31%	43%	45%	49%	49%	28%
5.71	Enjoy local specialties (food and drink)	22%	52%	45%	32%	29%	30%
5.69	Experience activities/places with a wow factor	21%	41%	40%	51%	29%	20%
5.69	Be physically healthier	17%	23%	24%	49%	26%	21%
5.67	Enjoy peace & quiet	24%	19%	19%	63%	15%	13%
5.61	Experience things that are new to me	28%	41%	51%	48%	30%	38%
5.61	Feel connected to nature	15%	17%	21%	60%	34%	14%
5.61	It offers unique holiday experiences	31%	42%	47%	48%	34%	30%
5.6	Do what I want when I want spontaneously	23%	32%	33%	37%	32%	21%
5.59	Do something the children would really enjoy	24%	36%	33%	52%	48%	17%
5.56	Explore the place	18%	32%	41%	38%	33%	21%
5.56	The people are friendly and welcoming	22%	24%	21%	28%	23%	20%
5.51	Soak up the atmosphere	31%	46%	38%	45%	35%	15%
5.51	Have dedicated time with my other half	27%	46%	47%	56%	27%	23%
5.5	Visit a place with a lot of history/historic sites	44%	56%	63%	18%	18%	34%
5.46	Offers good value for money	28%	42%	41%	33%	39%	23%

Source: VisitBritain/Arkenford 2013

2.3 Perceptions of the UK (5)

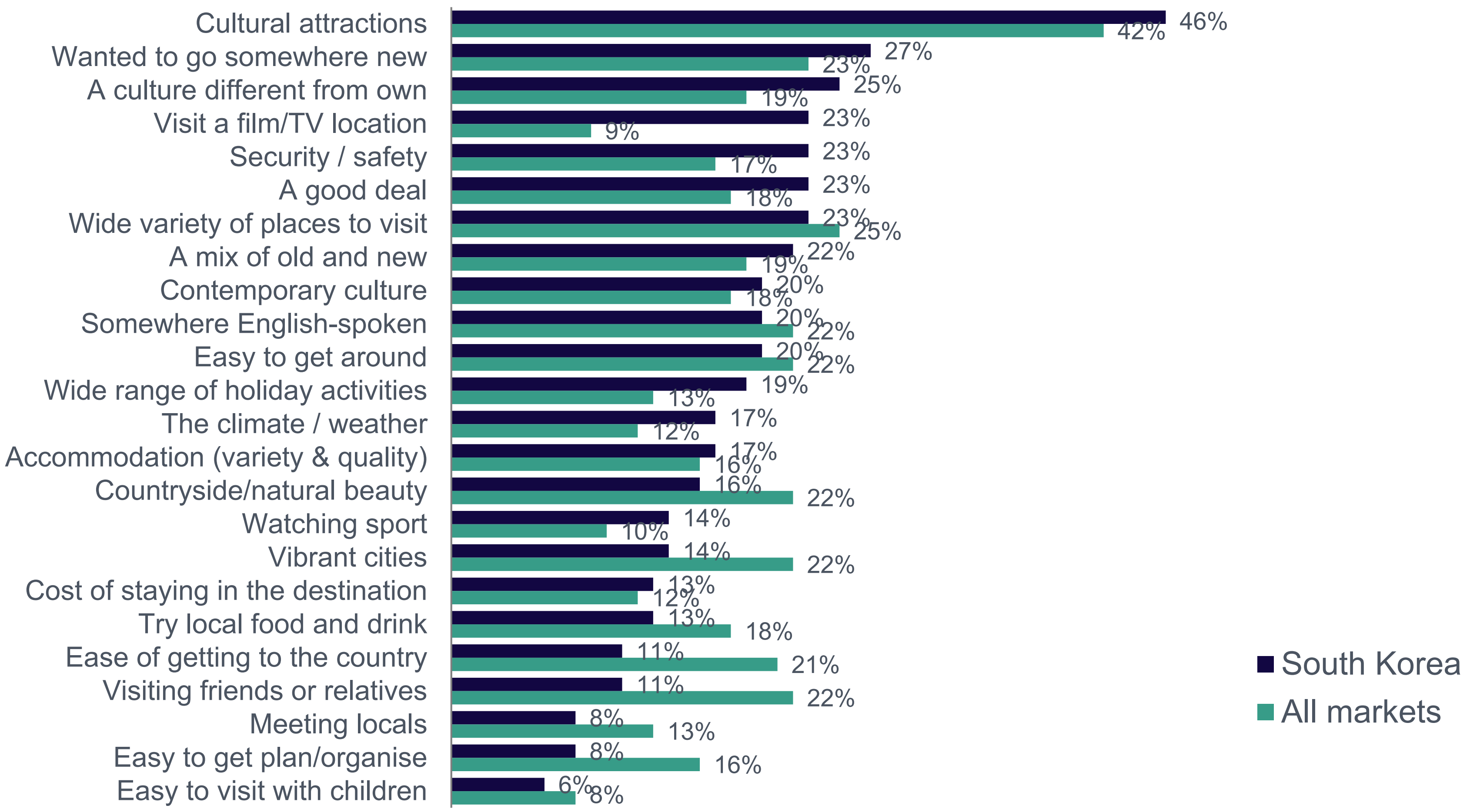
Holiday wants and % saying destination is best place for… bottom 20

Importance	Perception	GB	FR	IT	AU	US	GE
5.46	A good place to visit at any time of year	18%	28%	28%	43%	36%	17%
5.35	Chill/ slow down to a different pace of life	12%	32%	30%	45%	24%	16%
5.3	Revisit places of nostalgic importance to me	30%	30%	35%	31%	30%	20%
5.25	Get some sun	15%	25%	34%	57%	35%	17%
5.24	Enjoy high quality food and drink (gourmet food)	13%	58%	53%	25%	29%	24%
5.23	Easy to get around by public transport	31%	30%	20%	17%	32%	27%
5.14	Visit places important to my family's history	23%	43%	38%	32%	31%	19%
5.12	Good shopping	30%	56%	53%	21%	49%	19%
5.12	Go somewhere that provided lots of laid on entertainment/nightlife	21%	35%	37%	41%	42%	25%
5.1	Get off the beaten track	15%	21%	20%	49%	26%	15%
5.03	Meet the locals	6%	32%	30%	28%	29%	10%
5.01	To participate in an active pastime or sport	24%	23%	16%	35%	39%	22%
4.98	Do something environmentally sustainable/ green	22%	25%	32%	63%	28%	42%
4.93	Feel special or spoilt	22%	45%	31%	23%	31%	12%
4.83	Meet and have fun with other tourists	17%	25%	14%	37%	49%	15%
4.76	Experience adrenalin filled adventure	19%	27%	26%	33%	59%	27%
4.64	Watch a sporting event	48%	23%	29%	26%	55%	33%
4.62	Party	42%	44%	40%	34%	61%	28%
4.54	Do something useful like volunteering to help on a project	36%	21%	25%	41%	38%	24%
4.08	Fashionable destination	18%	63%	65%	10%	27%	9%

Source: VisitBritain/Arkenford 2013

2.3 Perceptions of the UK (6)

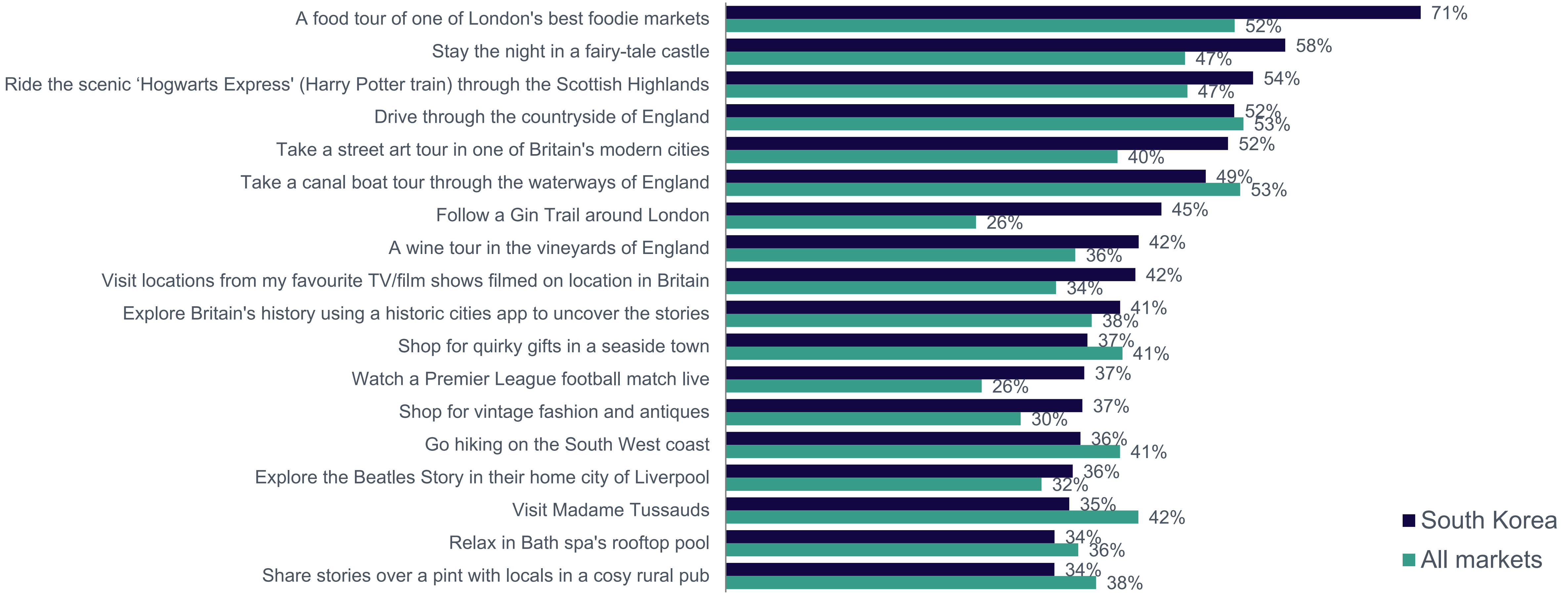
Motivations for choosing Britain as a holiday destination



Source: VisitBritain/IPSOS 2016, adjusted data, base: visitors (Market scores have been adjusted so that the sum of all motivations for each market is equivalent to the global total, to enable meaningful comparisons)

2.3 Perceptions of the UK (7)

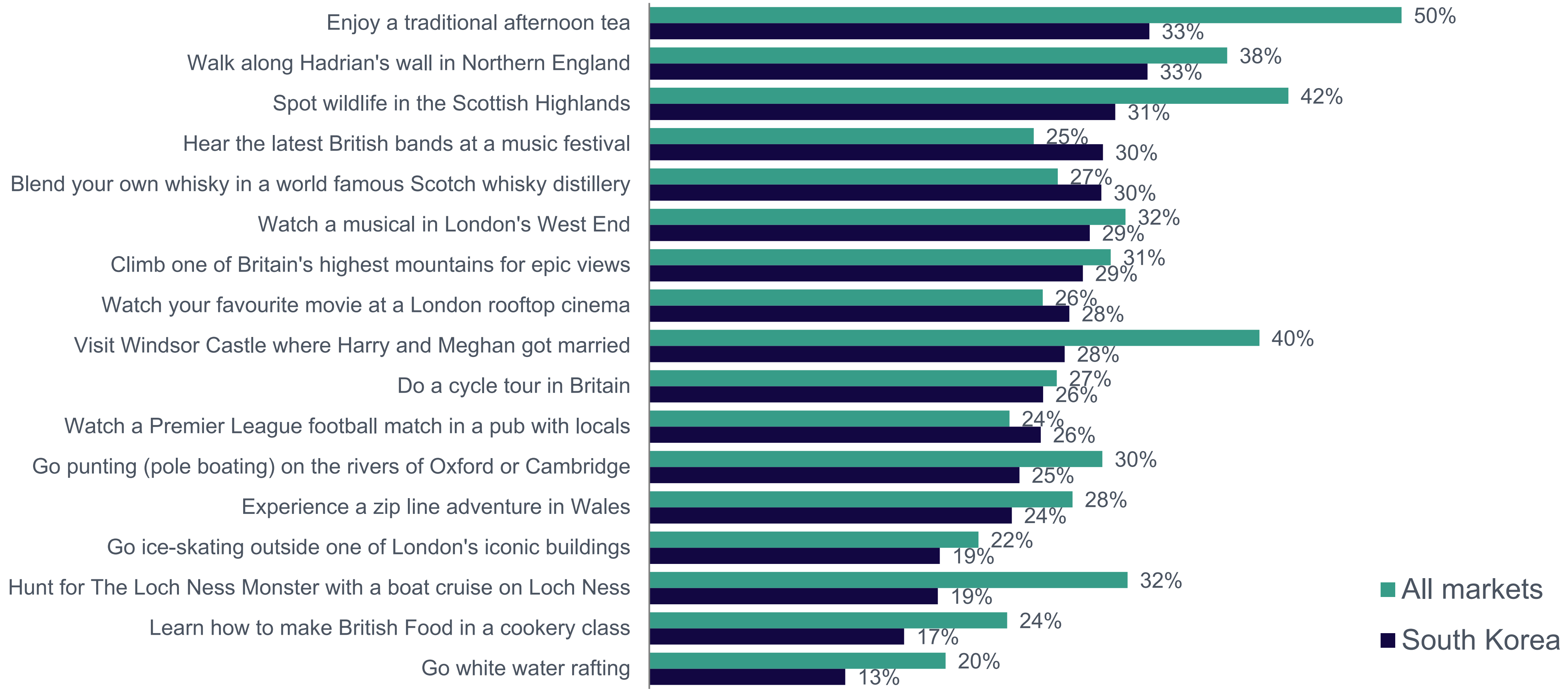
Sought-after Britain activities – top 18



Source: Anholt Nation Brands Index, powered by Ipsos 2020

2.3 Perceptions of the UK (8)

Sought-after Britain activities – bottom 17



Source: Anholt Nation Brands Index, powered by Ipsos 2020

Understanding the market

Chapter 3

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3.1 Structural drivers

- South Korea is a presidential republic; the first free presidential elections were held in 1987.
- It is composed of 9 provinces, 6 metropolitan cities, one special city (Seoul) and one special self-governing city (Sejong).
- Mountainous areas represent about 70% of the country, so most of the South Korean population is concentrated in the lowland areas. The Gyeonggi Province is the most densely populated province, with Seoul (the capital), and Incheon (one of the six metropolitan cities) located here.
- According to the UN's World Population Prospects, the South Korean population is older than the global average and ageing: its median age is estimated to be 44 years old in 2020, while the overall world's median age is estimated to be 31. The South Korean median age is forecast to be over 53 by 2040.
- Full-time workers are entitled to 15 days of paid annual leave a year as a minimum, provided they attended at least 80% of their work days the year before. Depending on seniority, South Korean workers can get up to 25 days of paid annual leave.

81%

Of the South Korean population lives in urban areas

Source: Oxford Economics, CIA World Factbook, UN's World Population Prospects, Korean Labour Law 2020

3.1 Structural drivers: general market overview

General Market Conditions

- South Korea is the 10th largest economy in the world; its per capita income (PPP) is above $40,000.
- It is known for a spectacular transformation in the latter half of the twentieth century from a developing to a developed country, known by some as the 'Miracle on the Han River'. South Korea was one of the fastest growing developed countries following the global recession.
- South Korea has been named as one of the 'Next 11' countries which have a high potential of becoming the world's largest economies in the 21st century.
- This market's most important exports include electronics, textiles, ships, automobiles and steel. South Korea is described by the IMF as having 'strong fundamentals' in the form of a solid export base, skilled labour force and well capitalised banking sector.
- The COVID-19 pandemic sent South Korean GDP into a decline of -0.9% in 2020. However, the economy grew at its fastest pace in a decade in the second quarter, on the back of robust exports and rebounding consumption.
- This optimism was slightly dampened by a fresh wave of infections, but as of October 2021, 61% of the population have been fully vaccinated.

Key demographic and economic data

Measure (2021)	South Korea
Population (m)	51.3
GDP per capita PPP (US$)	48,669
Annual average GDP growth over past decade (%)	2.6
Annual average GDP growth in 2021 (%)	4.2

Economic indicators (%)

Indicator	2019	2020	2021	2022
Real GDP growth	2.2	-0.9	4.2	3.5
Real consumer spending growth	2.1	-5.0	3.0	4.5
Unemployment rate	3.8	4.0	3.8	3.6

Source: Oxford Economics, IMF, Financial Times, Our World in Data

3.1 Structural drivers: demographic and social indicators

Population dynamics

Measure	2021
Population growth rate	0.1%
Population aged 65+	16.7%
Median age (2020)	43.7
Urban population	81.4%

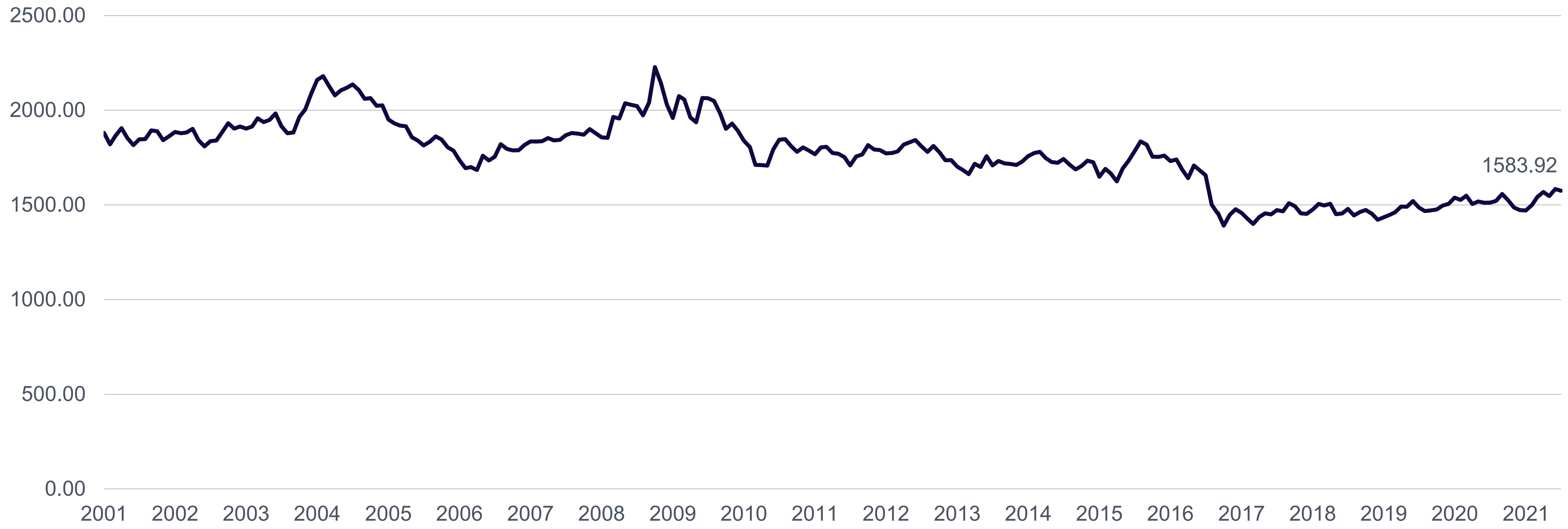
Indicator	2010	2020	2030	2040
Median age (in years)	38.0	43.7	49.1	53.4

- South Korea currently has one of the lowest fertility rates in the world, and is faced with a rapidly ageing population, alongside low marriage and birth rates. The UN has predicted that its population will begin to fall by 2024.
- Culturally, there has been a rise in the so called ‘Sampo Generation’, who have given up relationships, marriage, and children in favour of independent lives and careers.
- Korean is the official language, but English is widely taught in schools.
- 19.7% of South Koreans identify as Protestant, followed by 15.5% Buddhists, and 7.9% Catholics; however, many people carry on at least some Confucian traditions and practices.
- As of 2020, 81.4% of the population lives in urban areas, with the major cities being Seoul, Busan, Incheon, Daegu, Daejon and Gwangju.
- Capgemini’s World Wealth Report suggests that in 2020, South Korea ranked 13th globally for its HNWI volume**, with a total of 261,000 HNWIs.

Source: Oxford Economics, UN World Population Prospects 2019, CIA World Factbook, Capgemni World Wealth Report, BBC
** HNWI stands for High Net Worth Individual, definition in appendix

3.1 Structural drivers: exchange rate trends

Exchange rate trends (cost of GBP in KRW)



Please find the most up-to-date exchange rate trend based on monthly averages on our website.

Source: Bank of England

3.2 Consumer trends

- In 2019, 28.7 million Koreans, more than half of the population, travelled abroad. Slow travel, JOMO ('joy of missing out'), and local gastronomy, were the most prominent travel trends in 2019, with Southeast Asia gaining in popularity as a destination, alongside Budapest, in the same year.
- 2018 measures introduced by the government have enhanced leisure trends in society. Maximum working hours have been reduced from 68 hours to 52, which have encouraged people to pursue their hobbies and dedicate more time to leisure.
- FIT (free independent travel) is a growing segment in South Korea, partly thanks to the internet penetration rate, one of the highest in the world.
- Security and safety plays an important role in the decision of a holiday destination for South Korean travellers: health issues are a key concern among South Koreans, especially as the population is ageing.
- It is common to see South Koreans travel in the pursuit of a specific interest, most commonly culture, or shopping among the those travelling on their own or within a group.

60%

of South Korean travellers will be more motivated to holiday abroad after receiving a COVID-19 vaccination

Source: Skyscanner APAC Travel Trends 2020, International Trade Administration, TCI/VisitBritain/VisitScotland/Visit Wales/London&Partners 2021

3.2 Consumer trends: travel trends pre COVID-19

- In 2019, 28.7 million Koreans, more than half of the population, travelled abroad.
- In late 2019, Skyscanner revealed the destinations which gained most popularity when it comes to bookings in 2019 vs. the year before, plus travel trends that were predicted to become popular in 2020. Although travel plans were disrupted by the coronavirus in early 2020, these trends may provide clues for South Korean travellers' behaviour post COVID.
- Sustainable travel, which includes choosing a flight which has less CO2 emissions, or partaking in activities in-destination that can help preserve its environment, was on the rise for 11% of South Korean travellers.
- When it comes to types of travel, Korean travellers still favoured longer vacations, as well as visiting more off-the-beaten path destinations.
- South Korea's top five international destinations ranking saw the introduction of Da Nang coming up two spots. Data showed traveller's growing interest in taking trips to less crowded destinations like Nha Trang and Phu Quoc. But it didn't affect major cities Ho Chi Minh City and Hanoi, which were still popular among Koreans.
- With the continuous love of beaches and Slow Travel, Kalibo and Chiang Mai were also emerging.
- Meanwhile, Budapest was starting to gain popularity. With LOT Polish Air's new direct route from Incheon to Budapest, more travellers could easily hop over to enjoy the city's famous night view, especially of the Hungarian Parliament Building. As of 2019, #Budapest had been tagged in over 300,000 times by Korean travellers on social media.

Top travel trends 2019

Trend	Change in rank (2019 vs. 2018)	% share among trends
Slow Travel	-	31%
JOMO	+4	14%
Local Gastronomy	+4	12%

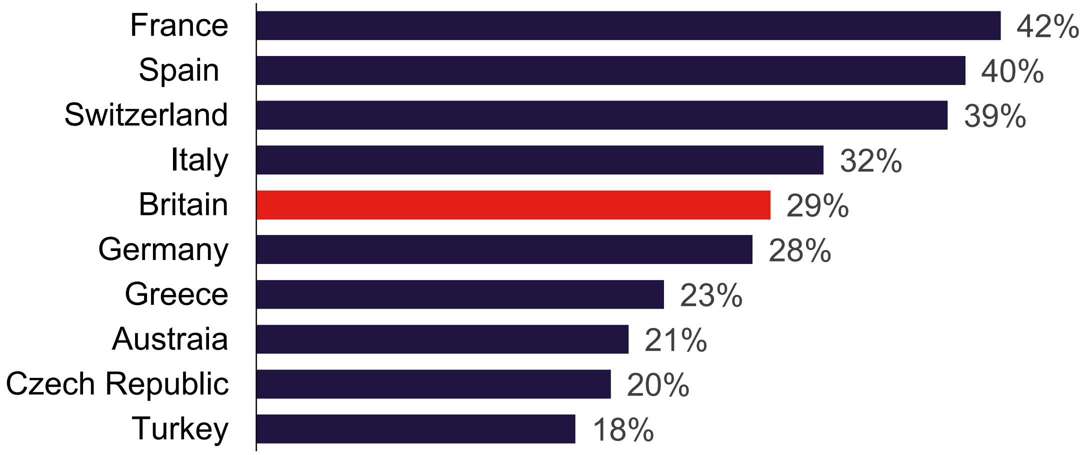
Top destinations for growth in bookings between 2018 and 2019

Destination	Change in rank (2019 vs. 2018)	Growth in bookings (2019 vs. 2018)
Phu Quoc, Vietnam	+84	480%
Nha Trang, Vietnam	+17	125%
Kalibo, Philippines	+13	108%
Chlang Mai, Thailand	+10	57%
Budapest, Hungary	+11	38%

Source: Skyscanner APAC Travel Trends 2020, International Trade Administration

3.2 Consumer trends: impact of COVID-19

Top European destinations for an international leisure trip*



Destination types

23% Country/ village

52% Large city

54% Will roam around

19% Mountains or hills

32% Small/mid-sized city/town

43% Coastline

- Due to the COVID-19 outbreak, Oxford Economics estimates that visits from South Korea to the UK were down by 71% in 2020, and that visits will have declined by a further 71% in 2021.
- The second wave of VisitBritain's International Recovery Sentiment tracker (fieldwork March-April 2021) revealed that 56% of South Korean respondents planned to travel internationally for a leisure trip in the next 12 months, with 94% planning to travel for a holiday, and 16% to visit friends and relatives abroad.
- Of these, 39% are considering travelling to Europe, and 11% are considering Britain. Britain is ranked fifth within Europe for consideration, following France, Spain, Switzerland, and Italy.
- South Korean travellers' top activators for an international trip follow a similar pattern to global preferences; however, they are much more highly motivated by receiving a COVID-19 vaccination, and a high proportion of the destination population being vaccinated. 86% of South Korean respondents would be happy to take a pre-trip COVID-test if required.

Source: IPS, Oxford Economics/VisitBritain, TCI/VisitBritain/VisitScotland/Visit Wales/London&Partners 2021 *percentages show proportion within those considering a trip to Europe. Note: Sentiment data is from a tracking study, and results may change in subsequent waves

3.3 Booking and planning

- South Korean visitors have slightly shorter lead-in times compared to other inbound markets for deciding on a destination, looking at options and prices and booking their trip to Britain. However, they start to think about their trip roughly at the same time as most markets.
- About 4-in-10 South Korean visitors looked at options/prices for their trip to Britain 1 to 2 months before their departure, and a similar proportion booked it in the same timeframe.
- South Korean holiday visitors to Britain are slightly more likely to have booked their transport and accommodation together than the average visitor (58% compared to 50% respectively).
- Regardless of whether these elements were booked separately or together, most South Korean holiday visitors booked their trip online. To do so, they mostly used their laptop or desktop, but South Korean holidaymakers were also more likely to use their smartphones to book their trip to Britain elements than the average, especially by using apps.
- When booking transport and accommodation together, they were also more likely than average to do this over the phone.
- Finally, they prefer planning in advance and so would be more likely than average to buy attraction or event tickets before they arrive to the UK.

Over half

of South Korean holiday visitors booked their travel to Britain and accommodation there together as a package

Source: VisitBritain/IPSOS 2016

3.3 Booking and planning: booking channels and ticket sales (1)

How trips to Britain were booked

Booking method	South Korea	All markets
Online	88%	85%
Face-to-face	7%	10%
By phone	5%	4%
Don't know	>1%	1%

- South Korean visitors are quite digital-savvy, with most booking travel to the UK and accommodation online, when these elements were bought separately.
- When booking these elements as a holiday package, they are more likely to do so online than the all-market average (60% vs 64%), almost as likely to book face to face (23% vs 27%) and more so by phone (16% vs 8%).
- Most South Koreans booked their holiday indirectly, i.e. through a travel agent, tour operator or comparison site.

How trips to Britain were booked: accommodation only

Booking method	South Korea	All markets
Online	81%	70%
Face-to-face	4%	7%
By phone	3%	3%
Did not book/stayed with friends/relatives	11%	17%
Don't know	>1%	2%

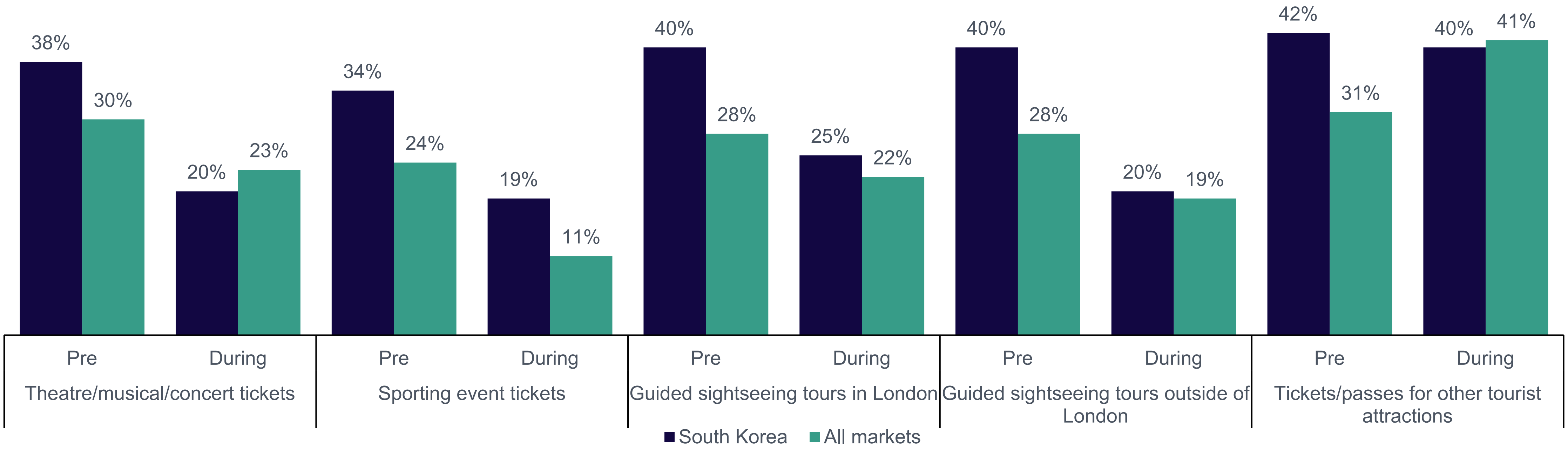
How trips to Britain were booked: travel + accommodation

Booking method	South Korea	All markets
Online	60%	64%
Face-to-face	23%	27%
By Phone	16%	8%
Don't know	>1%	1%

Source: VisitBritain/IPSOS 2016, base: visitors (online survey)

3.3 Booking and planning: booking channels and ticket sales (2)

Propensity to make a purchase before or during trip



- South Koreans have a more marked tendancy to book activities before their trip than the all market average, with 78% of all South Korean travellers said they like planning their holidays carefully before they leave, and that fewer than half said they would enjoy spontaneous activities.
- This holds true when it comes to purchasing tickets for events, guided sightseeing tours and other tourist attractions.

Source: VisitBritain/IPSOS 2016, base: visitors (online survey)

3.3 Booking and planning: lead-times (1)

Decision lead-time for visiting Britain

Starting to think about trip

Lead time	South Korea	All markets
6+ months	48%	49%
3-6 months	31%	31%
1-2 months	15%	13%
Less than 1 month	4%	5%
Don't know	3%	3%

Deciding on the destination

Lead time	South Korea	All markets
6+ months	22%	32%
3-6 months	44%	38%
1-2 months	26%	19%
Less than 1 month	6%	7%
Don't know	3%	3%

Looking at options/prices

Lead time	South Korea	All markets
6+ months	13%	21%
3-6 months	33%	37%
1-2 months	41%	27%
Less than 1 month	12%	12%
Don't know	3%	4%

Booking the trip

Lead time	South Korea	All markets
6+ months	11%	14%
3-6 months	22%	32%
1-2 months	39%	28%
Less than 1 month	25%	21%
Don't know	5%	5%

Source: VisitBritain/IPSOS 2016, base: visitors

3.3 Booking and planning: lead-times (2)

Decision lead-time for visiting Britain: commentary (tables on previous page)

- South Korean visitors follow the all-market average when it comes to when they start thinking about their trip. However, they decide on their holiday destination slightly later than the average visitor (22% decided to visit Britain over 6 months ahead, compared to 32% across all markets).
- South Korean visitors to the UK also have shorter lead-in times than the all-market average when it comes to looking at options and booking their trips.
- While 1-in-5 holiday visitors on average across all surveyed markets had started to look at options and research prices to visit the UK 6 months or more before their trip, only about 1-in-8 had done so among South Korean holiday visitors. 40% of them would do so one or two months prior to their departure, against 27% across all markets.
- The critical booking period is between one and two months before their trip to the UK with 39% of South Korean visitors booked in this timeframe, compared to 28% across all markets. An additional 1-in-4 South Korean visitors also booked in the month leading to their trip to the UK, which over indexes slightly on the all-market average too (25% vs 21% respectively).
- Finally, South Korean visitors were slightly more likely than average to have bought their transport and accommodation for their UK trip together (58% vs 50% for all markets).

Source: VisitBritain/IPSOS 2016, base: visitors

3.4 Reaching the consumer

- South Korea has the highest internet penetration rate in Asia, recently overtaking Japan.
- Traditional media, though, still have high penetration amongst South Koreans. Both TV and print media remain influential. However, their digital versions are quite important too, and have allowed newspapers and magazines to remain popular in some cases. 74% of newspaper and magazine readers access this content online.
- Movies and shows from English-speaking countries are broadcast in this market, but cultural exports such as K-dramas and K-pop are popular both domestically and worldwide as part of the Korean wave or *hallyu*.
- Technology adoption is well-spread in South Korea, which is home to world-renowned manufacturers such as Samsung. Mobile technologies are widely adopted too.
- 90% of South Koreans are active on social media. The most used social media platforms are YouTube, KakaoTalk, and Instagram.
- When it comes to choosing their holiday destination, South Korean international travellers are mostly influenced by online sources: information from search engines, travel blogs and then word of mouth.

Internet penetration rate in South Korea in 2021:

97%

Source: Statista, VisitBritain IPSOS 2016, Hootsuite Digital

3.4 Reaching the consumer: print media landscape

- Freedom of speech is assured in South Korea, and the press is an active sector.
- In 2019, 74% of readers consumed newspapers or magazines online, 15% purchased a physical copy, and 11% downloaded to read offline.
- Newspaper readership is high and there are more than 100 national and local dailies. Many newspapers are controlled by industrial conglomerates.
- Three main publications dominate the market with over 2 million copies each sold daily: Chosun Daily, DongAH Daily and JoongAng Daily. They mostly have conservative views, which can lead to some disagreement with the government, but are still very influential.
- Chosun, one of the main publications in South Korea, has launched travel company Vita Tour which specialises in luxury tours.
- Some of the most popular news titles are written in English.
- Due to the COVID-19 outbreak, 84% of newspaper and magazine businesses said they are experiencing a state of financial crisis, with the situation even more dire for daily and weekly newspapers.

Newspapers	Other information
Chosun Ilbo	English language pages
Dong-a Ilbo	English language pages
The Korea Times	English language
The Korea Herald	English language
Hangyore Sinmun	English language pages
JoongAng Ilbo	English language pages
Hankook Ilbo	Daily
Korea Economic Daily	
Munhwa Ilbo	Daily
Segye Ilbo	Daily

Source: BBC South Korea media profile, Statista, PR Newswire Asia

3.4 Reaching the consumer: broadcast media landscape

- Television remains the media with the largest audiences in South Korea, especially the main terrestrial networks; SBS, KBS 1, KBS 2, and MBC.
- Most South Koreans also pay subscription to satellite TV, Internet Protocol TV (IPTV) or digital cable TV.
- Those all give access to diverse programmes. Popular genres include serial dramas, historical dramas, variety shows, game shows, news programs, and documentaries.
- Movies and shows from English-speaking countries are broadcasted in this market, but South Korea also produces high quality shows including K-dramas that are watched beyond South Korea, just as K-pop is a popular international music genre, well represented not only in Asia but also worldwide. In fact, in 2021, Korea's Ministry of Science and ICT said it will provide $19.3 million to support the production of local broadcast content to further boost the Korean wave, or *hallyu*.
- Two out of every three Koreans used OTT media in 2020, with YouTube the favoured platform. The rate of usage of streaming services was up 14% vs. 2019. Stay at home mandates linked to the COVID-19 pandemic led to an increase in broadcast and video streaming viewership, with 32% of respondents saying their viewing time increased during the pandemic.

TV channels	Radio stations	Top OTT platforms
Korea Broadcasting System (KBS)	KBS Broadcasting System (KBS)	YouTube
Munhwa Broadcasting Corporation (MBC)	KBS World Radio	Netflix
Seoul Broadcasting System (SBS)	MBC Radio and MBC FM	Wavve
Education Broadcasting System (EBS)	Seoul Broadcasting System	Facebook
Jeonju Television Corporation (JTV)	TBS eFM	Naver TV

BBC South Korea media profile, KED Global

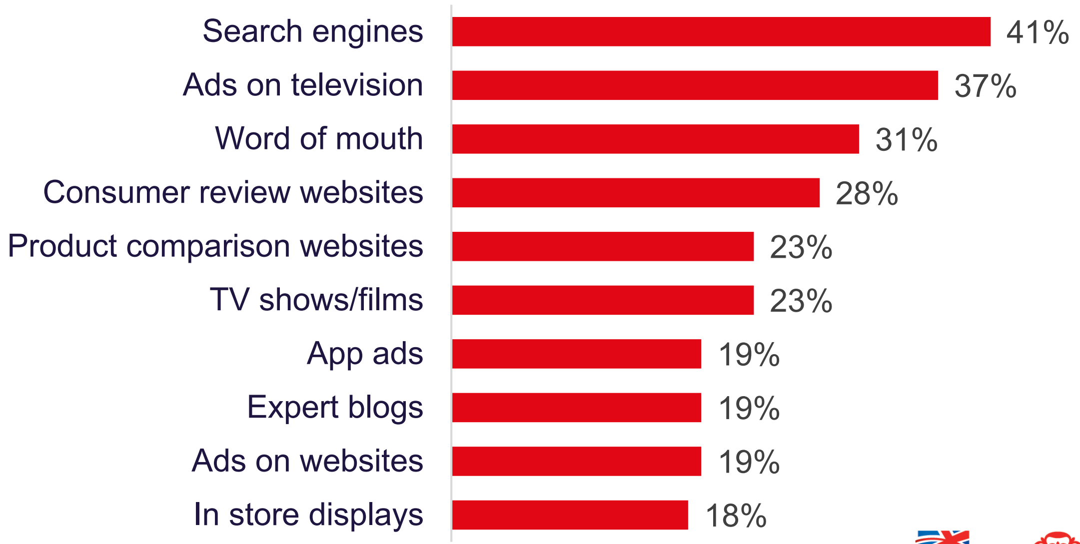
3.4 Reaching the consumer: internet and social media

- Internet penetration was at 97% in South Korea in early 2021, with 50 million active users. This high penetration rate is backed up by good infrastructure: Internet services offered in South Korea are among the fastest. As a consequence, it is easier for South Koreans to explore their travel options online. Digital purchases are also increasing too.
- BAND is a popular communication app, connecting friend, family and school groups, which enjoyed significantly boosted usership during the COVID-19 pandemic, particularly as telecommuting and distance lessons became more common. The launch of Instagram in market has boosted the importance of influencers in providing inspiration for travel choices.
- Gaming is also very popular in South Korea, and video games are an important part of the cultural and media landscape. High-quality internet provides opportunity for the large penetration of online gaming.
- Internet users aged 16-64 are most likely to access the net via mobile, at 52%, just ahead of laptops and desktops at 47%. Users spend 5 hours and 37 minutes on the internet per day on average, and have 6 social media accounts.

Most used social media platforms	Mobile app rankings
YouTube	KakaoTalk
KakaoTalk	Naver
Instagram	BAND
Facebook	Coupang
Twitter	Instagram
KakaoStory	Naver Map
Facebook Messenger	Facebook
Twitch	Baedal Minjok
TikTok	T-Phone
LINE	T Map

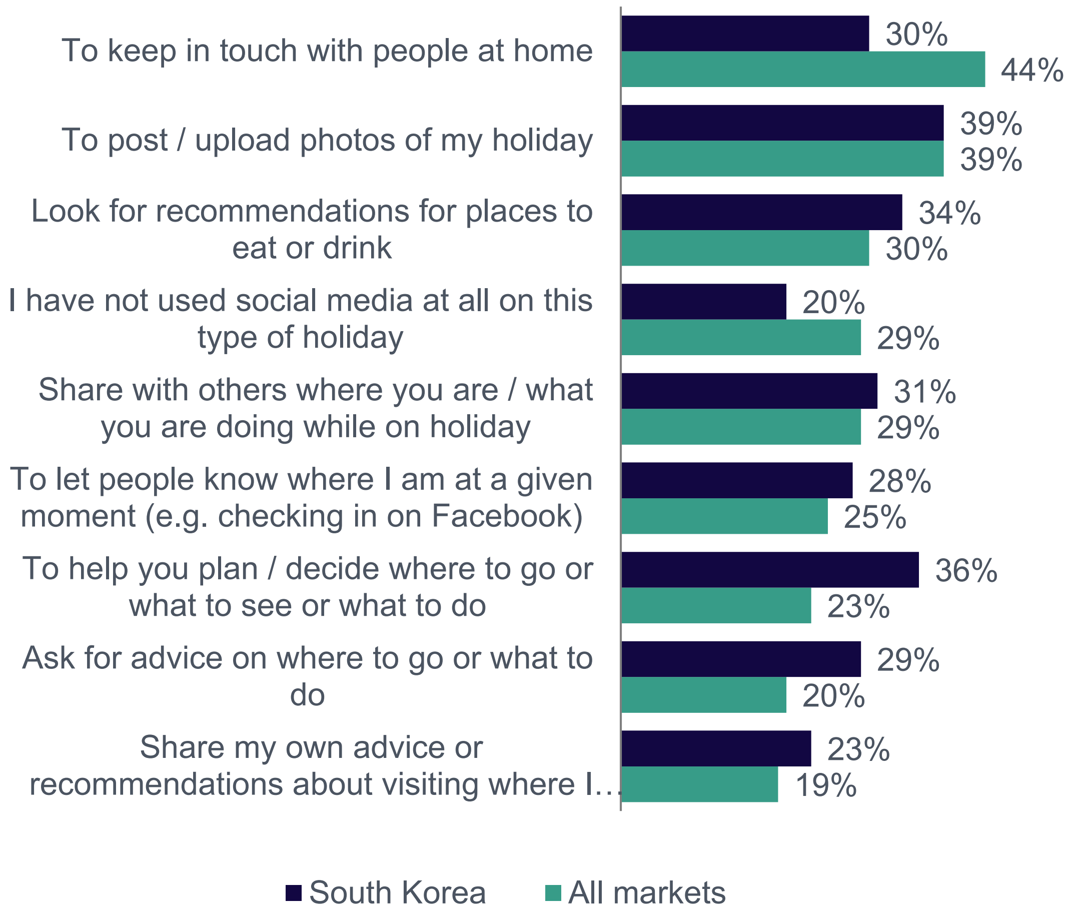
Source: Hootsuite Digital 2021

Sources of new brand discovery



3.4 Reaching the consumer: social media on holiday

Use of social media on holiday

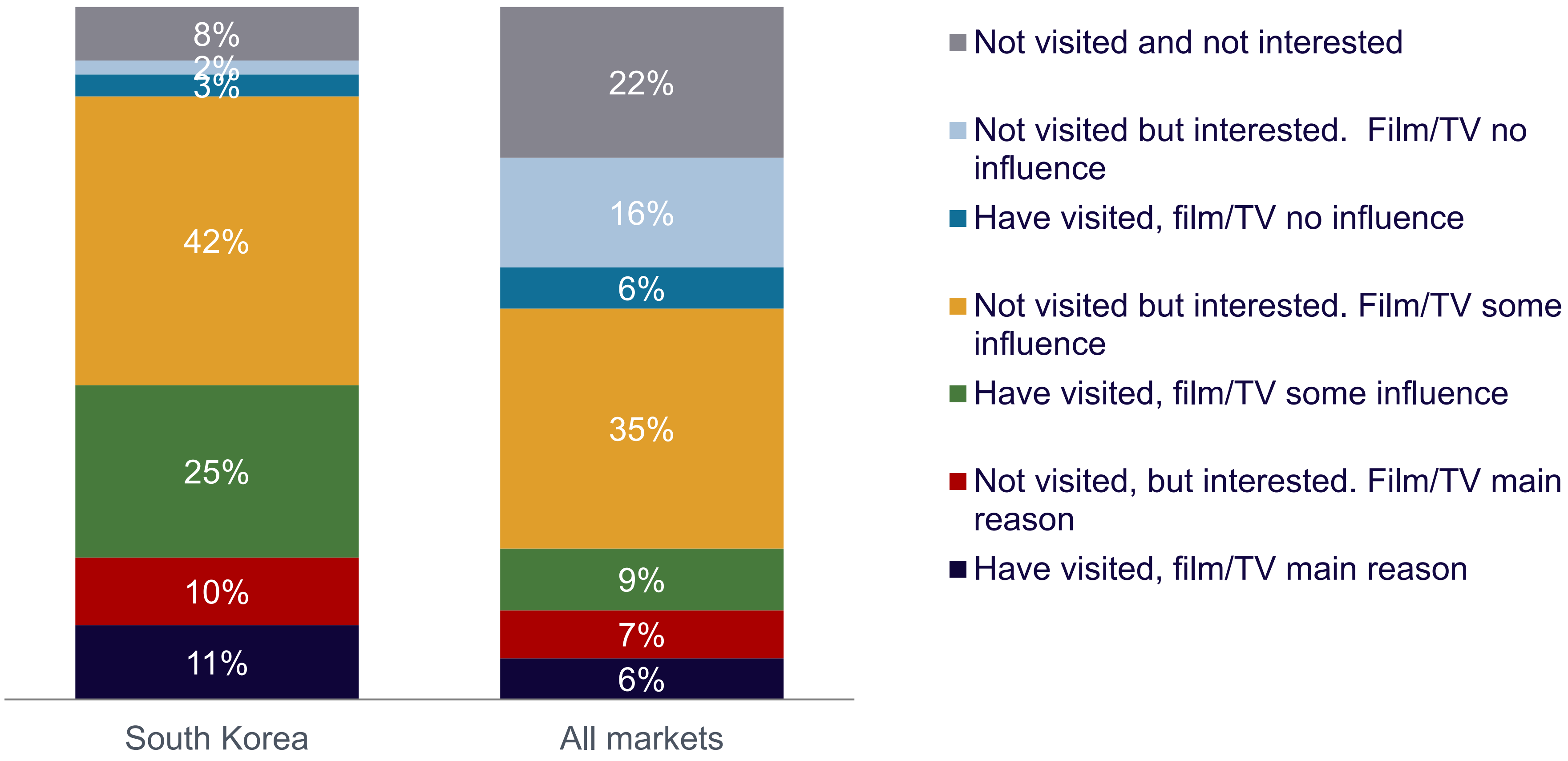


- 53% of South Koreans agree that they like to stay connected when they are on holiday, and 76% regard their smartphone as an essential item to have during their trip (higher than the all-market average of 73%).
- While on holiday, South Koreans are most likely to use social media to post/upload photos of their holiday (39%), help plan/decide where to go or what to see or do (36%) and look for recommendations for places to eat or drink (34%). For the latter two purposes, they over-index compared to the all market average.
- They are much less likely than other markets to use social media to keep in touch with people at home while on holiday (30% for South Korea compared to a 44% all market average).
- South Koreans are more likely than other markets to ask for advice, look for recommendations or share recommendations on social media, and over half of South Korean visitors trust reviews from other tourists on social media (56%, on par with the all market averge of 55%).

Source: VisitBritain/IPSOS 2016, base: all respondents: Have you used social media in any of the following ways whilst on your last holiday to Britain (visitors) /on your last holiday to a foreign destination (considerers)?

3.4 Reaching the consumer: influences

Likelihood to visit a place featured in a movie, TV series or book



Source: Anholt Nation Brands Index 2017: Have you ever visited a film or TV location whilst on a holiday/vacation abroad? If yes: To what extent was the film or TV location a reason for you choosing to take a trip to that destination? If no but would be interested: To what extent would a film or TV location be the reason for you choosing to take a trip to a specific destination?

Access and travel trade

Chapter 4

Getty Images/ Gordon Edgar Images

4.1 Access: key facts

- 80% of South Korean visitors arrive in the UK by plane. However, South Koreans also have a higher-than-average propensity to use the tunnel to get to Britain (18% in 2019 compared to 10% for the all-market average).
- It is worth noting that South Korean nationals do not need a visa to visit the UK, or the countries of the Schengen area, making a European multi-country trip easier for them to undertake.
- In 2019, capacity on direct, non-stopping flights from South Korea to the UK was concentrated on the Seoul Incheon-London Heathrow route. Three airlines operate this route: British Airways, Asiana Airlines and Korean Air. Korean Air represented 41% of seat capacity on this route in 2019.
- Direct seat capacity between South Korea and the UK started to grow at pace from 2012 onwards, and in total increased by 51% from 2009 to 2019.

Due to the COVID-19 outbreak, seat capacity between South Korea and the UK was down by 69% in 2020 compared to 2019. Seat capacity in 2021 to date (January-September) is 85% lower than the same period in 2019. However, scheduled seats are set to increase each month towards the end of the year and into early 2022.

18%
of South Korean visitors arrive via tunnel

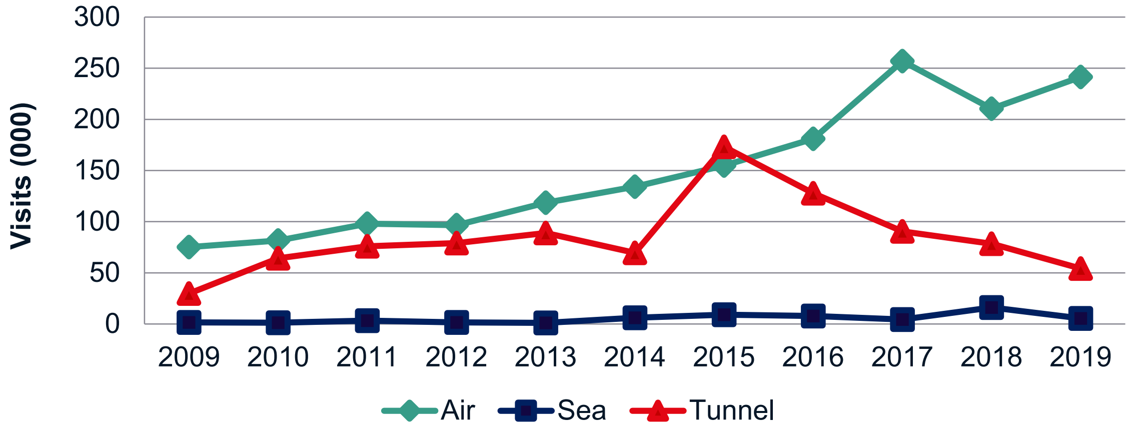
Access to Britain

Measure	2019
Weekly aircraft departures	21
Weekly seat capacity	6,009
Airports with direct routes in South Korea	1
Airports with direct routes in Britain	1

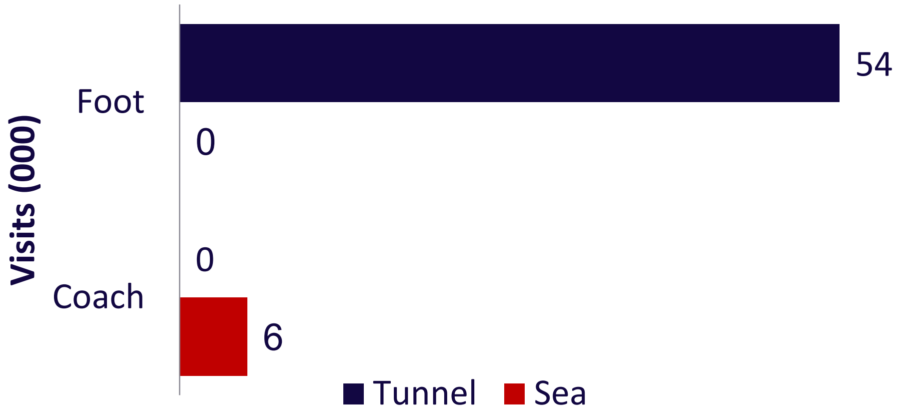
Source: Apex, direct flights only

4.1 Access: mode of transport

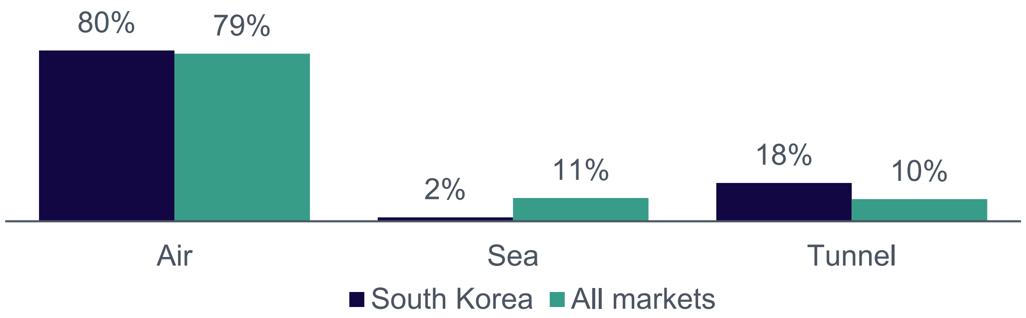
Visits by mode of transport



Sea and tunnel travel (000s) in 2019



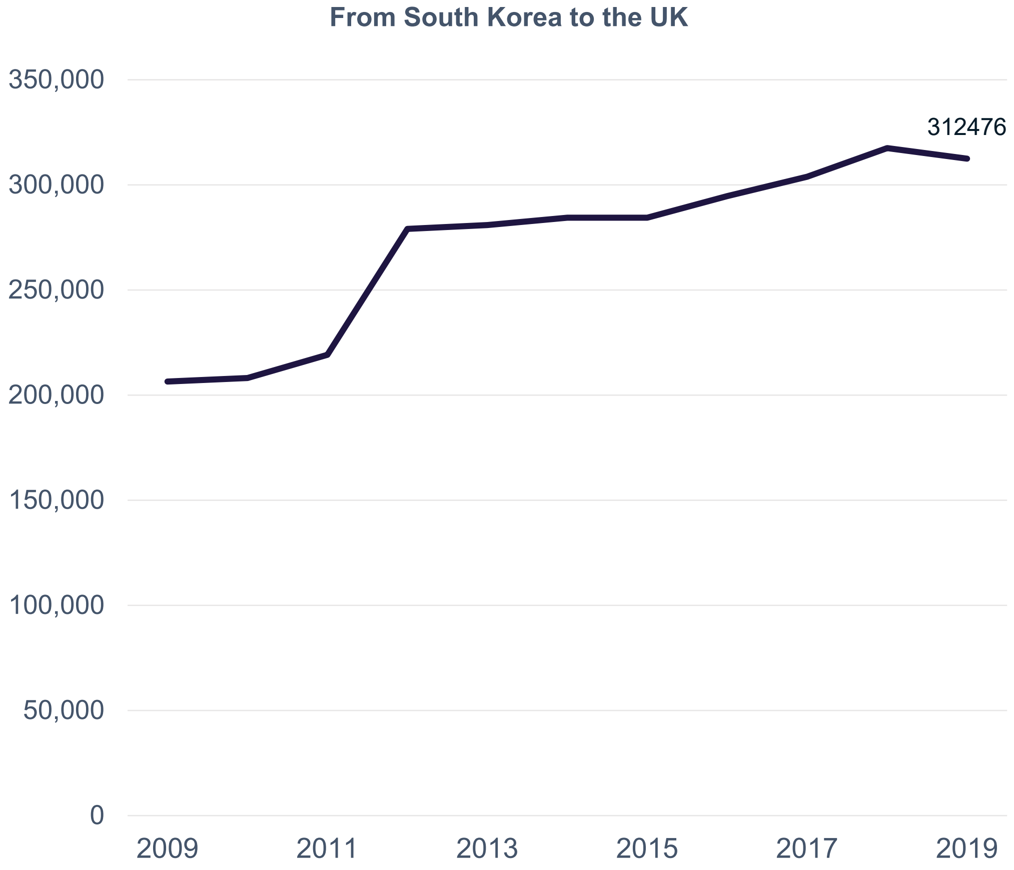
Annual share by mode (2019)



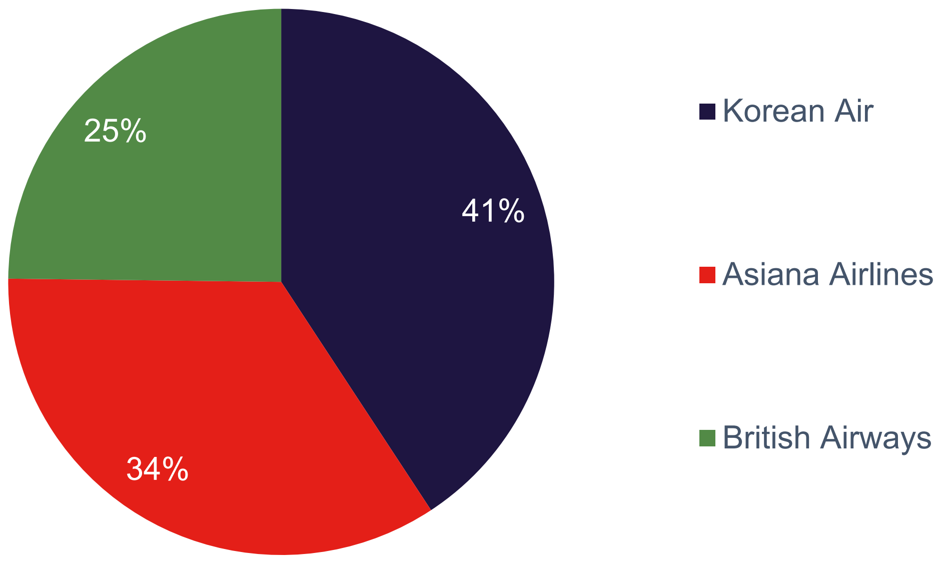
Source: International Passenger Survey by ONS

4.1 Access: capacity (1)

Annual airline seat capacity trends



Airline seat capacity by carrier (2019)



Note: please read the pie chart clockwise

Note: in late 2020, British Airways terminated their flights to South Korea. Also, Korean Air is set to merge with Asiana Airlines, which will impact the aviation industry in South Korea in the coming years.

Source: Apex 2019, non-stop flights only

4.2 Travel trade: general overview

- Two main wholesalers dominate the travel sector in South Korea; Hanatour and Modetour. Hana has recently been investing in an online system to create a one stop solution for young FIT customers.
- Understanding the Korean culture and building lasting relationships are key to success in this market.
- The Free Independent Travel (FIT) segment is becoming more important. One of the main wholesalers has diversified, creating a FIT branch to specially target this segment.
- South Korean travellers are becoming more savvy in terms of looking for the different elements of their trip online, as well as at traditional travel agents and direct with the company providing the service they are looking for. Therefore a wide range of intermediaries can be used.
- Theme tours are quite trendy so football/golf specialised tour agencies or trekking specialised agencies are playing well in the market.

+51%
in seat capacity between 2009 and 2019 on direct, non stopping routes between Seoul and London

4.2 Travel trade: tour operators (1)

Top wholesalers in South Korea
Hanatour
Modetour

Other key players offering wholesaler services to retail agents
Interpark
Lotte Tour, Lotte Holidays
Hanjin
Very Good Tour
Yellow Balloon

Overview

- The South Korean travel industry is largely supported by domestic demand. However, overseas travel has grown rapidly.
- Main international travel prospects include:
  - Free and independent travellers (FIT)
  - Group package tours
  - Family vacation packages
  - Cultural tours and scenic/nature tour packages
  - Luxury packages catering to Korean single, professional women travelling for leisure
  - Outdoor activities
  - Educational travel
  - MICE
- South Koreans are quite savvy when it comes to planning and booking overseas holidays: they will use a mix of both online services and brick-and-mortar travel agents. This results in a complex and fast-changing travel trade landscape in this market.
- The travel industry is rapidly moving towards an OTA model, providing a one stop solution to book flights, accommodation, transportation and activities. Yanolja is currently the leading OTA, and is now partnering with KakaoTalk to target online/mobile platforms.

Wholesalers

- There are two main players in travel wholesale in South Korea: Hanatour and Modetour. They sell their products to both independent retail agents and their franchisees. They both count over 2,000 franchisees throughout the country.

Source: 2015 ITA Travel and Tourism Top Markets Report, Export

4.2 Travel trade: tour operators (2)

Some top retail agencies
Freedom Tour
Hanjin
KRT
Lotte Holidays (ex LotteJTB)
Lotte Tour
Tour 2000
Very Good Tour
Yellow Balloon

Top active FIT agents
HanaFree
Naeil Tour
Interpark
Blue Travel
IOS
Seygero
Webtour
MyRealTrip

Retailers

- South Korean travellers are more and more focusing on price when they book their overseas trip through a travel agent, or as a group tour. Very Good Tour and Yellow Balloon have seen the most important growth rates in the last few years as a consequence.
- In parallel, the FIT segment continues to grow, and so FIT agents are becoming more and more important when it comes to dealing with the South Korean travel trade.
- Some of those will look for ranges of products in Britain that relate to specific interests, with culture and shopping being the most popular. However, there is room to promote British landscapes and natural sites, as well as food products: the market is usually interested in these types of experiences but know little about what Britain can offer them.
- Korean travel start-up MyRealTrip was the first company in the Korean Tour Industry to reach 10,000 travel products. They provide guided tours and various services such as entrance tickets, transportation tickets, accommodation and rental cars in over 400 cities worldwide. Since 2019, they have been selling packages for small groups and for day trips.

4.2 Travel trade: doing business

- **Time difference:** GMT +9 (summer time+8)
- **Business hours:** usually from 9:00 to 18:00 for offices and organisations.
- **Where to find the trade:** most South Korean leading travel agents and tour operators are concentrated in Seoul.
- **Tips for doing business:** South Korean is among the hardest working nations, and so it is important to respect their working etiquette. It is best to be introduced by a third party when meeting a South Korean business person for the first time. The exchange of business cards is key: use both hands to present yours and receive one. Titles are extremely important: they should not be omitted, and even roles should be made clear since the beginning. Also remember that contracts are often seen as a conversation starting point more than an aim to achieve.
- **Business meeting etiquette:** An appointment should be made a few weeks in advance of a business meeting. They usually take place just before lunch or at the beginning of the afternoon. Punctuality is very important as schedules are usually very busy. However, be aware that last-minute cancellations happen quite often. Modesty, humility and respect are the key aspect of the Korean culture one has to play by in business there. Building long-term relationships is key for this market.
- **Gifts:** presenting gifts at formal meetings is customary – gift exchange is important and should be dealt with similarly to business card exchange. Same-value gifts should be exchanged, with the highest-value for the most senior person. Gifts should be received with both hands.
- **Business meal:** If you are planning to have a lunch meeting, restaurants in South Korea are usually busy and it is recommended to make a booking, or plan to get your lunch before 12pm, or after 1pm.
- **Language:** South Koreans may avoid directly saying "no", and tend to prefer saying something may be difficult instead. Doing the same might be appreciated. Similarly the South Korean 'yes' may be closer to 'I understand' or 'if possible, I will do it'. It is important to decipher those correctly when negotiating in this market. Bringing brochures or other communication supports can also help avoiding potential misunderstanding, and so is sending written notes of what was discussed at the meeting.
- **Trade exhibitions:** There is only one international travel fair in Korea: the KOFTA World Travel Fair in May/June. International official tourism agencies will usually attend. PATA Annual Summit usually takes place once a year in Gangneung, South Korea. Mode Tour International Travel Show usually takes place in Seoul in Sep/Oct.

Source: Export, Korea4expats, Mice and tourism around the world

4.2 Travel trade: South Korean holidays

National public holidays

Variations may occur on a state by state basis

Date	National Holiday
01/01	New Year's Day
11/02-14/02	Korean (Lunar) New Year (3 days consecutively)
01/03	March 1st Movement
19/05	Buddha's Birthday
05/05	Children's Day
06/06	Memorial Day
15/08	Liberation Day
20/09-22/09	Harvest Moon Festival Holiday/ Chuseok
03/10	National Foundation Day
09/10	Hangeul Day (Korean alphabet day)
25/12	Christmas Day

- There are 16 official national holidays per year in general, mainly because of celebrations based on both the Solar and Lunar calendars, as South Korea uses both.
- Another holiday is observed by most businesses: Labour Day, on 1st May, although it is not an official day off.
- This came after the president granted an extra day off nationwide, on 2nd October 2017, extending the Chuseok holiday onto National Foundation Day, to 10 days in total.
- In 2018 working hours were also reviewed, from 68 hours a week maximum to 52 hours, based on a 40-hour week with the possibility for 12 extra hours.
- Full-time workers are entitled to 15 days of paid annual leave a year as a minimum, provided they attended at least 80% of their work days the year before. However, South Koreans used not to take all those days off. The trend is shifting slowly with young people starting to take more short breaks away, and people also trying longer vacation periods, allowing them to explore further destinations better.
- The South Korean academic year is split into two terms: from March to mid-July, and from end of August to mid-February. Schools also organise a 2-week break for Spring and then shorter breaks for Chuseok and Seolnal (late December).

Source: Officeholidays.com

4.2 Caring for the consumer: hospitality etiquette

Understanding the culture

- Kibun, nunchi, inwha, and Harmony are key pillars of the South Korean culture.
- Personal relationships are extremely important in the South Korean culture, in the personal sphere as much as in the business environment. As everyone strives to be their best, relationships are harmonious and understanding. For the trade it translates as South Korean travellers expecting people to offer them their best service; saying no to a request is not acceptable unless it is presented in a friendly manner, explaining why it cannot be granted.
- Kibun and nunchi: South Koreans do not like to lose face, and it is hard for them to admit failure. Directness is always poorly received because of this. And so you may need to communicate with the 'kibun' concept in mind – Korean pride or state of mind.
- Finally, regardless of their religion, most South Koreans practice Confucianism. Deriving from its beliefs, 'inhwa' defines the Korean approach to harmony through social consensus. In the business environment or commercial relationships, it translates to formal behaviour, as well as being loyal to business partners.

Hospitality

- Meal times tend to be similar to those in Britain.
- A typical South Korean dish is likely to contain rice.
- South Korean cuisine is renowned internationally. Popular dishes such as a bibimbap or a Korean barbecue can easily be found in the main cities in Britain. However, South Korean international travellers are usually curious about the culture of their destination and this could translate into sampling the local cuisine.
- Some travellers from this market are foodies, who would actively look for local experiences related to food.
- Many women travelling alone would look for more premium dining options. They would also prefer accommodation with spa facilities, or in the city centre, in a quiet area close to nice restaurants and the shopping streets they want to visit. Comfort, ease of getting around and security are their key criteria.

Useful links and further information

Appendix

©VisitBritain/Raymond Carruthers

Appendix 1: Working with VisitBritain (1)

We can help you extend your reach through:

- Digital and social media such as through Twitter, our Facebook page – Love GREAT Britain, or Pinterest.
- Press and PR by sending us your newsworthy stories or partnering to host journalists, influencers, and broadcast shoots
- Leisure, and the business travel trade via our programme of sales missions, workshops and exhibitions or promotion to our qualified Britagents and supplier directory
- Retailing your product through the VisitBritain shop
- Joining the Tourism Exchange GB platform – giving you access to a wide range of international customers, via connected distributors. Connection to the platform is free.
- Or as a major campaign partner

We are here to support you and look forward to working with you. To find out more browse our:

Opportunity search or trade website

or contact the B2B events team
(Email: events@visitbritain.org)

or campaign partnerships team
(Email: partnerships@visitbritain.org)

or trade support team
(Email: tradesupport@visitbritain.org)

or VisitBritain shop team
(Email: product@visitbritain.org)

Appendix 1: Working with VisitBritain (2)

VisitBritain's strategy to grow tourism to 2025

- **Developing world-class English tourism product:** VisitBritain has collaborated with VisitEngland to develop and deliver the **Discover England Fund** since April 2016
- **Collaborating globally:** VisitBritain's network extends in four regions: Europe, the Americas, APMEA and North East Asia. Meet those teams and their trade partners at VisitBritain's different trade events, VIBE, ExploreGB, or Destination Britain events in market.
- **Inspiring the world to explore Britain** as a **GREAT Britain** campaign partner and through our **'I Travel For…'** marketing campaign.
- **Acting as trusted partner and advisor** to the industry, but also our Government and Public Diplomacy partners by generating and offering them world-class market insights.

VisitBritain also develops and promotes products for Business Events, food & drinks, rail, luxury, regional gateways, and the Discover England Fund. Find out more at our Discover England Fund page.

To find out more information, browse:

VisitBritain's mission

The Government's Tourism Action Plan

VisitBritain's events

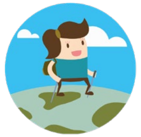
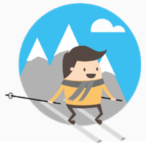
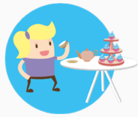
Business Recovery Webinars

Appendix 1: Working with VisitBritain (3)

VisitBritain's global audience segments

- From 2017, VisitBritain has carried out a research project across all its main inbound target markets to define global audience segments and identify best opportunities in each of those international travellers' market. On the right is a summary of VisitBritain's 5 global audience segments. To learn more visit our page on understanding our customers.

- In South Korea, VisitBritain focuses on two audience segments among international travellers:
  - **Buzzseekers in South Korea:** looking for action and adventure, and for an exciting and rewarding holiday.
  - **Culture Buffs in South Korea**: looking for relaxing and slow paced trips and tend to stick to the familiar.

Segments (& global attributes)	**Global market share**	**Market share in South Korea**
 **Buzzseekers** (free spirited and spontaneous, they like holidays full of action and excitement)	38%	26%
 **Explorers** (they enjoy outdoors, must-see sites, and embracing local cultures at a more relaxed pace)	23%	14%
 **Adventurers** (they live to go off the beaten track, spending time outdoors and trying out new experiences)	16%	8%
 **Sightseers** (they prefer staying within comfort zone, preferring cities to countryside, planning in advance)	12%	16%
 **Culture Buffs** (image and brand conscious, travel is seen as a status symbol; they like well-known, safe destinations)	12%	37%

Source: VisitBritain/Kubi Kalloo, 2017

Appendix 2: Useful research resources (1)

We have dedicated research and insights available which include:

- Latest monthly, quarterly, overall and quarterly by area data from the International Passenger Survey by ONS.
- Inbound Tourism Trends by Market
- Inbound activity data
- Inbound nation, region and country data
- Inbound town data
- Sector-specific research which includes topics such as accomodation, countryside and coast, culture heritage and attractions, food and drink, football tourism, shopping, transport and visits with a health condition or impairment.
- 2021 Inbound Tourism Forecast
- Britain’s competitiveness

We are here to support you and look forward to working with you.

To find out more about South Korea or other inbound markets browse our:

Markets & segments

Inbound research & insights

Inbound COVID-19 sentiment tracker

Or contact us directly
(Email: research@visitbritain.org)

Appendix 2: Useful research resources (2)

We have dedicated research and insights available which include:

- Perceptions of Britain overseas
- Planning, decision-making and booking cycle of international leisure visitors to Britain
- Gateways in England, insights on overseas visitors to England's regions, participation in leisure activities, multi-destination trips and more
- Food & drink research

We are here to support you and look forward to working with you.

To find out more about South Korea or other inbound markets browse our:

Markets & segments

Inbound research & insights

Inbound COVID-19 sentiment tracker

Or contact us directly
(Email: research@visitbritain.org)

Appendix 3: Definitions, sources and information on this report (1)

Details on main sources:

- The **International Passenger Survey** (IPS) is a UK-wide departure survey, carried out by the Office for National Statistics (ONS). All data are based on data collected as visitors are about to leave the UK about what they did, not on their intentions or perceptions. Except when specified, IPS refers to people according to their country of residence, not nationality. Where we talk about mode of transport, it refers to what is used on departure to leave the UK, with the presumption that shares are similar on arrival. To find out more and consult the release calendar, browse our IPS page.
- **Oxford Economics** tourism forecasts are from the October 2021 update of the 'Global Travel Service' databank.
- **Apex** data was last updated with October 2021 data.
- **UNWTO** data are based on their latest Tourism Barometer and Statistical Annex, September 2021.
- **VisitBritain/IPSOS 2016** refers to the 'Decisions & Influences' research project carried out in Australia, Brazil, Canada, China, Denmark, France, GCC (UAE and Saudi Arabia), Germany, India, Italy, Japan, Netherlands, New Zealand, Norway, Russia, South Korea, Spain, Sweden, and USA. Its all-market averages are based on weighted average of those markets. Only international travellers participated, half of each market sample having travelled to Britain before.
- The **Anholt Nation Brands Index** (NBI), now powered by Ipsos, was carried out online in July 2019 in Argentina, Australia, Brazil, Canada, China, Egypt, France, Germany, India, Italy, Japan, Mexico, Poland, Russia, South Africa, South Korea, Sweden, Turkey, UK and USA. Its all-market averages are based on those markets. It is based on nation-wide representative samples. More detail in our 'How the world views the UK' foresight.

Appendix 3: Definitions, sources and information on this report (2)

Useful definitions and abbreviations

- **VFR** means Visiting Friends and/or Relatives.
- **Misc** journey purpose means Miscellaneous – other journey purposes.
- In IPS, to be defined as a **package**, a holiday must be sold at an inclusive price covering both fares to and from the UK and the cost of at least some accommodation. Neither the respondent nor the travel agent from whom the package was bought will know how much of the inclusive price is accounted for by fares or by accommodation.
- **High Net Worth Individuals**, or HNWIs, are people with liquid assets valued over USD1million.

Other useful information

- **Top 10 activities in Britain** is based on propensity for visitors to have undertaken activities whilst in Britain, data having been collected between 2007 and 2019. Where an activity was asked about more than once, only the most recent answers were taken into account.
- **Repeat visits** are visits made by people who had already visited the UK before; British expats have been excluded for better representation of the market's propensity to visit Britain repeatedly. IPS question asked in 2015.
- **Likelihood to recommend Britain** as a destination is based on holiday visits, of at least one night, excluding British expats.

Market and Trade Profile: South Korea

October 2021

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