South Korea Retail Market Size & Share Analysis - Growth Trends and Forecast (2026 - 2031)

> **Industry:** Retail (Retail)
> **Source:** https://www.mordorintelligence.com/industry-reports/south-korea-retail-industry
> **Scraped Date:** 2026-09-17

Executive Market Summary

Market Metric	Details
Base Market Size	USD 453.27 billion
Projected Forecast (2031)	USD 453.27 billion
Growth Rate (CAGR)	4.83 %
Largest Market Region	N/A
Fastest-Growing Region	N/A

Market Visualizations & Infographics

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![Major players in South Korea Retail industry](images/chart_2.png)

![South Korea Retail Market (2026 - 2031)](images/chart_3.png)

![South Korea Retail Market: Market Share by Retail channel](images/chart_4.png)

![South Korea Retail Market: Market Share by Payment Method](images/chart_5.png)

![South Korea Retail Market CAGR (%), Growth Rate by Region](images/chart_6.png)

![South Korea Retail Sector Market Concentration](images/chart_7.png)

![footer background image](images/chart_10.png)

![Mordor Intelligence on Facebook](images/chart_12.svg)

![Mordor Intelligence on Pinterest](images/chart_14.svg)

![Mordor Intelligence on Instagram](images/chart_15.svg)

![ESOMAR](images/chart_17.png)

![GPTW](images/chart_19.png)
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Comprehensive Research Analysis

Overview Points List Flex 49 Share Feature End

Market Overview

Study Period | 2021 - 2031 |
Forecast Data Period | 2026 - 2031 |
Base Year Market Size (2025) | USD 432.38 Billion |
Market Size (2026) | USD 453.27 Billion |
Market Size (2031) | USD 573.83 Billion |
Growth Rate (2026 - 2031) | 4.83 % |
Market Concentration | Medium |
Major Players*Disclaimer: Major Players sorted in no particular order

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Market Overview

South Korea Retail Market Analysis by Mordor IntelligenceThe South Korea retail market size is expected to grow from USD 432.38 billion in 2025 to USD 453.27 billion in 2026 and is forecast to reach USD 573.83 billion by 2031 at a 4.83% CAGR over 2026-2031. Growth reflects a shift from pandemic volatility toward modernization as ultra-fast logistics and mobile-first commerce reshape competition and margins. E-commerce depth is a structural feature, yet resilient offline formats in convenience and department stores continue to serve urban proximity and luxury demand. Omni-channel grocery emerges as the fastest-growing retail channel, as chains use physical footprints to enable same-day delivery and real-time inventory visibility. Regulatory reforms are tightening payment risk controls while supporting innovation in digital finance and data protection, which stabilizes trust in the South Korea retail market.

Key Report Takeaways

* By retail channel, e-commerce and online-only held 41.48% revenue share in 2025, while omni-channel grocery is forecast to expand at a 6.48% CAGR through 2031.
* By product category, grocery and food led with a 31.47% revenue share in 2025, while beauty and personal care are projected to grow at a 5.82% CAGR through 2031.
* By payment method, credit cards accounted for a 52.49% share in 2025, and buy-now-pay-later is expected to grow at a 7.29% CAGR through 2031.
* By region, the Seoul Capital Area commanded a 47.25% share in 2025, while Jeju is projected to post a 6.74% CAGR through 2031.

Key Market Trends

South Korea Retail Market Trends and InsightsDrivers Impact Analysis*

Driver	(~) % Impact on CAGR Forecast	Geographic Relevance	Impact Timeline
Rapid growth of mobile & e-commerce channels	+1.2%	Global, peak in Seoul Capital Area and Incheon	Medium term (2-4 years)
High penetration of digital payments & super-apps	+0.9%	National, urban centers with smartphone penetration	Short term (≤ 2 years)
Expansion of convenience formats for single-person households	+0.7%	National, with early gains in Seoul, Busan, and university districts	Medium term (2-4 years)
Government support for cold-chain logistics & smart retail	+0.5%	Busan Port logistics hub and rural areas for fresh delivery	Long term (≥ 4 years)
Retail-media networks unlocking new revenue streams	+0.4%	Platform-centric, Coupang and Naver ecosystems	Medium term (2-4 years)
AI-driven hyper-personalisation in super-apps	+0.3%	National, led by Naver, Kakao, and vertical platforms	Long term (≥ 4 years)

Source: Mordor Intelligence |

Competitive Landscape

Competitive Landscape

The South Korea retail market shows high platform concentration, with Coupang and Naver Shopping controlling over 46% of e-commerce GMV. Offline retail remains fragmented across convenience stores, hypermarkets, and department stores. Hypermarkets focus on price and speed, while department stores rely on luxury and tourist demand for growth. Specialty platforms monetize community and curation to maintain defensible take rates. E-commerce growth is supported by retail-media mo netization and seller services, enhancing network effects.

In recent years, strategic initiatives have emphasized last-mile logistics, AI adoption, and partnerships. Coupang's USD 0.13 billion cold-chain expansion and credit facilities bolster logistics and fulfillment. Naver scales commerce advertising and NAVER Pay while using AI to improve engagement and conversion. Kakao integrates AI agents into commerce and expands offline payment acceptance to boost TPV. E-Mart's joint venture with AliExpress International and Gmarket enhances cross-border sourcing and logistics[4]Kakao Corporation, "TPV and AI Commerce Initiatives," Kakao, kakaocorp.com.

Technology remains a key differentiator as retailers deploy AI for pricing, recommendations, and operations. BGF Retail's USD 0.13 billion Busan logistics center supports chilled and ready-to-eat product growth. CJ Olive Young uses AI for content integrity and campaign speed while scaling global sales through physical and digital channels. Regulatory oversight on MFN clauses, search rankings, and payment risk management is reshaping platform conduct and merchant economics in the South Korean retail market.

South Korea Retail Industry Leaders* Coupang Corp.

* Naver Corp. (Naver Shopping)

* SSG.COM

* E-Mart Inc.

* Lotte Shopping Co., Ltd.

* *Disclaimer: Major Players sorted in no particular order

Scope Methodology P Space

This market is defined as the value of consumer retail sales of goods in South Korea, captured across store-based outlets, online retail platforms, and omnichannel models where products reach households.

Scope exclusions: We exclude institutional wholesale trade, duty-free sales to in-transit travelers, and pure service categories such as food service.

Segmentation Container

* By Retail Channel* E-commerce / Online-only
* Omni-channel Retailers
* Hypermarkets & Supermarkets
* Department Stores
* Convenience Stores
* Discount & Variety Stores
* Traditional Markets
* Specialty Stores

* By Product Category* Grocery & Food
* Fashion & Apparel
* Consumer Electronics
* Beauty & Personal Care
* Home & Living
* Health & Wellness
* Sports & Leisure Equipment

* By Payment Method* Credit Cards
* Debit Cards

* Digital Wallets / Mobile Payments
* Buy-Now-Pay-Later
* Cash

* By Region* Seoul Capital Area
* Chungcheong Region
* Gyeongsang Region
* Jeolla Region
* Gangwon Region
* Jeju Region

Frequently Asked Questions

What is the current size and growth outlook for the South Korea retail market?

The South Korea retail market size is USD 453.27 billion in 2026 and is projected to reach USD 573.83 billion by 2031 at a 4.83% CAGR.

Which retail channels are leading and growing fastest in South Korea?

E-commerce and online-only hold a 41.48% share in 2025, while omni-channel grocery is the fastest-growing with a 6.48% CAGR forecast to 2031.

Which categories are outperforming in the South Korea retail market?

Grocery and food led with 31.47% share in 2025, and beauty and personal care are the fastest-growing at a 5.82% CAGR through 2031.

How are payments shifting across South Korea retail?

Credit cards held a 52.49% share in 2025, mobile device-accessed card payments made up 53.8% of total card transaction value in H1 2025, and BNPL is the fastest-growing with a 7.29% CAGR from 2026 to 2031.

Which regions are most important for South Korea retail growth?

The Seoul Capital Area holds a 47.25% share in 2025, while Jeju is projected to grow fastest at a 6.74% CAGR to 2031.

How concentrated is competition in the South Korea retail market?

Platform concentration is high with the top two controlling over 46% of e-commerce GMV, but offline fragmentation keeps overall retail moderately concentrated.