

Superior ICT Environment and Fulfillment Industry, Foundation of E-commerce Growth

Korea's e-commerce market has grown 19.7 percent on average annually over the past decade. This rapid growth of the e-commerce industry is based on Korea's excellent ICT environment and fulfillment industry.

Korea at a glance

	Population	5,1821,669 (2021)
	Per capita GDP	USD 31,495 (2020)
E-commerce market	Market size	USD 109 B (2020)
	World ranking	5th (2020)
	CAGR of last 10 years	19.7% (2020)
	Percentage of total retail market	29.5% (2020)
	Mobile shopping share	67.9% (2020)

* Source: Ministry of Trade, Industry and Energy, Statistics Korea, emarketer.com

Foundation of E-commerce Growth, ICT Industry

Korea has the best ICT environment in the world. The World Economic Forum (WEF) ranked Korea's ICT penetration rate as the world's highest among 141 countries in 2019. Korea ranked first in the world for smartphone penetration and optical cable internet subscribers, and second for 5G internet download speed at 312.7 Mbps.

World's best ICT infrastructure, Korea



* Source: WEF, PEW Research, Open Signal, UN

Another Cornerstone of E-commerce Growth, Fulfillment Industry

The fulfillment industry, which is one of the biggest portions of the e-commerce market, is also evolving. The fulfillment industry collects customers' order information from various marketplaces in real time and links it to a warehouse management system to handle order processing, inventory management, and delivery services. It is based on digital technologies such as cloud and artificial intelligence (AI), which allow information sharing of the entire supply chain.

It is estimated that e-commerce companies in Korea deliver about 60 percent of e-commerce transactions, excluding non-serviceable items such as service and fresh food, using full-film services. (Source: Eugene Investment)

* Source: Eugene Investment

Key E-commerce Platform

Four of the top five e-commerce companies are open markets. Gmarket and Auction, operated by eBay Korea Limited which is a subsidiary of the large U.S. platform eBay, are ranked first and third in visitor rankings. Consumers tend to choose a purchase site with consideration to the diversity and convenience of the product rather than the nationality of the site.

Coupang, which ranked second, was recently listed on the New York Stock Exchange after becoming a unicorn (an unlisted startup with a corporate value of more than USD 1 billion) in 2013, and has been growing exponentially over the past three years.

Top 5 E-commerce Websites

					
Operator	E Bay Korea	Coupang	E Bay Korea	Eleven Street	Interpark
Type	Open Market	Social Commerce		Open Market	
Establishment	2000	2013	2000	2008	1997
Annual Revenue*	USD 1.04 B	USD 11.60 B	USD 1.04 B	USD 0.45 B	USD 0.14 B
Website	www.gmarket.com	www.coupang.com	www.auction.com	www.11st.co.kr	www.interpark.com

* Selected according to the number of PC site visitors in May 2021 by koreanclick.com

* Source: Kisline (Annual revenue is not just for the website, but for the operator)