

Socio-Economic Contribution

of the Korean Cosmetics Industry



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It raises national brand value and enriches our lives.*



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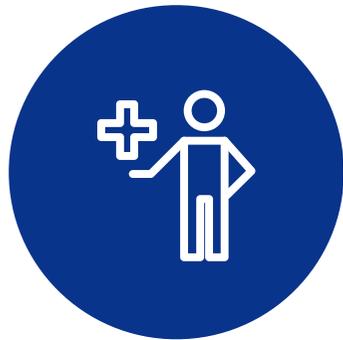
- 01** Cosmetics **make our lives healthier and more beautiful.**
- 02** Cosmetics **have grown as a new driving force for Korea's exports.**
- 03** The cosmetics industry **creates jobs in a variety of fields.**
- 04** The cosmetics industry **leads the future with innovative technology.**
- 05** The cosmetics industry **pursues sustainable development.**

01

Cosmetics make our lives healthier and more beautiful.

Cosmetics improve our quality of life and make our daily lives happier, healthier, and more beautiful.

The role of Cosmetics



Health



Beauty



Happiness

From waking up in the morning to falling asleep in the evening, we see cosmetics everywhere in our daily lives.

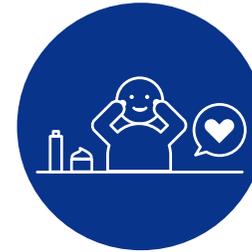
Cosmetics such as shampoo, conditioner, body cleanser, and soap **help keep skin and hair clean and maintain the health of our bodies.**

Skin care, make-up, fragrance, and nail products boost self-confidence and bring satisfaction to our personal lives.

Ultimately, cosmetics **help individuals become more vigorous and active in society.**

Cosmetics are both directly and indirectly contributing to physical, mental, and social health in close relation to our daily lives.

Cosmetics in daily lives



Skin care products
(skin lotion, mask sheet, etc.)



Make up products
(eyeliner, eyeshadow, mascara, lipstick, etc.)



Hair products
(shampoo, hair conditioner, hair dye, etc.)



Body cleansing products
(foam cleanser, body cleanser, soap, bubble bath, etc.)



Baby products
(children under 3 years old)



Fragrance products
(perfume, cologne, etc.)



Finger nail & toe nail products
(nail polish, nail enamel, etc.)



Other products
(body deodorizer, body & hair removal products, etc.)

02 Cosmetics have grown as a new driving force for Korea's exports.

With the Korean-wave, Korean cosmetics are spreading culture, leading trends, and contributing to the improvement of national brand value.

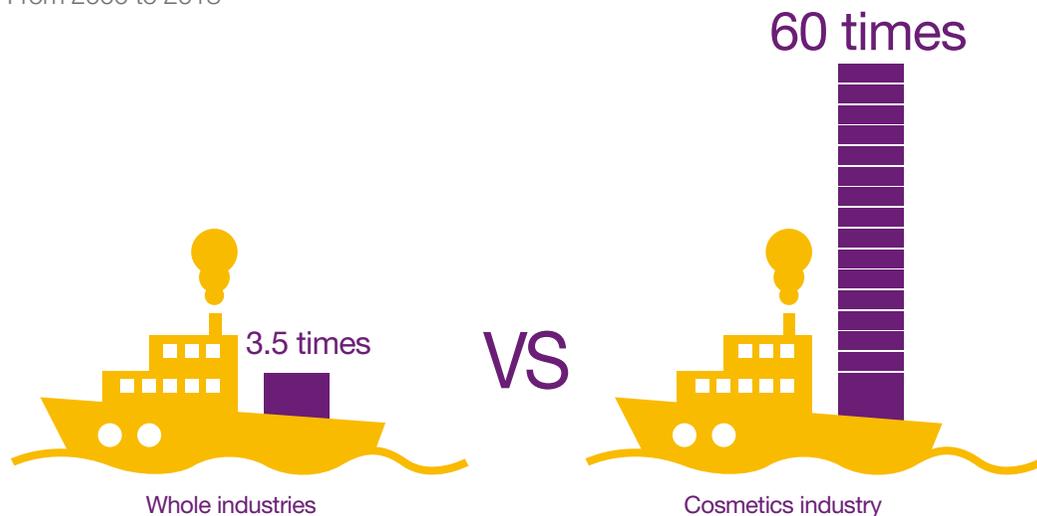
Korea is the 4th largest exporter of cosmetics in the world

1st: France, 2nd: USA, 3rd: Germany, 4th: Korea



Exports have increased by 60 times over the last 18 years.

* From 2000 to 2018

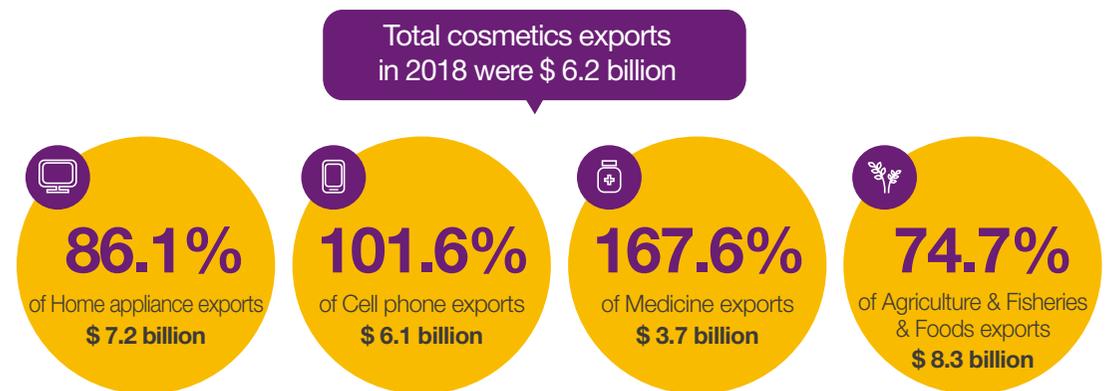


Korea exports cosmetics to about 130 countries.

Total cosmetics exports in 2018 were \$ 6.2 billion.
Korean cosmetics are loved by overseas consumers.

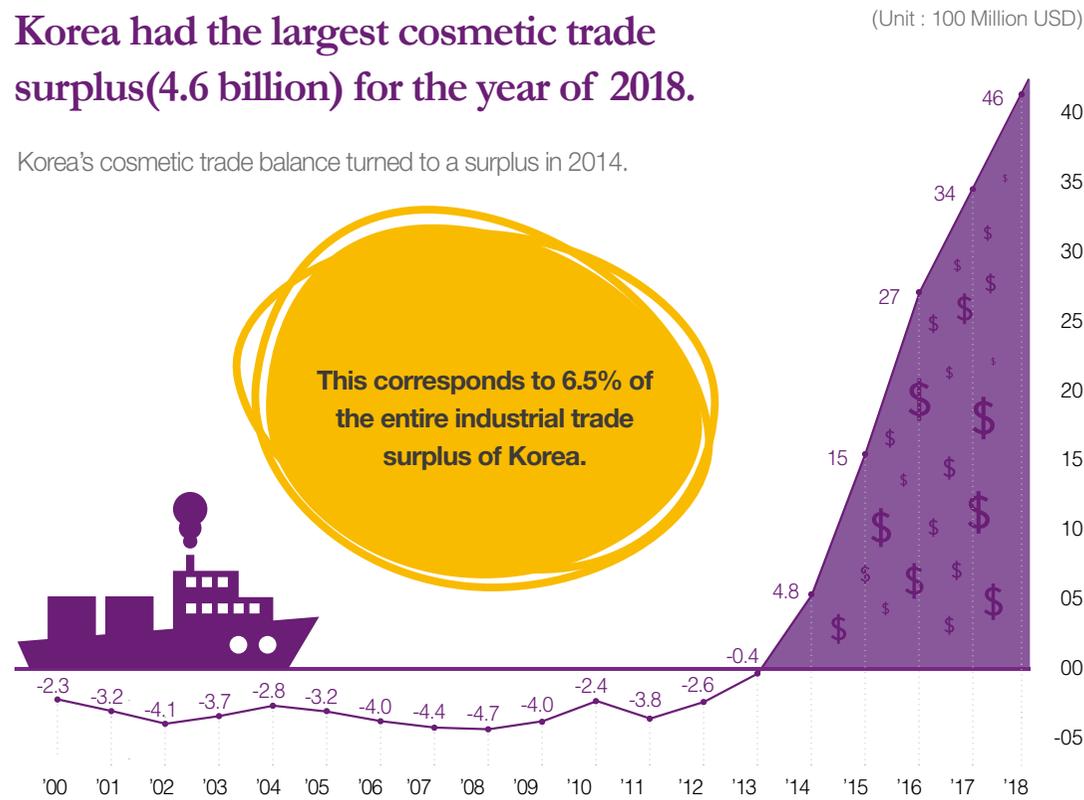


Comparison of exports of cosmetics and the other industries

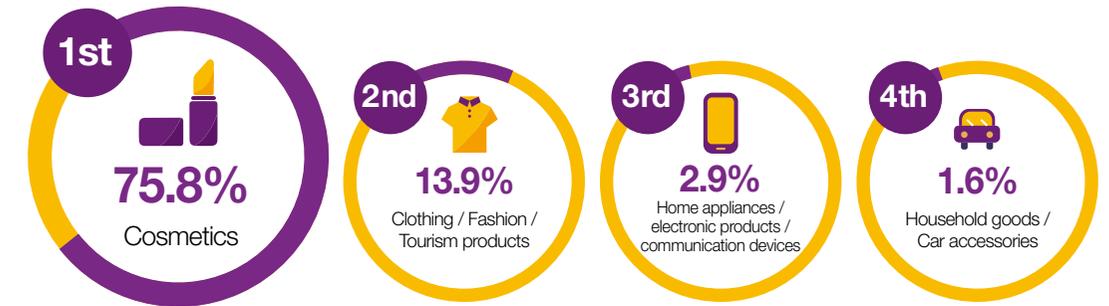


Korea had the largest cosmetic trade surplus(4.6 billion) for the year of 2018.

Korea's cosmetic trade balance turned to a surplus in 2014.



Main shopping products of overseas consumers in Korean on-line shopping malls



Main shopping products of tourists visiting Korea



The cosmetics industry is one of the industries that attracts the most foreign tourists.

Shopping is the most popular tourist activity for foreign tourists visiting Korea.

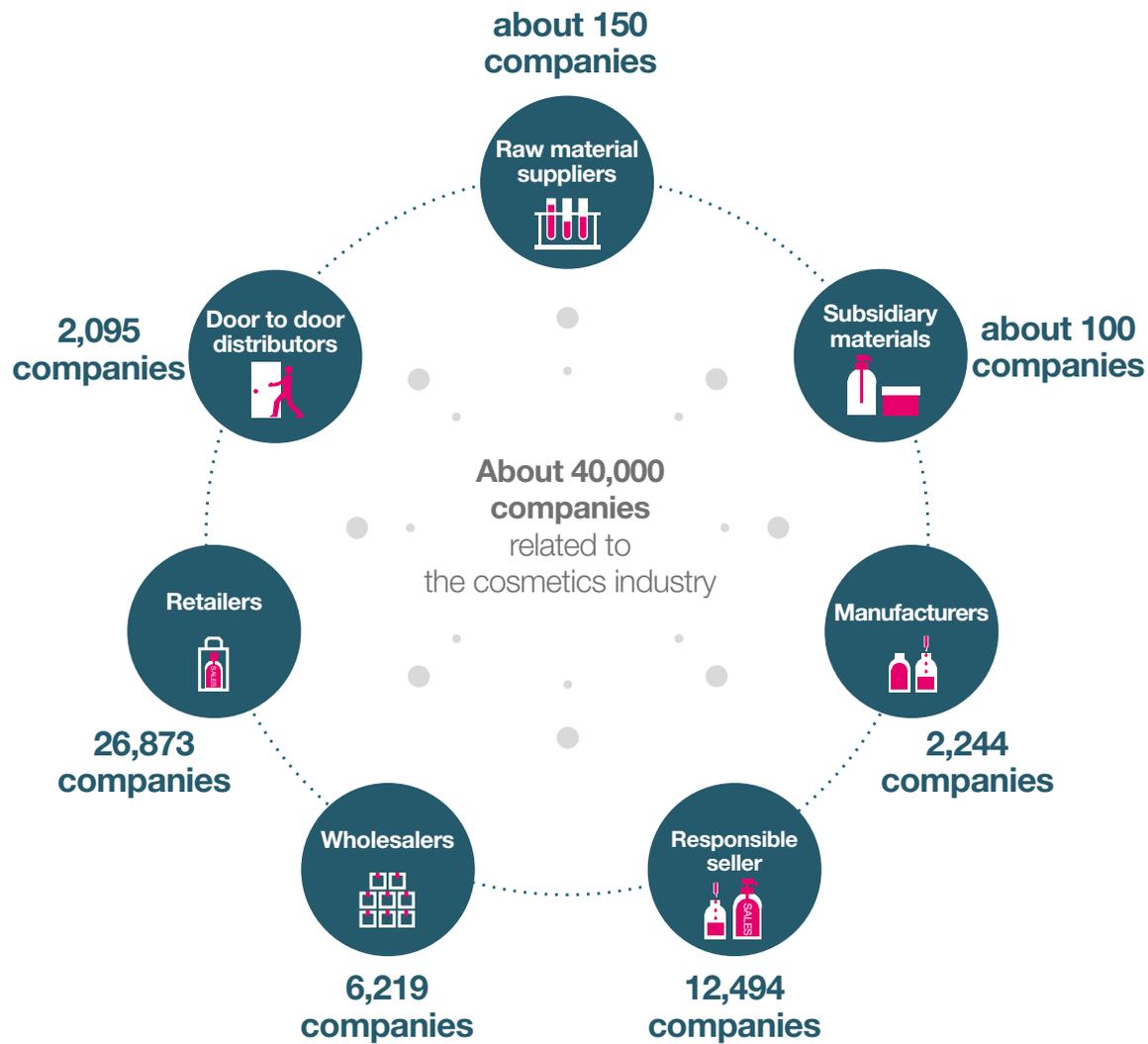
Cosmetics ranked first in tourist shopping.

This has a positive impact on not only the shopping industry, but also accommodation / tourism / restaurants / other industries.

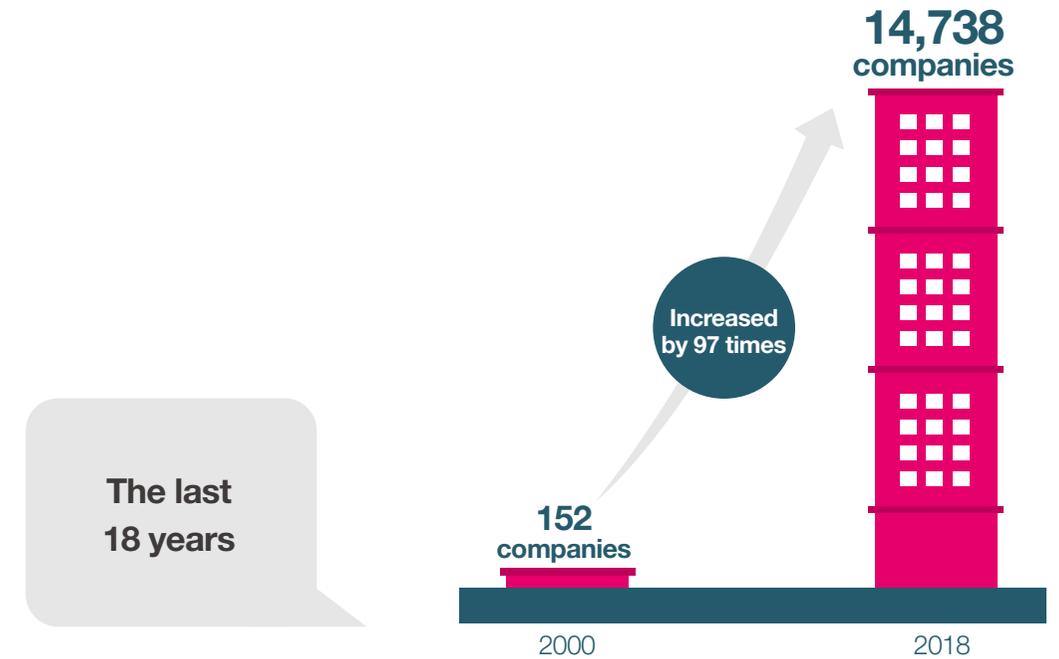
03 The cosmetics industry creates jobs in a variety of fields.

Based on its high growth potential, the cosmetics industry contributes to job creation in various fields within the value chain.

The value chain of cosmetics



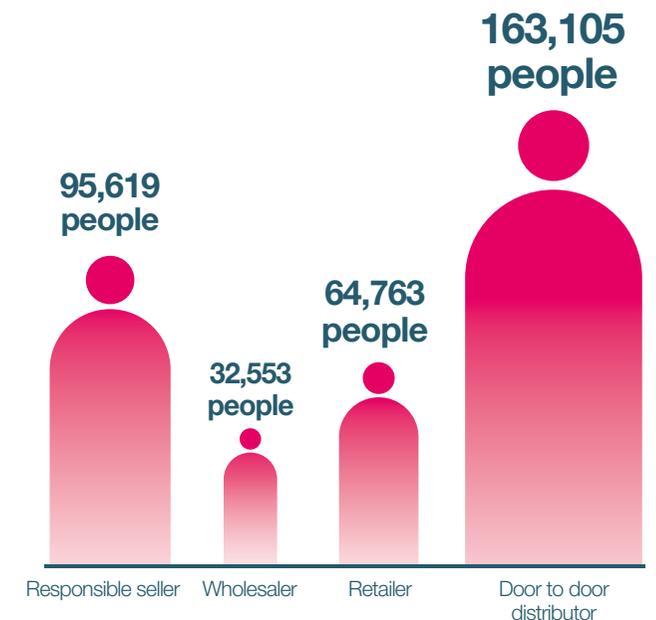
The number of cosmetic manufacturers & responsible seller has increased by 97 times over the last 18 years.



Directly resulted in over 360,000 jobs

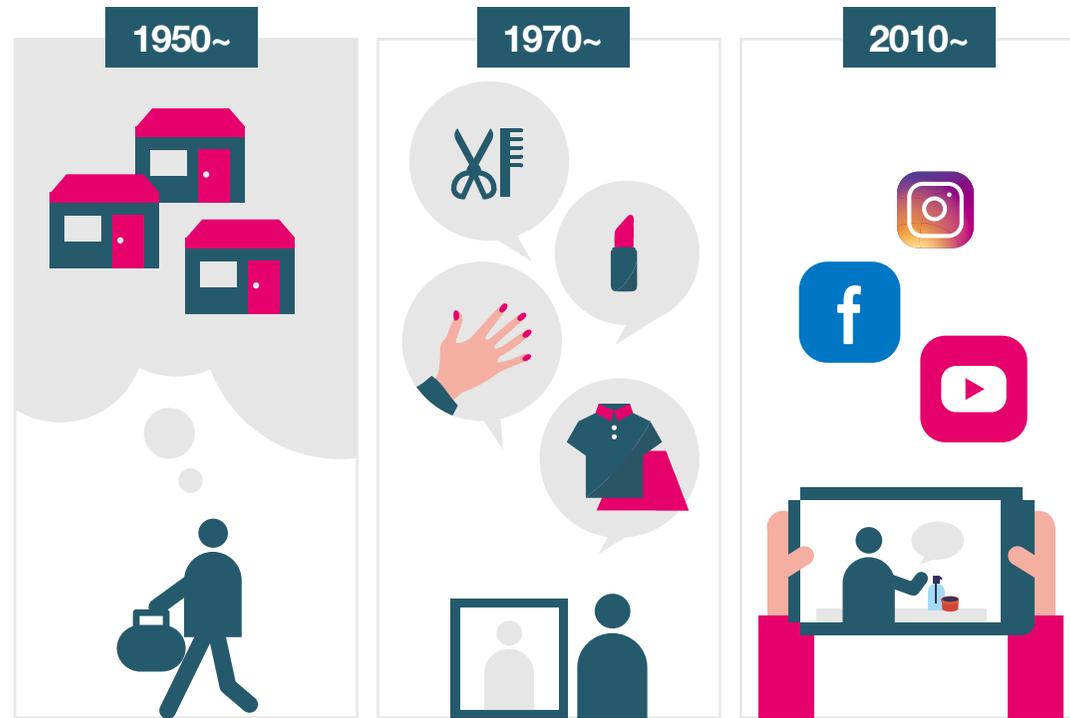
The number of employees in the cosmetics industry is about 360,000. They are engaged in areas such as research, planning, development, production, sales, and service. When Beauty & Hairdressing industry jobs (about 210,000 employees) are included, the total comes to about 570,000 people working in cosmetics related industries.

Raw material, Subsidiary material, Beauty service, etc. +



Creating new jobs

The development of the cosmetics industry has facilitated the birth of creative jobs.



Door to door distributor

A door to door distributor is a beauty specialist who provides consumers with suitable products based on many years of skin care and counseling know-how.

Door to door distributors were firstly introduced in the 1960s when there were fewer economic activity opportunities for women.

Door to door distributor was a more stable and popular job that had the merit of balancing a home life and a career.

It has great significance in the history of Korean women in terms of the continuous widening of opportunities for women's participation in society.

Beauty artist

The beauty artist suggests optimal style to consumers by combining beauty management information and the condition of each part of the body.

The beauty artist has emerged as one of the most promising jobs in line with the popularity of K-beauty throughout the world.

People from various countries are currently visiting beauty shops in Korea to learn about the latest beauty trends in Korea.

Overseas salons and shops are looking for Korean beauty artists who can style the latest trends from Korea.

K-Beauty influencer

K-beauty influencers provide creative content that combines K-Beauty trends with their own personality through various SNS platforms such as YouTube, Instagram, Facebook, etc.

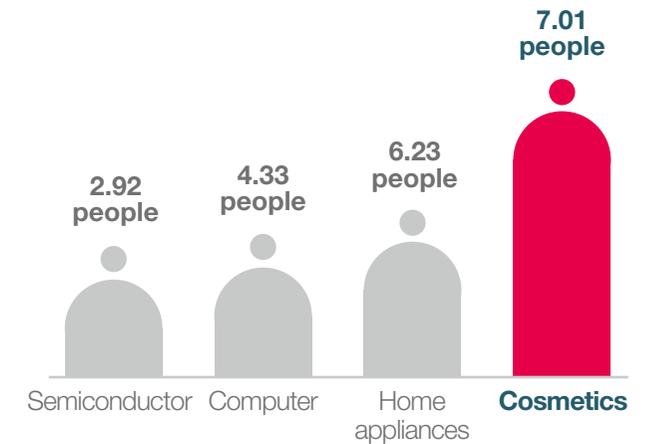
With the growing popularity of Korean beauty trends, K-beauty influencers are actively expanding the scope of K-beauty throughout the world.

Large contribution to job creation



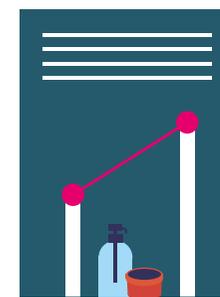
What is the employment-inducement coefficient?

The number of directly and indirectly created jobs needed to produce 1 billion Korean won



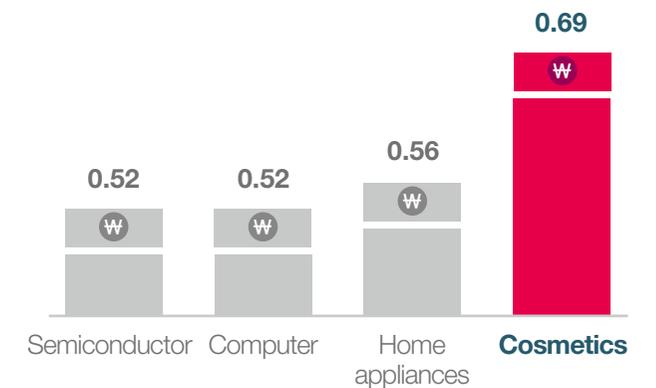
The cosmetics industry is a highly employment-inducing industry and creates jobs in a variety of fields.

High added value creation



What is the value added inducement coefficients?

The total direct and indirect added value generated per unit of final demand



04 The cosmetics industry leads the future with innovative technology.

The cosmetics industry is a convergence industry in which basic science and application technology work together. Also, Korean cosmetics companies are actively developing products using innovative technology, which is leading K-Beauty's success.

3 key factors for the success of Korean cosmetics

1. Innovative technology



Korea's cosmetics have achieved technological competitiveness close to the world's highest level based on steady R&D.

It has excellent compounding technology regarding raw materials and has a competitive edge in the application of products utilizing natural ingredients and skin active substances.

2. Groundbreaking ideas



Korean cosmetics companies are acutely aware of the rapidly changing trends in the cosmetics industry around the world and quickly listen to consumer's needs.

In addition, they are actively developing innovative products that change the daily lives of people around the world and lead global beauty trends.

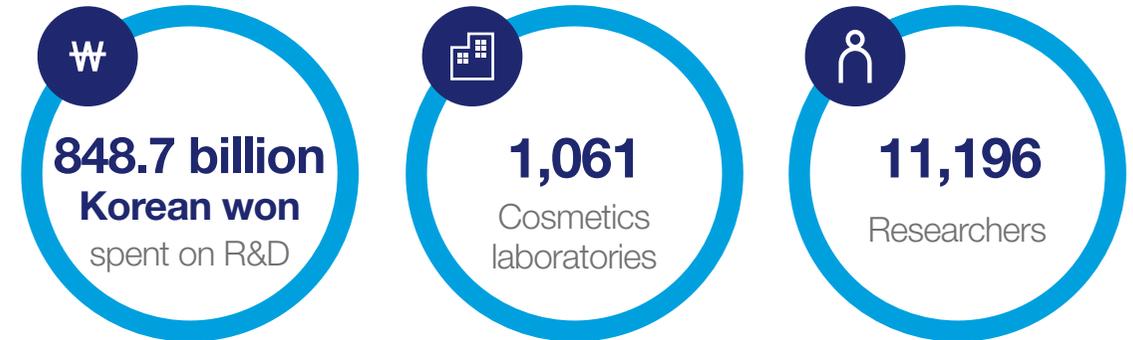
3. Deep understanding and research on natural ingredients



Korean cosmetics companies study various raw materials. They investigate the efficacy of herbal ingredients such as ginseng, red ginseng, and angelica root as well as natural ingredients such as aloe, snail mucus, and Jeju island lava.

These products stimulate the curiosity of overseas consumers.

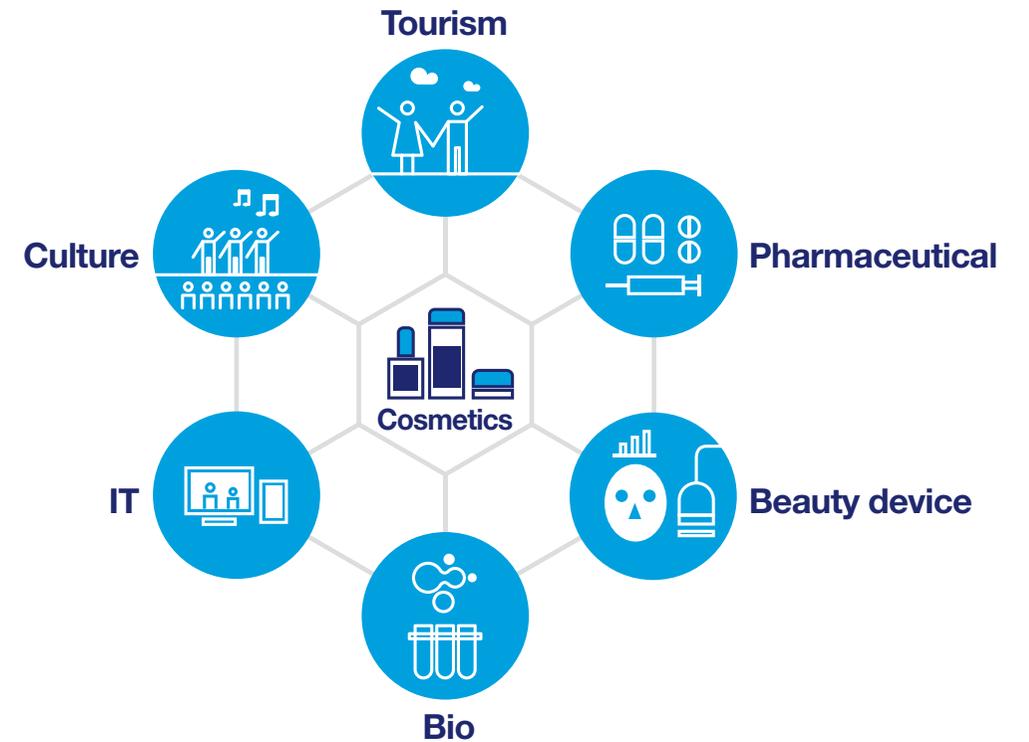
R&D status



Convergence industry

The cosmetics industry is one of the representative convergence industries that breaks down the boundaries between industries and leads innovation.

The cosmetics industry creates new added value in connection with the tourism, culture, IT, bio, beauty care, and pharmaceutical industries.



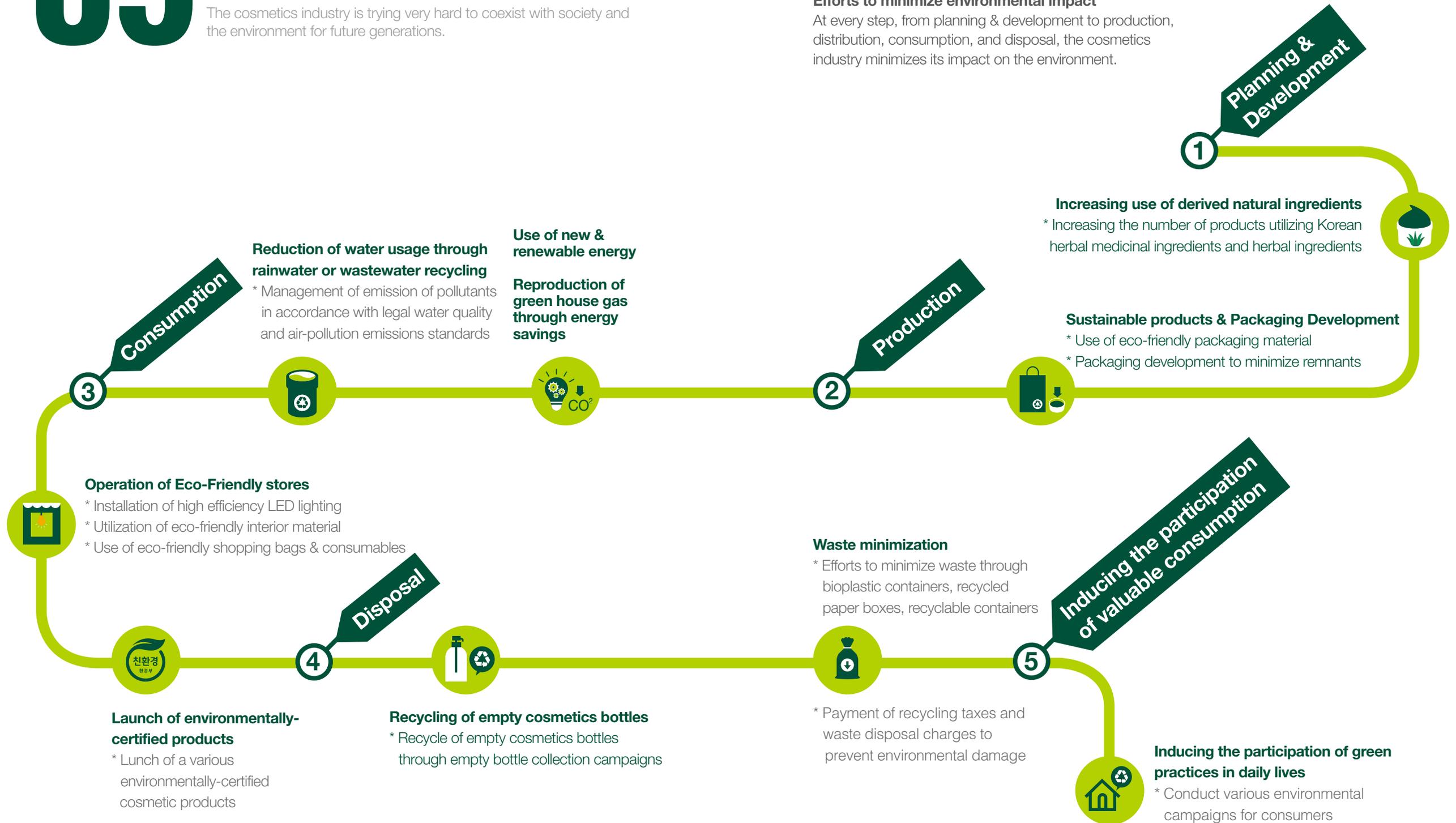
05 The cosmetics industry pursues sustainable development.

The cosmetics industry is trying very hard to coexist with society and the environment for future generations.

Efforts to minimize environmental impact

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At every step, from planning & development to production, distribution, consumption, and disposal, the cosmetics industry minimizes its impact on the environment.



Social contribution activities

The cosmetics industry is participating in social contribution activities in various fields such as talent donation, support for the underprivileged, environment preservation, community development, education, and culture, and is contributing to the happiness of daily lives.



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- UCL
- Cosmax
- Statistics Korea
- Korea Tourism Organization
- Korea International Trade Organization
- Korea Health Industry Development Institute
- The Export-Import Bank of Korea
- The Bank of Korea, Economic Statistics System
- Industrial Bank of Korea
- Industrial Statistics Analysis System
- Korea Trade-Investment Promotion Agency



