

SEOUL

Cushman & Wakefield

Global Cities Retail Guide



Seoul is the driving force of the South Korean economy with the majority of wealth centered here. It is also home to global companies such as Samsung, Hyundai and LG.

With such a concentrated mass of people this has been the entry point for all international retailers such as Uniqlo, Zara, H&M, Louis Vuitton, Gucci, Prada, Tom Ford, Ted Baker, Hollister and Burberry.

South Korea currently stands as the fourth fastest growing luxury goods market in the world due to the number of tourists coming from mainland China and Japan. Korean culture has become a fascination in north and south east Asia and tourists flock here to experience this. Tourists also take advantage of lower import taxes and foreign exchange rates to come on shopping sprees for international fashion and cosmetic brands. This prompted Louis Vuitton to open up its first airport store in the world in the main international airport of Incheon.

The appetite for international brands is huge and the highly fashion conscious men and women in Seoul are obsessed with brands and the status boost that comes with it. As the majority of brands enter the market through Seoul, what is perceived as the “in thing” to have will quickly spread to the rest of the country and brands use Seoul as a springboard to expand into the other major cities.



SEOUL OVERVIEW

SEOUL

KEY RETAIL STREETS & AREAS

Seoul consists of 5 main districts called Super Regional Submarkets. These Super Regional Submarkets draw consumers from broad regions and even from foreign countries, whereas the Regional Submarkets are retail districts that have developed over time in certain locations of Seoul for the general population in the immediate catchment area.

MYEONGDONG

Myeongdong is the busiest shopping area in the country, anchored by two enormous department stores (Lotte and Shinsegae) offering luxury and mid-priced retail. Since 2010 there has been a growing number of foreign tourists, particularly Chinese and Japanese visitors. Besides the tourists, office workers and residents also fill the pedestrianised streets surrounding the department stores which are the launching ground for most international brands and their flagship stores. As well as a huge amount of cosmetic stores catering to the tourists, brands such as H&M, Uniqlo, Zara, Forever 21, Mango, 8 Seconds, Nike and Adidas all have one or more street locations. The rental levels in Myeongdong are the highest amongst Seoul's high street locations due to strong demand from large fast-fashion brands, global retail brands, cosmetics and F&B alike.

- Longest-standing retail trade area in Seoul.
- A must-go site for tourists (4.6 million foreign tourists annually).
- Narrow, pedestrianised streets.
- High concentration of fashion, F&B and cosmetic brands.
- Vast foot traffic originating from all surrounding areas.

GANGNAM STATION

Gangnam station is the newly constructed part of Seoul. Between Gangnam Station and Shin-nonhyun Station, there is a Gangnam Boulevard, which is approximately 650m long and totals 8 car lanes. On the pedestrianised streets along the Gangnam Boulevard, there is a line up of significant retail flagship stores and cosmetics stores. The area surrounding the station is an important commercial and entertainment district. Further inside the area, consumers can find a variety of shops varying from small retail stores to fashion shops, shoe stores, casual restaurants, coffee shops, bars, movie theatres, VR cafés, internet cafés and karaoke. Towards the end of Gangnam Station, private education academic centres are found inside several tall buildings. Due to the nature of the clientele and the high foot traffic, the area is a prime target for mid-priced retailers.

South of Gangnam Station, foot traffic is heavier as offices and clinics are located in the vicinity of the area. Corporate office buildings in this area include Samsung Seocho Town, Meritz Tower and WeWork. There are 47 conglomerates along with 1,200 small-medium sized business offices in this area. The working population exceeds 160,000.

- Prime retail area in southern Seoul.
- Energetic, vibrant retail area.
- Hub of major fashion flagship stores, beauty & cosmetics, F&B and entertainment.



SEOUL

KEY RETAIL STREETS & AREAS

HONGDAE

Hongdae is a region known for its youthful and trendy ambience and underground culture. Located in west Seoul near Korea's most prominent fine art college, Hongik University, it has long been the playground for a large number of artsy students and graduates. While the big retailers targeting the youth markets such as Zara, Gap, Nike, Adidas, H&M, and Kakao Friends are lined up along the main streets, small restaurants, coffee houses and night bars are located inside the Hongdae area, in a walkable urban-alley form of district. Under the influence of Hongik University, the neighbourhood alley was developed on a foundation of artistic souls since the 1990s. In the early days, the rent was affordable for the young graduates to experiment their artistic sense into running cafes and music bars. Not only those who graduated from Hogik University, but other art school graduates interested in running a small business, all gathered around the area and opened trendy cafes and music venues. However, as the area became more popular, Hongdae street underwent gentrification like other metropolitan areas in big cities. Many individual shops were unable to afford the increased rent. They had no choice but to be pushed out of the area and moved either north or south of the Hongdae area.

- At least 4 major universities in the vicinity, the closest being Hongik University.
- Youthful, energetic district that offers shopping as well as F&B and vibrant night-life entertainment.
- Major gathering place for artists.

GAROSUGIL

Garosugil, a street in southern Seoul, has in the last several years become the must-have location for retailers. The attractive tree-lined street is full of affluent, trendy young women and men all looking to be seen and dressed in the coolest clothes. The popularity of the area has caught the eye of retailers and an influx of new brands over the last several years has transformed the street, with both global and domestic retail shops. In addition to the first Maison Kitsuné store, which opened in October 2018, there are a number of famous fashion flagship stores including Apple Store, Zara, Massimo Dutti, Aland, Shoopien, Lacoste, 8 Seconds, Hollister, Sixty Eight, Michael Kors, Ralph Lauren, Descente, Mango, H&M and Under Armour, to name a few. Various cosmetic brands are also located along the main streets such as Too Cool for School, Innisfree, Espoir, Belief, Laneige, Kiehls, Banila Co., VDL and more. Other retail shops include Zara Home, JAJU, Lush, Aesop, The Body Shop, L'occitane, LOHBs and Olive Young etc. Further inside the area, small casual restaurants and boutique coffee shops can be found.

- Boutique, trendy area often compared to SOHO in NYC.
- Narrow street dotted by trees along each side.
- Wide avenue guarantees high visibility.
- Accessible luxury brands, beauty & cosmetics, F&B and entertainment.
- Major transportation hub. Accessible to and from all parts of Seoul and beyond.



SEOUL

KEY RETAIL STREETS & AREAS

CHEONGDAM

Cheongdam in south east Seoul is the only location where luxury high street retailing occurs. Luxury retailers must have their flagship stores here, and the boost to the brands stature is highly increased. Louis Vuitton was one of the first to arrive. Other large stores which are present in the area are Hermes, Armani, Loro Piana, Zegna, Gucci, Carolina Herrera and Nespresso. Recent grand openings include Chloé, Chanel, and Rolls-Royce, while Louis Vuitton, and Loewe have had their stores renovated and extended. The area has very little foot traffic and the majority of people are driven or use the valet parking that all retailers offer.

- The main luxury-exclusive retail high street in Korea.
- Luxury flagship stores lined along either side of the main street.
- Very low in foot traffic, since much of the visitors use vehicles to access stores.
- Flagship stores primarily serve the function of brand presence exertion and advertisement.

SOUTH WEST SEOUL

The south west of Seoul has seen a lot of development, shifting from a fairly industrial area to a hub of shopping malls including Times Square, D Cube City and IFC mall. The malls tend to be catered towards fast fashion brands with a high emphasis on additional attractions such as large cinema complexes, hotels, concert arenas and excellent F&B offerings.



SEOUL

MARKET OVERVIEW

KEY AREAS/ STREETS/ SHOPPING CENTERS	CONSUMER PROFILE	MAJOR RETAILERS PRESENT	NEW ENTRANTS	TYPICAL RENT FOR UNIT PER 3.3 SQM (1PY)	RANGE OF UNIT SIZES (1F NET SPACE)
Myeongdong	Mass market, Seoul's busiest high street shopping location. Two of the best performing department stores also offering luxury.	On Street: H&M, Zara, Uniqlo, Nike, Adidas, Body Shop, Forever 21, New Balance, Uniqlo, 8 Seconds, MLB, North Face. Dept Stores: LV, Gucci, Prada, Burberry, Tiffany, Paul Smith, Gentle Monster, Jo Malone, Club Monaco.	New Era, Ppierot Shopping, Daniel Wellington, Givenchy Beauty.	3,000,000 KRW/ py/ month	100 - 500 sqm
Gangnam Station	Mass market. Seoul's busiest subway station, surrounded by large office core.	Zara, Massimo Dutti, Under Armour, Adidas, Nike, Uniqlo, Cath Kidston, 8 Seconds, Shake Shack, Kakao Friends, Chicor, New Balance.	Missha, Dynafit, 29CM.	2,400,000 KRW/ py/ month	100 - 500 sqm
Garosugil	Trendy, young and wealthy customers. The street has transformed in the last two years and is becoming more and more popular.	Apple Store, Zara, Massimo Dutti, Camper, Lacoste, MCM, Lush, Wonderbra, LOHBs, Guess, Michael Kors, Tommy Hilfiger, Olive Young, Line Friends.	Maison Kitsuné, Yoshida Porter, Chicor, Tommy Jeans, B. Patisserie, Bensimon, Brooks Running.	1,200,000 KRW/ py/ month	100 - 500 sqm
Hongdae	Young student area. Mass market.	Zara, Uniqlo, Nike, H&M, Forever 21, Jordan, Gentle Monster, ALAND, New Balance, Kakao Friends, Line Friends.	MLB, Chicor, Nerdy, MarkM.	1,200,000 KRW/ py/ month	100 - 500 sqm
Cheongdam	Korea's only luxury retailing street.	Prada, Boss, Gucci, Louis Vuitton, Zegna, Cartier, Ferragamo, Nespresso, Armani, 10 Corso Como, Carolina Herrera, Hermes, MCM, Burberry.	Chloé, Chanel, Rolls-Royce	1,000,000 KRW/ py/ month	100 - 500 sqm

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MINOR RETAIL DISTRICTS

DISTRICT	ACCESSIBILITY	KEY TRADE	TARGET GROUP	PRICE POSITIONING
Apgujeong	Metro Line 3, Sinbundang Line	<ul style="list-style-type: none"> F&B Casual Fashion Sports Fashion 	<ul style="list-style-type: none"> 20s – Early 30s Primarily Women 	Medium High
Sinchon	Metro Line 2	<ul style="list-style-type: none"> F&B Low-priced cosmetics & fashion 	<ul style="list-style-type: none"> Teens – 20s Primarily university students 	Low
Sillim	Metro Line 2	<ul style="list-style-type: none"> F&B Some sports and casual fashion brands 	<ul style="list-style-type: none"> Widely spread age demographics, ranging from students to the middle-aged 	Low
Youngdeungpo Station	Metro Line 1	<ul style="list-style-type: none"> F&B Dept. Store (Lotte, Shinsegae) Shopping Mall (Times Square) 	<ul style="list-style-type: none"> Widely spread age demographics, ranging from students to the middle-aged 	Medium Low
Konkuk University	Metro Line 2, 7	<ul style="list-style-type: none"> F&B Low-priced cosmetics & fashion 	<ul style="list-style-type: none"> Teens – 20s Primarily university students 	Low
Daehakro	Metro Line 4	<ul style="list-style-type: none"> F&B Mom-and-pop stores Low-priced cosmetics & fashion 	<ul style="list-style-type: none"> Teens – 20s Primarily university students 	Low
Itaewon	Metro Line 6	<ul style="list-style-type: none"> F&B (Night life entertainment) Sports brands Mom-and-pop stores 	<ul style="list-style-type: none"> Foreign visitors and residents Late 20s – 30s 	Medium

SEOUL

SHOPPING CENTRES

STARFIELD COEX MALL (FORMERLY KNOWN AS COEX MALL)

Starfield Coex Mall is the largest underground shopping centre in Asia. It is located in the basement of the Korea World Trade Centre, in the Gangnam area of Seoul. The mall is anchored by a Hyundai Department Store, Megabox Cinema and Coex Aquarium. Coex-mall located in Samseong station held its grand opening in October 2014 after a period of renovation and remodelling. The mall is host to over 300 brands including major fast fashion brands.

PARNAS MALL

PARNAS Mall, a 5,600 sqm shopping mall adjacent to Coex Mall is located below the Grand Intercontinental Hotel. What used to be a mere pathway corridor connecting Coex and Hyundai Department Store in the past has been reborn as an independent shopping centre. PARNAS Mall is expected to attract many people and become a premium shopping spot as it is host to several high-end, trendy brands such as Massimo Dutti, Marimekko, Lulu Lemon, Rene Furterer, Royce, and All Saints.

TIMES SQUARE

Times Square in the west of Seoul is a 126,800 sqm shopping complex that has been gaining increasing popularity since its opening in September 2009. Located near Yeongdeungpo Station on Subway Line 1, Yeongdeungpo Times Square is twice as large as COEX Mall in Samsung-dong (Gangnam), which had previously been the largest shopping mall in Korea. Times Square's anchor tenants include Shinsegae Department Store, Emart, CGV Cinema, Marriott Hotel, Louis Vuitton, Prada, Gucci, Burberry, Zara, Gap, Adidas and Nike. Yeongdeungpo Times Square, the pioneer of a "western-style" shopping mall in Korea, is currently undergoing major renewal of its tenants. The mall aims to bring in new fast fashion brands, enhance lifestyle shopping themes and launch medium-priced select-shops (collect shops).

D-CUBE CITY

D-Cube City is a 180,000 sqm shopping mall in the south western part of Seoul anchored by a five-star Sheraton Hotel, offices, art centre and a large theatre. Other main retailers include Uniqlo, H&M, Zara, Bershka and Muji. As Hyundai Department made a long term lease agreement with a new landlord, the D-cube City mall was operated by Hyundai Department.



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SHOPPING CENTRES

IFC MALL

IFC mall in Yeouido is an international-style shopping mall with 100 brands over three lower levels totalling 40,000 sqm of floor space. It is located in one of the busiest business districts in Seoul and its anchor tenants include Zara, Uniqlo, Under Armour, Hollister, CGV Cinema and the Conrad Hotel.

LOTTE WORLD MALL

Lotte World Mall, operated by the Lotte group, opened in October 2014. It is the biggest shopping mall ever built in the country, with a gross floor area of 826,450 sqm. Global fast fashion brands, and slightly more upscale spin-offs of the traditional fast fashion brands such as COS, have launched their stores in the mall. The rest of the complex including the Lotte World Tower was completed in 2017, and consists of office space, hotels and additional retail space.

DEVELOPMENT TO WATCH OUT FOR

PARC 1 YEOUIDO

Total Size (sqm)	630,177
- Retail GLA (sqm)	182,611
- Leisure/ Entertainment GLA (sqm)	54,262
Planned Opening Date	2H 2020

ABOUT THE DEVELOPMENT

Parc 1, scheduled to open in 2020, is to be the largest retail complex in South Korea. As it is located in Yeouido, the center of Korean economy, culture, life and politics, Parc 1 will be the landmark of Seoul. Hyundai Department Store is planned to take up seven underground and nine ground level floors of the retail complex. Along with the largest department store of Korea, Parc 1 will be comprised of two office buildings and Fairmont Hotel.



SEOUL NEW DEVELOPMENT WATCH

SEOUL

FOOD & BEVERAGE

The coffee shop market in Seoul is one of the biggest in the world. International players Starbucks and Coffee Bean have almost 600 stores between them, but they are left behind by local franchises Caffe Bene, Angel in us, Ediya and Hollys which have almost 2,000 stores.

It is very common to see 3-4 shops clustered next door to each other; each over 1,000 sqm and still busy. The market is continuing to grow rapidly and Koreans have embraced the coffee culture very strongly.

Korean cuisine is generally still the preferred staple meal of the Korean diet although western style cuisine is becoming increasingly popular, particularly amongst the younger generation. Other north Asian cuisines such as Japanese and Chinese are also very prevalent and popular with the wider Korean public, and many of Korea's most expensive restaurants fall in these categories.

The majority of high end dining is located in the 5 star hotels in Seoul. These include Park Hyatt, Grand Hyatt, Westin Chosun, W Hotel Seoul, Shilla Hotel, JW Marriot, Intercontinental, Hilton and Sheraton and Conrad Hotel.

The department stores all have large food courts in their basements with many smaller independent restaurants serving a variety of food. The upper floors of the stores also have more formal restaurants.

Quick service restaurants (QSR) are also very prevalent in Korea with the leading local brand Lotteria (part of the Lotte group) in pole position in the industry. Burger King, Subway and Quiznos also have a presence in the country but McDonalds is the leading International QSR and is fast expanding its drive thru formats.

Multi level restaurant buildings are very common in most of the areas mentioned here. Due to street level rents being high, most F&B establishments are on the upper floors. This is something customers are accustomed to and it is not seen as a disadvantage.



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