

# Container glass for cosmetics and perfumery in SOUTH KOREA

**Rajeev Jetley**

**T**he South Korean market for cosmetics and perfumery stands among the top ten beauty markets worldwide - renowned for its innovative spirit, its smart ingredient use and its appealing packaging. In 2020, the market size saw a notable decline against the previous year - dropping to USD 6.8 billion due to the impact of COVID-19. That said, the export of K-beauty products and the balance of trade demonstrated a resilient increase of approximately 16 percent and 14 percent respectively.

With over 52 million inhabitants, SOUTH KOREA represents a major cosmetics & perfumery market in Asia - with high per capita spending to the direct benefit of container glass producers within this lucrative segment. Here Glass Machinery Plants & Accessories provides an overview of the container glass industry in the country.



## COUNTRY STUDY

Over the next decade, the cosmetics and perfumery segment in South Korea is poised to maintain its growth momentum, fueled by an expanding customer base and a rising female population. This presents container glass producers with an extensive market to which to cater. Nonetheless, changes in product assortment and advancements in distribution channels are projected to occur at a more tempered pace compared to previous periods. Indeed the evolution of distribution channels is likely to align with the development of the Korean retail market - which is gradually embracing newer retail formats.

South Korea boasts several prominent cosmetic brands, many of which have successfully extended their reach global-

ly. These include Amorepacific, which is known for such renowned brands as Laneige, Etude House, Innisfree, Sulwhasoo and Mamonde, as well as LG, which goes on to offer such esteemed brands as Isa Knox, The Face Shop and Nature Republic.

Within the domain of Original Equipment Manufacturing (OEM) and Original Design Manufacturing (ODM), 60 per cent of the market share is dominated by three leading companies: Cosmecca Korea Co., Ltd., Cosmax Inc. and Kolmar Korea Co., Ltd. A notable market trend indicates a shift towards more refined diversification in consumer segmentation. Notably, the number of male customers seeking cosmetic products is on

the rise. South Korea boasts the highest smartphone ownership rate globally, and online marketing has experienced an accelerated growth trajectory over recent years. Moreover, increasing environmental concerns and climate change have fueled public apprehension regarding skin-related issues - amplifying the demand for derma-cosmetic products.

The proliferation of K-Drama and K-pop, widely known as the K-wave, has propelled the export of Korean cosmetics - particularly to Southeast Asia and China. This surge in popularity has given rise to the term 'K-Beauty', signifying the burgeoning reputation of Korean beauty products. Companies in the industry have







diversified their offerings and expanded their brands and products, tapping into new markets in Europe and North America.

In 2020, total imports of cosmetics witnessed a decline of 2.8 percent compared to the previous year - amounting to USD 1.1 billion. France emerged as the largest exporter to Korea, accounting for USD 433 million, followed by the United States (USD 337 million) and Japan (USD 161 million). According to statistics published by the Korea Customs Service, skincare cosmetics retained their position as the largest import category in 2021, representing 34.17 percent or USD 560M of the total cosmetic imports. Perfumes, scents and haircare products all constituted the major subsequent import categories.

Suneera Joseph, a Consumer Analyst at Global Data, attrib-

uted the increased spending on make-up products among South Korean men to the influence of Korean pop music, movies, TV celebrity endorsements and the availability of innovative K-Beauty products. As COVID-19 restrictions gradually eased in 2022, consumers resumed their regular activities, including work, studies, leisure, socializing and shopping - thus providing more opportunities for make-up application. The burgeoning presence of online beauty retailers further invigorated the sales of cosmetics.

Escalating spending on cosmetics and personal care products in South Korea has become the primary driving force behind the growing demand for container glass within this segment. The desire for organic and natural beauty products is projected to witness substantial growth in the coming years. Cosmetic

providers are increasingly using augmented reality tools to bolster their market presence - enabling end-users to virtually try products through mobile applications such as L'Oreal's Makeup Genius. These factors collectively propel the growth of the container glass industry within the cosmetics and perfumery segment in South Korea.

### LOOKING AHEAD

The container glass industry is expected to assume an increasingly crucial role within the South Korean cosmetics and perfumery industry. Korean beauty experts predict that skincare will continue to dominate the cosmetic landscape over the coming years - particularly owing to the surging demand for multi-purpose products that provide moisturizing, wrinkle prevention and whitening effects. Notably, a significant proportion of custom-



## COUNTRY STUDY

ers exhibit a preference for glass packaging in this context. Korean facial mask sheets have achieved remarkable success in the realm of K-Beauty - captivating social media platforms with their exceptional moisturizing capabilities and user-friendly nature as they seamlessly integrate into daily skincare routines. Moreover, the realm of personalized cosmetics -including advancements in 3D printing technology and data science- is set to expand further. The growing demand for customized products among consumers seeking targeted results has facilitated the analysis of skin conditions and lifestyle habits to develop tailored skincare and cosmetic solutions. At CES 2020, Amorepacific unveiled its customized 3D printed Sheet mask system, representing a sig-

nificant milestone in the realm of 3D-printed skincare products while highlighting the commercial viability of bio-printing technologies within the consumer sector.

### VERESCENCE

Within the realm of major container glass producers for cosmetics and perfumery in South Korea, Verescence has emerged as a prominent brand - having ventured into the South Korean packaging market by acquiring Pacific Glas, a cosmetic and perfumery glass producer, in 2021. With three glass production sites and four decoration sites in Europe and North America, Verescence boasts an annual production capacity of 500 million bottles. Pacific Glas, a subsidiary

of the global cosmetics company Amorepacific, has played a pivotal role in the growth of the Korean beauty industry since its establishment in 1973. With expertise in bottle design, mould design, bottle manufacturing and decoration technologies, Pacific Glas has established itself as a leading cosmetics container manufacturer. The company's plant located in Janghang supplies over 2,000 items to more than 100 domestic and global cosmetic companies annually - catering to customer demands through various decoration techniques, including coating, hydrofluoric acid, transfer and printing, while simultaneously improving the quality and transparency of its glass bottles.





## AMOREPACIFIC

Since 1945, Amorepacific has been steadfast in its mission to bring its unique perception of beauty, widely known as 'Asian Beauty,' to the global stage. As a leading beauty company in Korea, Amorepacific combines its profound understanding of nature and humans to harmonize inner and outer beauty. With a portfolio encompassing over 20 cosmetics, personal care and health care brands, Amorepacific caters to the diverse lifestyles and needs of consumers across Asia, North America, Europe, Oceania and the Middle East. Committed to sustainable research and development, the company leverages the best of natural Asian ingredients and advanced biotechnology



through research hubs situated worldwide. Recognized for its world-class products, it stands at the forefront of transforming global beauty trends through innovative approaches.

## KUMBI GLASS

For over half a century, the Kumbi Corporation has been deeply involved in the manufacturing, supply and distribution of exquisite glass bottles. As a premier supplier and one of the nation's largest glass bottle manufacturers, the company has played a pivotal role in propelling the glass industry forward in South Korea. Presently, the company offers an array of flint and emerald green glass bottles, crafted in captivating shapes - including narrow-neck pressed bottles and petite containers. Such impeccable vessels find extensive use in the realms of beverages, culi-

nary delights, spirits and cosmetics. Kumbi Corporation boasts two state-of-the-art manufacturing plants located in Onyang and Icheon - boasting an impressive total capacity of 450 tons per day, along with seven individual section machines that facilitate the creation of these artistic masterpieces.

## SAMKWANG GLASS

Samkwang Glass operates two distinguished container glass production facilities in South Korea. The esteemed Nonsan facility stands adorned with an installed capacity to yield a remarkable 200 tonnes per day of flint bottles and exquisitely crafted tableware glass. The second prodigious production plant, nestled in Cheonan, boasts an awe-inspiring installed capacity of 400 tonnes per day, dedicated to the creation of vibrantly coloured glass bottles that captivate the senses.