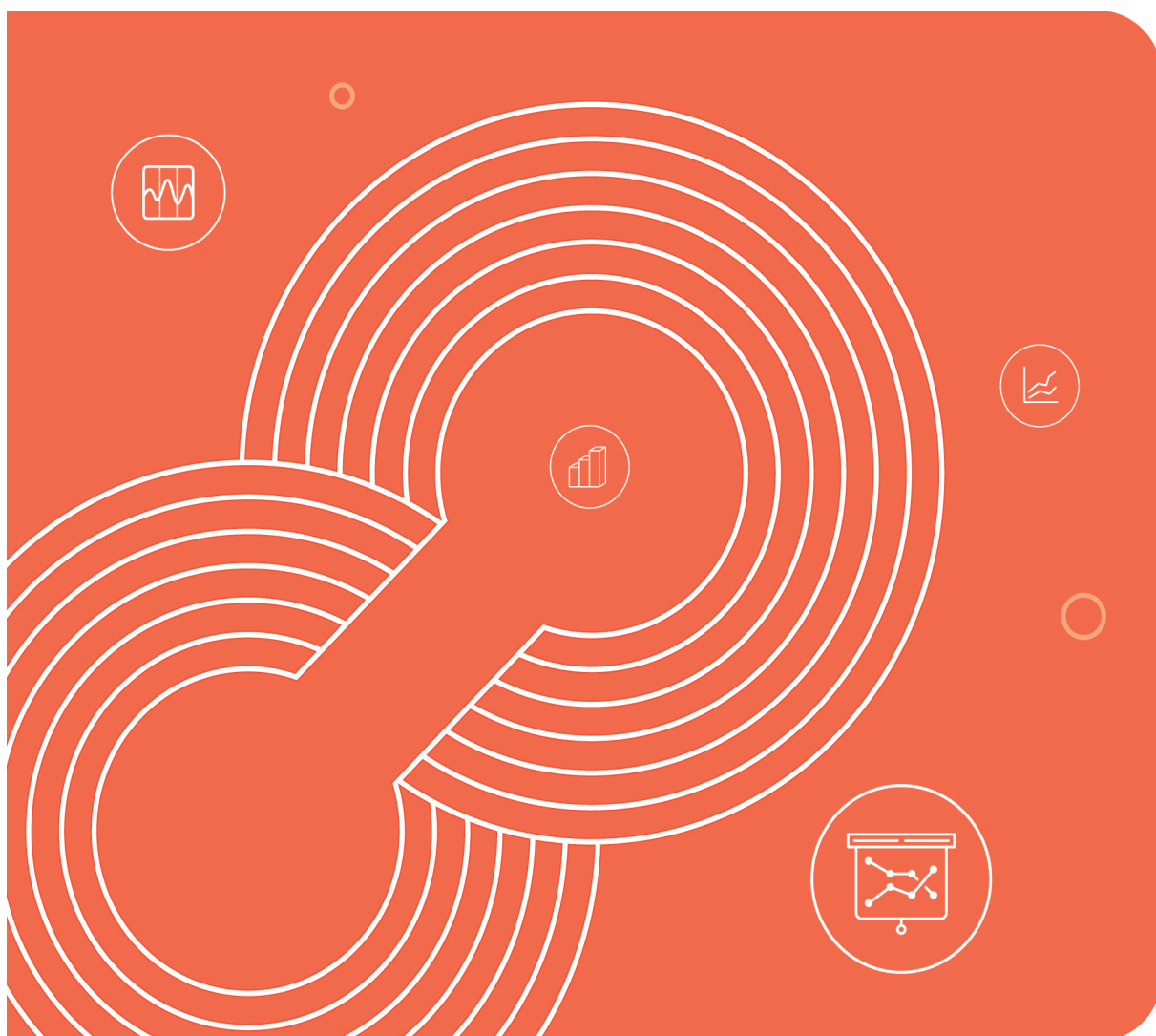


Executive Summary

2017 Consumption Life Indicators in Korea



Korea Consumer Agency

Executive Summary

2017 Consumption Life Indicators in KOREA

1. Overview

Concept	A tool for diagnosing Korean people's consumption life environment and experience and understanding consumer problems
Purpose	<p>Designed to build and provide basic statistics and materials to establish positive consumer policies</p> <p>Surveys on Consumer awareness over Consumption Life & Future Outlook</p> <p>The KCA(Korea Consumer Agency) is conducting surveys on consumption life indicators and consumer awareness in Korea, which is similar to EU's Consumer Condition Scoreboard. It is a representative survey to study and predict Korean consumers' consumption trend including e-Commerce and their awareness on consumption life.</p> <p>This year, we are planning to improve these studies to make them a tool to predict future consumption life and check the level of consumer confidence over markets and policies.</p>
History	Old Indicators were published in 1991, 1994 and 1997, and New Indicators were published in 2013, 2015 and 2017
Structure	<pre> graph LR A[Consumption Life Problems and Satisfaction] --- B[Consumer Problem Experience] A --- C[Problem Experience by Consumption Area] A --- D[Consumer Damage Experience] A --- E[Usage and Damage Status by Transaction Type] A --- F[Consumption Satisfaction and Trust] G[Consumer Rights and Responsibilities] --- H[Exercise of Consumer Rights] G --- I[Acceptance of Consumer Responsibilities] G --- J[Consumer Competency Assessment] K[Household Consumption conditions] --- L[Household Consumption Stabilization] K --- M[Household Consumption Variation] K --- N[Household Consumption Burden] </pre>

Composition	Total 88 Individual Indicators in 3 Sections, 11 Areas
Statistics	「Survey on Consumption Life in Korea」 Statistics
Survey	Interviews were conducted among 5,000 adults, 20 years of age or older, living in Korea during July 26–August 22, 2017(Level of Confidence: 95% \pm 1.39%p)
Publication	Survey on 88 individual indicators and analysis on the survey results by consumer characteristics

2. Major Findings of the Survey

1) Consumption Life Problems and Satisfaction

- ☐ (Proportion of people who have experienced consumer problems) The rate was 43.4%(2015 59.6%)
- ☐ (Proportion of consumer problem types experienced by consumers) The rate was highest with overpriced products for their quality (29.2%), followed by The difficulty of Exchange, Cancellation of Contracts, Refund and Compensation(13.4%), Safety anxiety(12.6%)
- ☐ (Experience of consumer problems during financial and insurance transactions) The rate was highest with overpriced products for their quality(17.0%), followed by consumer information shortage(15.5%)
- ☐ (Proportion of people who have experienced consumer damage) The rate was 16.2%(2015 13.6%)
- ☐ (Proportion of experiencing damage by consumption life area) Food&dining service 7.0%(2015 5.7%), clothes 5.7%(2015 5.4%), ICT 3.6%, housing 2.9%(2015 2.6%)
- ☐ (Proportion of transaction types used by consumers) Out of total 15 transaction types,

usage rate was highest for large marts 86.6%(2015 94.6%), followed by convenience stores 74.7%(2015 84.8%), department store 69.6%, traditional markets 58.6%(2015 82.0%), TV Home shopping 41.8% and internet shopping 40.1%(2015 81.3%)

- ☐ (Proportion of transaction types with which consumers experienced consumer damage)
Out of total 15 transaction types, telemarketing occupied the highest percentage of 9.0%, followed by multi-level marketing (8.8%) and overseas direct purchase(7.9%)
- ☐ (Satisfaction on consumption volume) The score was 58.3 points(2015 52.7 points) out of 100, with 41.5%(2015 10.8%) of people said it was “satisfactory”
- ☐ (Importance of each consumption life area) Food&dining service 32.8%, housing 15.0%(2015 17.4%), education 11.8%(2015 8.5%), clothes 9.2%(2015 11.2%), medical 9.0%(2015 11.2%)
- ☐ (Overall Satisfaction on Consumption Life) The score was 76.6 points(2013 71.6 points; 2015 63.8 points) out of 100
- ☐ (Trust on Digital Consumption Life) The score was 73.3 points out of 100
- ☐ (Overall Trust on Consumption Life) The rate was 76.3%

2) Consumer Rights and Responsibilities

- ☐ (Proportion of people who have experiences or intention of participating in consumer education) 23.5% of people had positive intention of participating in consumer education
- ☐ (Proportion of consumers with experience of making complaints or raising issues) 4.8% of consumers have experienced making complaints while 66.1% have experienced raising issues to business owners(2015 39.3%, 57.7%)

- ☐ (Proportion of consumers who have filed consumer disputes due to unsatisfactory response of business owners) The proportion was 52.9%(2015 21.0%)
- ☐ (Actions to exercise sustainable consumption) The rate was 54.4%
- ☐ (Consumer Competency Assessment) The score was 63.8 points(2013 58.0 points; 2015 57.2 points) out of 100

3) Household Consumption conditions

- ☐ (Proportion of people who identify themselves as middle class in consumption life) It was 65.2%. The rate has increased in “upper middle class(2015 16.7%; 2017 28.3%)” and “lower middleclass(2015 48.5%; 2017 52.2%)”
- ☐ (Income–Consumption Variation Disparity Rate) The rate was -6.5%(2013 -4.9%; 2015 -5.6%)
- ☐ (Proportion of people who feel relative deprivation in consumption life) The rate was 15.2%(2015 42.0%)
- ☐ (Feeling of economic burden for each expenditure item) The expenditure item with highest rate was food, followed by sheltering, Education and medical expense