



# Preliminary Results of the 2019 Franchise Survey

**In 2019, the number of franchise establishments (2.6%), the number of workers (3.9%) and annual sales (8.7%) recorded a year-on-year increase.**

- As for the number of franchise establishments, 'Pizza, hamburger and sandwich eating places and similar food services activities' and 'Korean food restaurants' rose by 7.9% and 6.2%, respectively. 'Taphouses & Other drinking places' dropped by 14.4% from 2018.
- As for annual sales per franchise establishment, 'Chicken restaurants' (21.7%), 'Dried seaweed rolls and other light food restaurants & Take-out light food restaurants' (12.1%) and 'Household laundry services' (10.7%) showed a high year-on-year increase.

☐ In 2019, the number of franchise establishments was 216 thousand, which increased by 2.6% (5 thousand establishments) from 2018. The number of workers recorded 848 thousand persons, which rose by 3.9% (32 thousand workers) from 2018.

☐ (Number of franchise establishments)

'Convenience stores', 'Korean food restaurants' and 'Chicken restaurants' occupied 45.6% of the total number of franchise establishments.

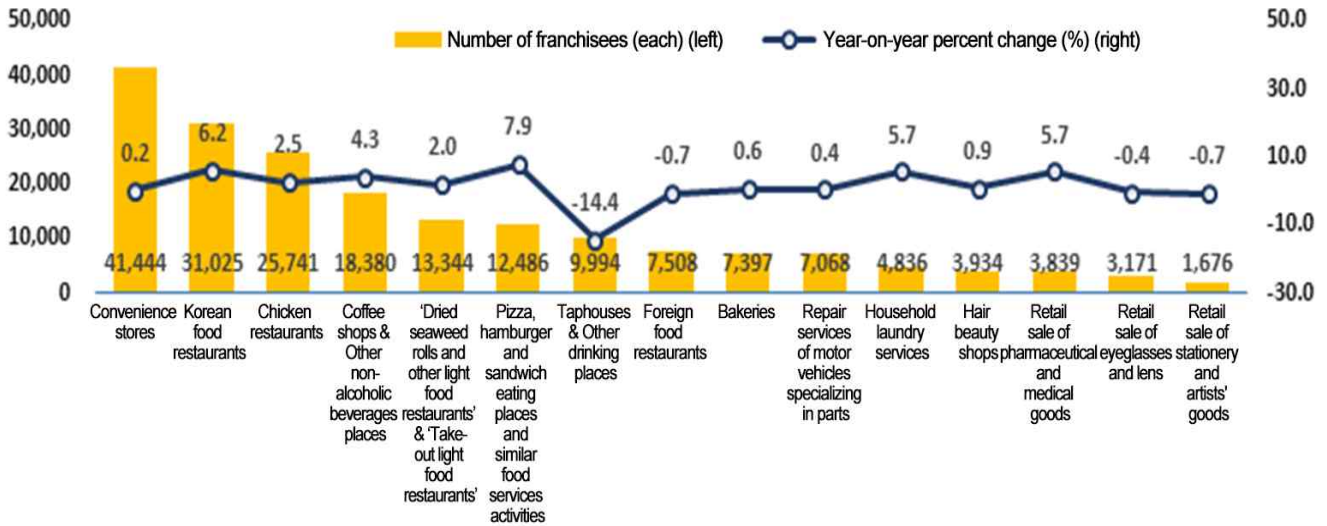
- Compared to 2018, 'Pizza, hamburger and sandwich eating places and similar food services activities', 'Korean food restaurants' and 'Household laundry services' recorded an increase in the number of franchise establishments. Whereas, 'Taphouses & Other drinking places' recorded a decrease in the number of franchise establishments.

< Number of franchise establishments by industry >

(Unit: each, %)

By industry	2018	2019	Compo- sition	Change from the previous year	Percent change
Total industries	210,099	215,587	100.0	5,488	2.6
Convenience stores	41,359	41,444	19.2	85	0.2
Retail sale of stationery and artists' goods	1,688	1,676	0.8	-12	-0.7
Retail sale of pharmaceutical and medical goods	3,632	3,839	1.8	207	5.7
Retail sale of eyeglasses and lens	3,184	3,171	1.5	-13	-0.4
Korean food restaurants	29,209	31,025	14.4	1,816	6.2
Foreign food restaurants	7,561	7,508	3.5	-53	-0.7
Bakeries	7,354	7,397	3.4	43	0.6
Pizza, hamburger and sandwich eating places and similar food services activities	11,576	12,486	5.8	910	7.9
Chicken restaurants	25,110	25,741	11.9	631	2.5
'Dried seaweed rolls and other light food restaurants' & 'Take-out light food restaurants'	13,077	13,344	6.2	267	2.0
'Taphouses' & 'Other drinking places'	11,676	9,994	4.6	-1,682	-14.4
'Coffee shops' & 'Other non-alcoholic beverages places'	17,615	18,380	8.5	765	4.3
Repair services of motor vehicles specializing in parts	7,038	7,068	3.3	30	0.4
Hair beauty shops	3,897	3,934	1.8	37	0.9
Household laundry services	4,575	4,836	2.2	261	5.7
Others	21,548	23,744	11.0	2,196	10.2

< Number of franchise establishments and percent change by industry >



○ (Number of workers)

'Convenience stores', 'Korean food restaurants' and 'Coffee shops & Other non-alcoholic beverages places' occupied 47.2% of the total number of workers.

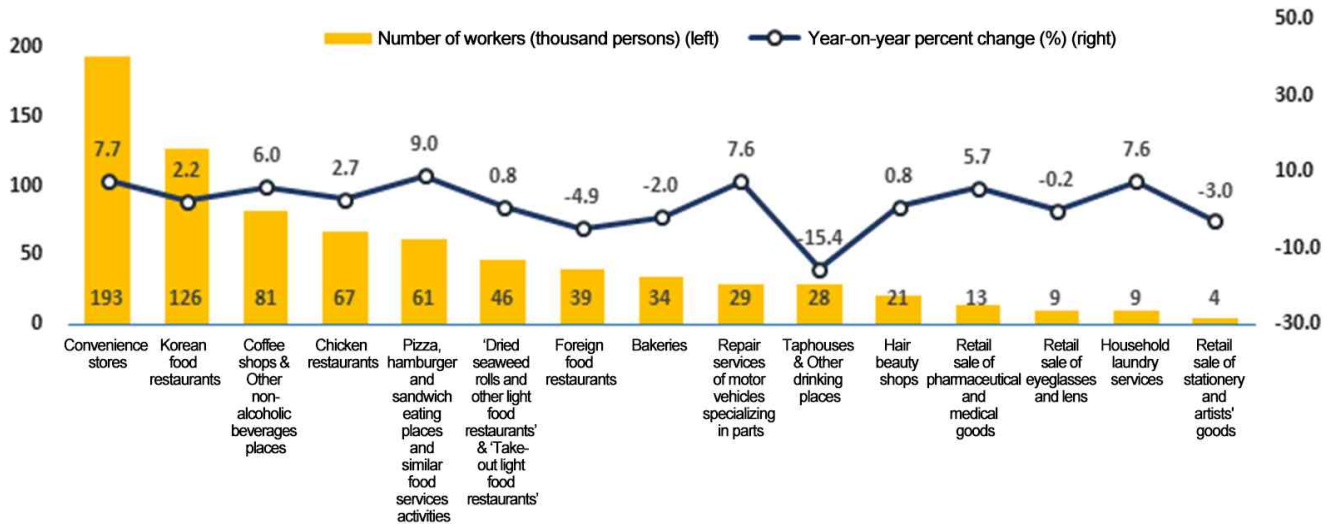
- Compared to 2018, 'Pizza, hamburger and sandwich eating places and similar food services activities' and 'Convenience stores' recorded an increase in the number of workers. Whereas, 'Taphouses & Other drinking places' and 'Foreign food restaurants' recorded a decrease in the number of workers.

< Number of workers by industry >

(Unit: person, %)

By industry	2018	2019	Compo- sition	Change from the previous year	Percent change
Total industries	816,420	848,027	100.0	31,607	3.9
Convenience stores	179,096	192,856	22.7	13,760	7.7
Retail sale of stationery and artists' goods	4,571	4,433	0.5	-138	-3.0
Retail sale of pharmaceutical and medical goods	12,173	12,871	1.5	698	5.7
Retail sale of eyeglasses and lens	9,008	8,989	1.1	-19	-0.2
Korean food restaurants	123,697	126,364	14.9	2,667	2.2
Foreign food restaurants	41,452	39,422	4.6	-2,030	-4.9
Bakeries	34,989	34,305	4.0	-684	-2.0
Pizza, hamburger and sandwich eating places and similar food services activities	55,678	60,682	7.2	5,004	9.0
Chicken restaurants	65,241	67,000	7.9	1,759	2.7
'Dried seaweed rolls and other light food restaurants' & 'Take-out light food restaurants'	45,900	46,249	5.5	349	0.8
'Taphouses' & 'Other drinking places'	33,516	28,361	3.3	-5,155	-15.4
'Coffee shops' & 'Other non-alcoholic beverages places'	76,842	81,471	9.6	4,629	6.0
Repair services of motor vehicles specializing in parts	26,895	28,944	3.4	2,049	7.6
Hair beauty shops	21,176	21,345	2.5	169	0.8
Household laundry services	8,490	9,132	1.1	642	7.6
Others	77,696	85,601	10.1	7,905	10.2

< Number of workers and percent change by industry >



○ (Number of workers per franchise establishment)

In 2019, the number of workers per franchise establishment stood at 3.9 persons, which grew by 1.2% from 2018.

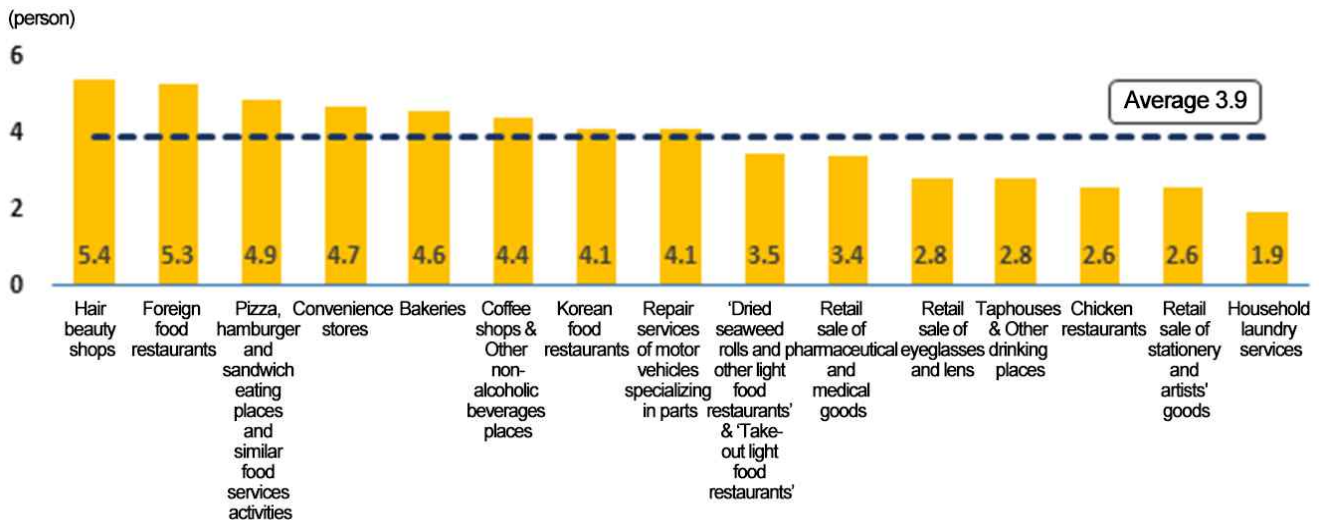
- Compared to 2018, 'Convenience stores' and 'Repair services of motor vehicles specializing in parts' recorded an increase in the number of workers per franchise establishment. Whereas, 'Foreign food restaurants' and 'Korean food restaurants' recorded a decrease in the number of workers per franchise establishment.

< Number of workers per franchise establishment by industry >

(Unit: person, %)

By industry	2018	2019	Change from the previous year	Percent change
Total industries	3.9	3.9	0.0	1.2
Convenience stores	4.3	4.7	0.3	7.5
Retail sale of stationery and artists' goods	2.7	2.6	-0.1	-2.3
Retail sale of pharmaceutical and medical goods	3.4	3.4	0.0	0.0
Retail sale of eyeglasses and lens	2.8	2.8	0.0	0.2
Korean food restaurants	4.2	4.1	-0.2	-3.8
Foreign food restaurants	5.5	5.3	-0.2	-4.2
Bakeries	4.8	4.6	-0.1	-2.5
Pizza, hamburger and sandwich eating places and similar food services activities	4.8	4.9	0.1	1.0
Chicken restaurants	2.6	2.6	0.0	0.2
'Dried seaweed rolls and other light food restaurants' & 'Take-out light food restaurants'	3.5	3.5	0.0	-1.3
'Taphouses' & 'Other drinking places'	2.9	2.8	0.0	-1.1
'Coffee shops' & 'Other non-alcoholic beverages places'	4.4	4.4	0.1	1.6
Repair services of motor vehicles specializing in parts	3.8	4.1	0.3	7.2
Hair beauty shops	5.4	5.4	0.0	-0.1
Household laundry services	1.9	1.9	0.0	1.8
Others	3.6	3.6	0.0	0.0

< Number of workers per franchise establishment by industry >



□ In 2019, the annual sales of franchise establishments recorded 74.2 trillion won, which increased by 8.7% (6 trillion won) from 2018.

○ (Annual sales)

'Convenience stores', 'Korean food restaurants' and 'Chicken restaurants' occupied 50.7% of the total annual sales.

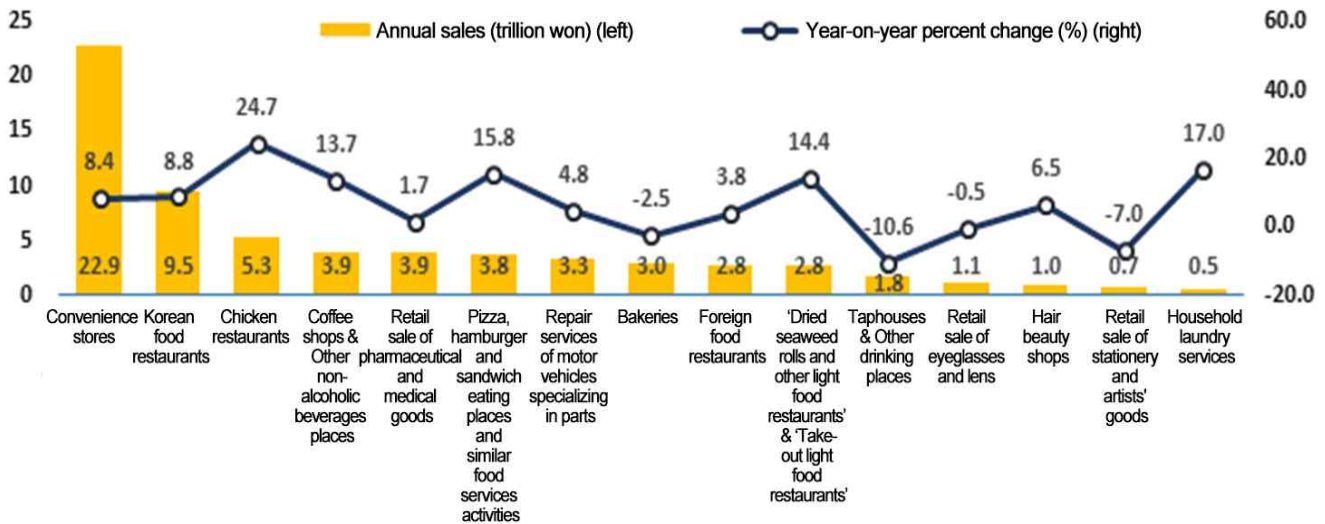
- Compared to 2018, 'Chicken restaurants' and 'Household laundry services' recorded an increase in annual sales. Whereas, 'Taphouses & Other drinking places' and 'Retail sale of stationery and artists' goods' recorded a decrease in annual sales.

< Annual sales by industry >

(Unit: billion won, %)

By industry	2018	2019	Compo- sition	Change from the previous year	Percent change
Total industries	68,260	74,213	100.0	5,953	8.7
Convenience stores	21,096	22,863	30.8	1,768	8.4
Retail sale of stationery and artists' goods	699	650	0.9	-49	-7.0
Retail sale of pharmaceutical and medical goods	3,796	3,861	5.2	65	1.7
Retail sale of eyeglasses and lens	1,060	1,056	1.4	-5	-0.5
Korean food restaurants	8,712	9,480	12.8	767	8.8
Foreign food restaurants	2,745	2,849	3.8	103	3.8
Bakeries	3,073	2,996	4.0	-76	-2.5
Pizza, hamburger and sandwich eating places and similar food services activities	3,254	3,768	5.1	514	15.8
Chicken restaurants	4,247	5,297	7.1	1,051	24.7
'Dried seaweed rolls and other light food restaurants' & 'Take-out light food restaurants'	2,457	2,810	3.8	353	14.4
'Taphouses' & 'Other drinking places'	2,028	1,812	2.4	-216	-10.6
'Coffee shops' & 'Other non-alcoholic beverages places'	3,409	3,875	5.2	467	13.7
Repair services of motor vehicles specializing in parts	3,168	3,321	4.5	152	4.8
Hair beauty shops	980	1,044	1.4	64	6.5
Household laundry services	442	518	0.7	75	17.0
Others	7,093	8,013	10.8	920	13.0

< Annual sales and percent change by industry >



○ (Annual sales per franchise establishment)

Annual sales per franchise establishment recorded 344.20 million won in 2019, which rose by 6.0% (19.30 million won) from 2018.

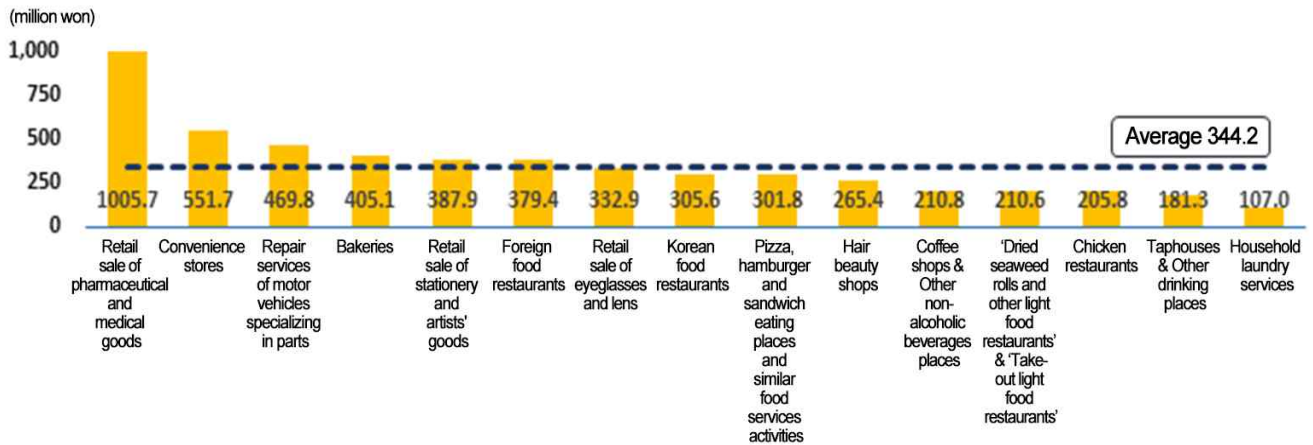
- Compared to 2018, 'Chicken restaurants' 'Dried seaweed rolls and other light food restaurants & Take-out light food restaurants' and 'Household laundry services' recorded an increase in annual sales per franchise establishment. Whereas, 'Retail sale of stationery and artists' goods', 'Retail sale of pharmaceutical and medical goods' and 'Bakeries' recorded a decrease in annual sales per franchise establishment.

< Annual sales per franchise establishment by industry >

(Unit: million won, %)

By industry	2018	2019	Change from the previous year	Percent change
Total industries	324.9	344.2	19.3	6.0
Convenience stores	510.1	551.7	41.6	8.2
Retail sale of stationery and artists' goods	414.3	387.9	-26.4	-6.4
Retail sale of pharmaceutical and medical goods	1045.2	1005.7	-39.5	-3.8
Retail sale of eyeglasses and lens	333.1	332.9	-0.2	0.0
Korean food restaurants	298.3	305.6	7.3	2.4
Foreign food restaurants	363.1	379.4	16.3	4.5
Bakeries	417.8	405.1	-12.7	-3.0
Pizza, hamburger and sandwich eating places and similar food services activities	281.1	301.8	20.7	7.4
Chicken restaurants	169.1	205.8	36.7	21.7
'Dried seaweed rolls and other light food restaurants' & 'Take-out light food restaurants'	187.9	210.6	22.7	12.1
'Taphouses' & 'Other drinking places'	173.7	181.3	7.6	4.4
'Coffee shops' & 'Other non-alcoholic beverages places'	193.5	210.8	17.3	9.0
Repair services of motor vehicles specializing in parts	450.1	469.8	19.7	4.4
Hair beauty shops	251.5	265.4	13.9	5.5
Household laundry services	96.7	107.0	10.4	10.7
Others	329.2	337.5	8.3	2.5

< Annual sales per franchise establishment by industry >



< Major indicators of the franchising industry >

Classification	2018	2019	Change	Percent change (%)
Number of franchise establishments (each)	210,099	215,587	5,488	2.6
Number of workers (person)	816,420	848,027	31,607	3.9
Number of workers per franchise establishment (person)	3.9	3.9	0.0	1.2
Annual sales (billion won)	68,260	74,213	5,953	8.7
Annual sales per franchise establishment (million won)	324.9	344.2	19.3	6.0