

# Hanwha Galleria Duty Free looks to diversify customer base

By **R Byrne** on March, 21 2017 | Retailers



In view of China's recent actions including banning all package trips to South Korea, local duty free operators are looking to target travelers from other regions to reduce their dependency on the Chinese consumer.

China's well documented objection to Seoul's decision to allow the stationing of an advanced US missile defense system in Korea has led to reduction in Chinese tourists through airports and ports. This has greatly impacted the duty free business as Chinese consumers accounted for half of all for all foreign travelers to South Korea last year.

Hanwha Galleria, the duty-free unit of Hanwha Group, recently signed deals with two travel agencies in the Middle East to secure foreign customers and plans to participate in a Middle Eastern travel fair in April to find new partnerships.

It also plans to work with local hospitals to offer medical treatment services for Middle Eastern visitors as part of their tour programs. Furthermore, its four high-end restaurants in the landmark 63 Building in Yeouido have received a halal-friendly certificate from the Korea Tourism Organization, which the company believes will help attract more Muslim visitors to its duty free shop.

Sung-ho Han, a director at Hanwha Galleria commented: "In terms of spending, Middle Eastern tourists surpass Chinese visitors by 30 percent. In spite of the instability in the duty free market at the moment, we will try to improve on the long term by diversifying tourists' nationalities and strengthening efforts to pull in new VIP tourists."

Further initiatives have also been taken focusing on the interests in Korean pop culture among South East Asian tourists. Galleria Duty Free participated in a Taiwanese travel fair last year to better understand the market and has signed contracts with 79 travel agencies which cater to this demographic.