



LVMH Bets on South Korea to Spur Growth on US, China Uncertainty

(Bloomberg) -- LVMH is ramping up its expansion in South Korea, with the luxury conglomerate looking to diversify its global presence as geopolitical and economic uncertainties hurt the consumer spending outlook in the US and China.

The group's two largest fashion labels, Louis Vuitton and Christian Dior, are both looking to expand their flagship maison-style stores in Seoul's Cheongdam district within the next few years, according to people familiar with the matter, who asked not to be identified discussing private deliberations. Dior's revamp may take place as early as 2027 and will feature a permanent restaurant, they said.

LVMH Moët Hennessy Louis Vuitton SE's watch and jewelry brand Bulgari is also weighing its first flagship in South Korea, while a Tiffany & Co. flagship will launch in 2027 in Cheongdam, according to the people.

A representative for LVMH didn't respond to a request for comment.

South Koreans' enduring love for luxury, coupled with a resilient economy and surging consumer confidence, has made the market a bright spot for top industry names as they weather an increasingly uncertain global shopping landscape. Louis Vuitton, Hermes and Chanel posted almost 10% growth in their combined sales in the country last year to hit \$3.3 billion, according to government data.

Beyond domestic shoppers, a surge in visitors, mainly from China and Japan, as well as the weaker won has added to the boost. Tourist spending rose about a third to a record 9.26 trillion won (\$6.6 billion) last year, according to the Korea Herald.

At the same time, China's premium goods market shrunk the most in a decade last year, while US import tariffs have seen fashion houses hike prices and may drive wealthy shoppers overseas to buy their high-end goods. Even Japan, where a weak yen had sparked a surge in luxury sales, is seeing a slump.

LVMH, founded by billionaire Bernard Arnault, has already been expanding its footprint in South Korea. Celine opened its first boutique there in December last year, and Fendi launched its first flagship in 2023.

Other luxury groups are also betting on buoyant demand in South Korea. Cie Financiere Richemont SA, which saw its sales jump 20% in the country for the financial year ended March, opened a new flagship for Swiss watch brand Vacheron Constantin in Seoul in June, featuring Korean artworks, a digital archive, a private lounge and space for events and exhibitions. Hermes relocated and expanded its flagship in the capital, relaunching it in August.

--With assistance from Jaehyun Eom.

More stories like this are available on bloomberg.com

©2025 Bloomberg L.P.

