



THE ECONOMIC AND GLOBAL IMPACT OF THE K-POP INDUSTRY

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Annotatsiya: Ushbu maqolada K-POP sanoatining zamonaviy global iqtisodiyotdagi o'рни va uning xalqaro miqyosdagi iqtisodiy ta'siri tadqiq etilgan. K-POPning musiqa industriyasidan tashqari turizm, mehmondo'stlik, madaniy eksport, raqamli platformalar, reklama, moda va boshqa xizmatlar sohalarining rivojlanishiga ta'siri tahlil qilinadi. Shuningdek, K-POPning Janubiy Koreyaning xalqaro imiji va "yumshoq kuch" salohiyatini oshirishdagi roli ko'rib chiqilgan. Tadqiqotda K-POPning global auditoriyani shakllantirish, xorijiy iste'molchilar talabini rag'batlantirish, turizm oqimlarini kengaytirish va tegishli iqtisodiy faoliyat turlarini rivojlantirishdagi ahamiyati yoritilgan. Natijalar K-POP industriyasi nafaqat madaniy hodisa, balki xalqaro iqtisodiy va turistik jarayonlarga ta'sir ko'rsatuvchi muhim kreativ industriya ekanligini ko'rsatadi.

Kalit so'zlar: K-POP, musiqa industriyasi, kreativ industriya, global iqtisodiyot, madaniy eksport, turizm, mehmondo'stlik, raqamli iqtisodiyot, yumshoq kuch, Janubiy Koreya.

Abstract: This article examines the role of the K-POP industry in the modern global economy and its economic impact at the international level. The study analyzes the influence of K-POP not only on the music industry but also on tourism, hospitality, cultural exports, digital platforms, advertising, fashion, and other service sectors. Particular attention is paid to the role of K-POP in strengthening South Korea's international image and expanding its soft power potential. The study highlights the importance of K-POP in creating a global audience, stimulating foreign consumer demand, increasing tourist flows, and supporting the development of related economic activities. The findings demonstrate that the K-POP industry is not merely a cultural phenomenon but also a significant creative industry that contributes to international economic and tourism processes.

Keywords: K-POP, music industry, creative industry, global economy, cultural exports, tourism, hospitality, digital economy, soft power, South Korea.

Абстрактный: В статье исследуется роль индустрии K-POP в современной мировой экономике и её экономическое влияние на международном уровне. Анализируется воздействие K-POP не только на музыкальную индустрию, но и на туризм, гостиничный бизнес, культурный экспорт, цифровые платформы, рекламу, моду и другие сферы услуг. Особое внимание уделяется роли K-POP в формировании международного имиджа Южной Кореи и расширении её потенциала «мягкой силы». Рассматривается значение K-POP в формировании глобальной аудитории, стимулировании спроса зарубежных потребителей, увеличении туристических потоков и развитии связанных с ними видов экономической деятельности. Результаты исследования показывают, что индустрия K-POP представляет собой не только культурное явление, но и значимую креативную индустрию, оказывающую влияние на международные экономические и туристические процессы.

Ключевые слова: K-POP, музыкальная индустрия, креативная индустрия, мировая экономика, культурный экспорт, туризм, гостиничный бизнес, цифровая экономика, мягкая сила, Южная Корея.

Introduction (Kirish/Vvedenie).

In the context of globalization, creative industries have become one of the rapidly developing sectors of the global economy. The expansion of music, film, media, fashion, and digital content not only strengthens cultural exchange but also contributes to the emergence of new forms of economic activity. In this process, the K-POP industry of South Korea has gained particular importance by transforming from a national music genre into a global cultural and economic phenomenon within a relatively short period of time.

The international popularity of K-POP is closely associated with the rapid development of digital technologies, social media, and music streaming platforms. Through platforms such as YouTube, Spotify, TikTok, and other digital channels, Korean music has become accessible to consumers in different parts of the world. As a result, an interconnected economic ecosystem has developed around K-POP, including music sales, concerts, advertising, digital content, merchandising, fashion, and tourism.

The economic impact of the K-POP industry extends beyond the direct sales of musical products. The international popularity of K-POP artists and groups contributes to the growth of tourism in South Korea, particularly concert and cultural tourism, while also increasing demand for hotels, restaurants, transportation, and other tourism-related services. Furthermore, growing international interest in Korean culture has contributed to demand for Korean cosmetics, fashion products, food, and other consumer goods.

The global expansion of K-POP also plays an important role in strengthening South Korea's international economic and cultural image. Through musical products and digital content, international audiences become increasingly interested in the Korean language, culture, lifestyle, and other products associated with the country. In this regard, K-POP can be viewed as one of the modern forms of soft power and as a creative industry capable of supporting South Korea's international economic interests.

The relevance of this topic is determined by the need to examine the transformation of K-POP from a cultural phenomenon into a global economic ecosystem. Analyzing the mechanisms of K-POP industry development and its influence on tourism, the service sector, the digital economy, and international trade has significant scientific and practical importance for assessing the economic potential of creative industries.

The main objective of this study is to examine the economic and global impact of the K-POP industry and to identify its role in the development of tourism, the service sector, the digital economy, and South Korea's international economic image.

Literature review (Mavzuga oid adabiyotlar tahlili/Oбзор литературы).

The global development of the K-POP industry has become an increasingly important research topic in the fields of the creative economy, international trade, tourism, and cultural exports. Recent studies emphasize that the economic impact of K-POP extends beyond music sales and affects a wide range of related industries and consumer markets.

Kang and Shin [1] examined the influence of overseas K-POP consumers on the consumption of Korean cultural products. Their findings indicate that interest in K-POP can contribute to positive consumer attitudes toward Korean cosmetics, clothing, smartphones, and other Korean products. The authors emphasize that the influence of K-POP as a form of soft power extends beyond cultural products and can support other export sectors [1].

Koo et al. [2] investigated the impact of the Korean Wave (Hallyu) on Korea's consumer goods exports to China using panel data and big-data analysis. The study examined the relationship between interest in Korean music, films, dramas, and entertainment content and international trade. The findings demonstrate the importance of Hallyu, including K-POP, as a cultural and economic factor supporting the expansion of Korean exports [2].

Kim [3] empirically examined the economic impact of Hallyu content on K-Beauty exports. Using data for the period 2010–2023, the study found a positive relationship between the expansion of Hallyu content and Korean cosmetics exports. This finding demonstrates that the economic influence of Korean popular culture can extend beyond the entertainment industry to consumer goods and international trade [3].

Kulik and Geyer [4] investigated the influence of Hallyu on South Korea's destination image and international tourists' willingness to travel to the country. Their research suggests that the cultural and emotional connection of K-POP fans with South Korea can positively influence perceptions of the country as a tourism destination. This highlights the potential role of K-POP in stimulating international tourism demand [4].

Chung and Jeong [5] examined the relationship between social media engagement and Hallyu tourism. According to their findings, the consumption and active engagement with Korean cultural content through digital platforms can increase tourists' intentions to visit South Korea and purchase tourism products associated with Hallyu. This demonstrates the importance of digital media in transforming cultural interest into tourism demand [5].

Maulana et al. [6] analyzed the economic impact of K-POP event tourism. Their study demonstrates that expenditures generated by visitors attending K-POP concerts can contribute to tourism-related economic activity and affect sectors such as accommodation, food services, transportation, and other local businesses. Therefore, K-POP events can be considered not only entertainment activities but also significant tourism and economic events [6].

The International Monetary Fund [7], in its analysis of the South Korean economy, identifies globally competitive cultural content such as K-POP and Korean dramas as increasingly important export-oriented industries. The report notes that Korean cultural content exports experienced substantial growth during 2020–2024, highlighting the increasing contribution of the creative economy to Korea's international economic position [7].

Luo [8] examined the global expansion of K-POP from the perspective of a cultural multiplier. The study emphasizes the spillover effects of K-POP on tourism, cosmetics, fashion, and other industries. According to the author, the international success of K-POP is associated with the interaction of government cultural policies, corporate innovation, digital globalization, and international consumer engagement [8].

Kim [9] analyzed the ripple effects of the Korean Wave on exports and emphasized that the international popularity of Korean cultural content can generate economic effects across different export sectors. The study supports the view that K-POP should not be considered solely as a music industry but as part of a broader creative and export-oriented economic ecosystem [9].

Overall, the reviewed literature demonstrates that the economic impact of K-POP can be observed in several major areas, including music and digital-content exports, international tourism, hospitality and other service industries, cosmetics and fashion exports, and South Korea's international economic image. However, most existing studies focus on individual sectors or specific transmission mechanisms. Therefore, there remains a need for a more comprehensive assessment of the interconnected economic effects of K-POP across tourism, international trade, digital platforms, and the broader creative economy.

Methods (Tadqiqotni amalga oshirishda foydalanilgan usullar/Методы).

The study employs a combination of qualitative and quantitative research methods to examine the economic and global impact of the K-POP industry. The methodological framework is based on the analysis of the relationship between K-POP development and its effects on tourism, international trade, the service sector, digital platforms, and the broader creative economy.

The study uses **descriptive analysis** to identify the major development trends of the K-POP industry and its international expansion. **Comparative analysis** is applied to examine changes in the global presence of K-POP and its economic influence across different periods and markets. **Statistical analysis** is used to assess the relationship between K-POP-related activities and indicators such as tourism demand, cultural-content exports, consumer goods exports, and digital consumption.

In addition, the research applies **content analysis** to academic publications, international reports, industry studies, and statistical materials related to K-POP and the Korean Wave (Hallyu). Particular attention is given to recent studies examining the spillover effects of K-POP on tourism, hospitality, cosmetics, fashion, digital services, and other related industries.

The research also uses a **systematic literature review approach** to identify the main theoretical perspectives and empirical findings concerning the economic effects of K-POP. The selected literature is categorized according to four major dimensions: cultural and digital exports, tourism and hospitality, consumer goods and international trade, and the development of creative industries.

Based on the results of the analysis, the study evaluates K-POP as a component of the creative economy and identifies the main channels through which its global popularity generates economic effects. The methodological approach makes it possible to provide a comprehensive assessment of the relationship between K-POP's cultural influence and its broader economic consequences.

Analysis and results (Tahlil va natijalarlar /Анализ и результаты).

Global Economic Development of the K-POP Industry

K-POP has developed beyond a traditional music market into a global creative-industry ecosystem involving recorded music, streaming, concerts, merchandise, advertising, tourism, fashion, cosmetics, food products, and other consumer activities. According to Korea Customs Service data, K-POP album exports reached US\$301.7 million in 2025, 3.4% higher than in 2024. Japan was the largest destination with US\$80.6 million, followed by China with US\$69.7 million and the United States with US\$64.0 million.

Table 1.

Main Components of Overseas K-POP Sales, 2023

Component	Revenue, KRW billion	Share, %
Overseas performances	588.5	47.6
Music-product exports	388.9	31.4
Streaming services	260.3	21.0
Total	1,237.7	100.0

The structure shows that international performances constitute the largest component of overseas K-POP revenue. Concerts also create demand for transportation, accommodation, restaurants, retail, and other tourism-related services.

Growth of K-POP Album Exports

K-POP album exports provide a direct indicator of international demand for Korean music products. Available data demonstrate substantial medium-term expansion.

Table 2.

K-POP Album Exports, 2019–2025

Year	Album exports, US\$ million	Annual development
2019	74.6	—
2022	231.4	Strong growth
2023	290.2	Continued growth
2024	291.8	+0.55%
2025	301.7	+3.4%

Album exports increased from US\$74.6 million in 2019 to US\$301.7 million in 2025, approximately four times higher. However, the growth rate has slowed in recent years, suggesting that future expansion may increasingly depend on digital services, live performances, intellectual property, merchandise, and cross-industry activities.

Table 3.

Major K-POP Album Export Markets, 2025		
Market	Export value, US\$ million	Approximate share, %
Japan	80.6	26.7
China	69.7	23.1
United States	64.0	21.2
Other markets	87.4	29.0
Total	301.7	100.0

Japan, China, and the United States remain critical markets, but almost one-third of exports are generated by other markets. This indicates both geographical concentration and diversification.

K-POP and the Wider Korean Cultural Economy

South Korea’s content-industry exports reached US\$14.08 billion in 2024. More recent estimates indicate that Hallyu-related exports reached approximately US\$18.98 billion in 2025, including cultural-content exports of US\$10.19 billion and related consumer goods and tourism exports of US\$8.79 billion.

Table 4.

Hallyu-Related Export Structure, 2025		
Category	Value, US\$ billion	Share, %
Cultural-content exports	10.19	53.7
Related consumer goods and tourism	8.79	46.3
Total Hallyu-related exports	18.98	100.0

Almost half of Hallyu-related export value was associated with consumer goods and tourism. This demonstrates a spillover effect: consumers initially attracted by K-POP may subsequently become interested in Korean food, cosmetics, fashion, language, tourism, and other products.

K-POP and International Tourism

Tourism is an important channel through which Korean cultural popularity generates economic effects. K-POP concerts, fan meetings, cultural festivals, and other Hallyu-related experiences can encourage international visitors to travel to South Korea. The country received more than 18.9 million inbound visitors in 2025, up 15.7% from 2024. Tourism direct GDP represented approximately 1.71% of national GDP in 2024, while travel exports reached US\$27.2 billion in 2025. These figures cannot be attributed exclusively to K-POP, but they show the scale of the tourism market in which Hallyu-related demand operates.

Table 5.

Selected Indicators of South Korean Tourism and Cultural Influence		
Indicator	Value	Year
International inbound visitors	18.9 million	2025
Growth in inbound visitors	15.7%	2025
Travel exports	US\$27.2 billion	2025
Tourism direct GDP share	1.71%	2024
Tourism direct employment share	1.57%	2024
Tourists motivated by Korean Wave content	38.3%	Latest survey

A 2026 study reported that 38.3% of surveyed international tourists were motivated to visit South Korea after experiencing Korean Wave content. This supports the role of cultural content in destination-image formation and tourism demand.

Global Media Influence of K-POP

A 2026 government report analyzing approximately 1.5 million media reports and social-media posts from 30 countries found that K-POP represented the largest component of Hallyu-related media coverage in four major regions.

Table 6.

K-POP Share of Hallyu-Related Media Coverage by Region	
Region	K-POP share, %
Asia	31.8
Europe	24.5
North America	32.3
Latin America	38.1

The highest share was recorded in Latin America at 38.1%, followed by North America at 32.3%, Asia at 31.8%, and Europe at 24.5%. Media visibility should not be interpreted as direct revenue; it is an intermediate mechanism that can translate into consumption, tourism, and export demand.

K-POP as a Driver of the Creative Economy

K-POP functions through several interconnected economic channels: direct revenue from music, streaming, concerts and merchandise; export expansion; tourism; and consumer-product spillovers such as cosmetics, fashion and food.

Table 7.

Main Economic Transmission Channels of K-POP		
Economic channel	Main mechanism	Expected economic effect
Music exports	International purchase of albums and digital content	Export revenue
Streaming	Global digital consumption	Digital-service revenue
Concerts	International performances	Ticket and event revenue
Tourism	Fan travel and cultural tourism	Hotel, transport and restaurant demand
Merchandise	Sales of K-POP-related products	Retail revenue
K-Beauty	Cultural influence on consumer preferences	Cosmetics exports
K-Food	Increased interest in Korean culture	Food-product demand
Fashion	Artist and fan influence	Fashion-product consumption
Digital platforms	Global fan communities and content distribution	Platform and advertising activity

The transmission mechanism can be summarized as: K-POP content → global audience engagement → consumer interest → music and digital consumption → tourism and product demand → export growth → wider economic impact.

Interpretation of the Results

The empirical evidence shows that K-POP has achieved a substantial international market position. Album exports exceeded US\$300 million in 2025, while overseas sales also include streaming and performances. The geographical structure combines concentration in major markets with broader diversification. The strongest economic effects occur when K-POP is connected to tourism and consumer industries. The wider Hallyu export ecosystem generated approximately US\$18.98 billion in 2025, illustrating the scale of cross-sector effects. Tourism is an important indirect channel, although its growth cannot be attributed exclusively to K-POP. Future development is increasingly connected with digitalization, intellectual property, advanced technologies, and international cooperation.

Table 8.

Summary of Key Findings		
Dimension	Main result	Economic implication
Album exports	US\$301.7 million in 2025	Continued international demand
Overseas K-POP sales	KRW 1.23 trillion in 2023	Diversified revenue structure
Hallyu-related exports	US\$18.98 billion in 2025	Strong cross-sector spillover
Tourism	18.9 million inbound visitors in 2025	Large market for cultural tourism

Cultural influence	K-POP leading Hallyu media category	Strong global visibility
Digitalization	Expanding streaming and digital consumption	New international revenue channels
Consumer spillovers	Cosmetics, food, fashion and other goods	Broader export effects

The analysis confirms that K-POP has evolved from a national music genre into an internationally integrated creative-industry platform. Its direct contribution comes from music products, streaming, performances, and merchandise, while indirect effects are generated through tourism, consumer goods, international branding, and other creative industries. The initial consumption of K-POP can stimulate additional consumption of Korean products and services, creating a multiplier-like effect across sectors. At the same time, direct K-POP data are more limited than broader Hallyu data, and it is difficult to separate K-POP from other Korean cultural products. Nevertheless, the evidence supports the conclusion that K-POP is an important component of South Korea’s creative economy and international economic strategy.

Conclusion and Recommendations (Xulosa va takliflar/Выводы и предложения).

The analysis shows that K-POP has developed from a national music phenomenon into an important component of the global creative economy. Its economic impact extends beyond music production and consumption, generating interconnected effects across tourism, hospitality, digital platforms, fashion, cosmetics, food products, advertising, merchandising, and other service industries. The growth of K-POP album exports, international concerts, streaming consumption, and overseas fan communities demonstrates the increasing global demand for Korean cultural content.

The results also indicate that K-POP contributes to the internationalization of South Korea’s cultural and economic influence. Digital platforms such as YouTube, Spotify, TikTok, and other social media networks have significantly reduced geographical barriers and enabled Korean cultural content to reach international audiences. This digital expansion has strengthened consumer interest in Korean products and services and contributed to the development of tourism demand and destination attractiveness.

An important finding is the strong relationship between K-POP popularity and tourism-related economic activity. International fans increasingly travel to South Korea to attend concerts, visit locations associated with Korean popular culture, purchase Korean products, and experience Korean food, fashion, and entertainment. Therefore, K-POP can be considered not only a cultural export but also an indirect driver of tourism and service-sector development.

At the same time, the analysis demonstrates that the economic effects of K-POP should be considered within the broader Hallyu ecosystem. It is difficult to attribute all growth in Korean cultural exports, tourism,

consumer goods, or international interest exclusively to K-POP. Other components of the Korean Wave, including television dramas, cinema, food, beauty products, and digital content, interact with K-POP and create a multiplier effect. Therefore, future assessments should distinguish direct K-POP effects from wider Hallyu-related effects.

Based on the findings, the following recommendations can be proposed:

1. Strengthen the integration of K-POP and tourism. Concerts, festivals, fan events, and cultural tours should be combined with tourism packages to increase international visitor spending and length of stay.

2. Develop digital creative-industry infrastructure. Investment in digital platforms, artificial intelligence, virtual concerts, immersive technologies, and multilingual content can expand the international reach of K-POP.

3. Promote cross-sector cooperation. K-POP agencies, tourism organizations, hotels, airlines, restaurants, retailers, fashion companies, and cosmetic brands should develop joint promotional and commercial projects.

4. Expand international market diversification. Although East Asian and North American markets remain important, greater attention should be given to Europe, Latin America, Central Asia, the Middle East, and Africa to reduce dependence on a limited number of markets.

5. Improve statistical monitoring of economic effects. A comprehensive statistical system should be developed to measure K-POP-related exports, tourism expenditure, employment, concert revenues, digital consumption, merchandising, and related consumer demand.

6. Support small and medium-sized creative enterprises. Government programs and financial mechanisms should encourage SMEs and startups working in music production, digital content, event management, merchandising, and cultural tourism.

7. Use K-POP as a soft-power instrument. International cultural events and K-POP projects can be incorporated into broader strategies for improving South Korea’s international image and strengthening cultural and economic relations with other countries.

8. Develop sustainable international events. Large-scale K-POP concerts and festivals should increasingly incorporate environmental, social, and economic sustainability principles, including local employment, responsible tourism, waste reduction, and efficient resource use.

Overall, K-POP should be viewed as a multidimensional economic and cultural ecosystem rather than simply a music genre. Its ability to connect digital media, international trade, tourism, consumer markets, and cultural diplomacy creates significant opportunities for sustainable economic growth. The further development of this ecosystem requires coordinated policies, reliable statistical measurement, technological innovation, international market diversification, and stronger cooperation between the public and private sectors.

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