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South Korea’s Fruit Liquor Exports Top US$100 Million for the First Time

Rising overseas demand for fruit soju helps offset a home market slump that has squeezed profits across the industry.

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South Korea’s exports of fruit-flavored liquors and related products passed US$100 million for the first time in 2025, offering a rare growth point for an alcohol industry that is under pressure at home.

Exports of “other liquors,” the category that includes fruit soju, reached US$100.41 million last year, up 4.3% from about US$96.27 million a year earlier, according to a Yonhap report published on Aug. 23. The increase was about US$4.14 million and marked the first year the category rose above the US$100 million line.

The figure refers to full-year 2025 exports in U.S. dollar terms. Yonhap did not provide a breakdown by destination, shipment volume, or average export price in its report, but it said the gain stood out at a time when the domestic drinks market has been weakening and major companies have been cutting costs.

The contrast is sharp in whiskey, which had been one of the stronger premium categories in South Korea in recent years. A prolonged slowdown in local alcohol consumption has widened from beer and soju into imported spirits, and several leading companies have reported weaker earnings, lower margins, and restructuring moves.

Yonhap, citing corporate filings, said Diageo Korea, which sells Johnnie Walker in the country, posted operating profit of 9.4 billion won for the fiscal year from July 2024 to June 2025, down from 18.2 billion won a year earlier. Net results swung from a profit of 15.1 billion won to a loss of 11.2 billion won over the same period. The report also said salary expenses fell 35.9% while retirement benefit costs rose 39.4%, suggesting the earnings pressure was accompanied by restructuring. Diageo Korea recently asked employees across the company to apply for voluntary retirement, about two years after a previous early retirement program.

Pernod Ricard Korea, which sells Ballantine’s and Royal Salute, reported a steeper decline. Its operating profit fell 71.6% to 15.1 billion won in the period cited by Yonhap, while net income dropped to 5.7 billion won from 40.9 billion won. Campari Korea, which handles brands including Campari, Aperol, Wild Turkey and Skyy, posted operating profit of 1.29 billion won last year, down 53% from 2.75 billion won.

Domestic producer Golden Blue also moved into the red. Yonhap said the company recorded an operating loss of 3.3 billion won and a net loss of 2.6 billion won in the first half of 2026 after remaining profitable in the same period a year earlier. The company did not pay performance bonuses last year after its earnings weakened. Lotte Chilsung Beverage, which sells Chum Churum, Saero and Kloud, reported second-quarter operating profit of 55.8 billion won, down 10.4% from a year earlier. Yonhap said Lotte Chilsung carried out voluntary retirement last November for the first time in the company's 75-year history.

Part of the pressure comes from a change in how consumers drink. An industry official cited by Yonhap said more people are choosing lighter whiskey-based drinks such as highballs made with sparkling water or mixers instead of drinking whiskey straight and focusing on age statements and flavor. That shift hurts companies that depend on selling high-priced bottles because it lowers both demand and the average selling price.

At the same time, producers and importers are trying to adjust to changing habits, including the spread of a "sober curious" culture that encourages consumers to drink less or avoid alcohol altogether. Companies are putting more emphasis on lower-alcohol products, non-alcoholic beverages, ready-to-drink offerings and exports.

Lotte Chilsung has been pushing Sunhari Jin, a fruit-based sparkling alcoholic drink, and Kloud Non-Alcoholic Beer as part of that strategy. According to Yonhap, Sunhari Jin generated 17 billion won in sales in the first half of 2026, already above the product's full-year sales of 16.2 billion won in 2025. The company is also reviewing new flavors for its non-alcoholic beer line.

OB Beer has kept the top position in South Korea's home non-alcoholic beer market, with a 43.5% share in the second quarter of 2026, Yonhap said, led by Cass Zero 0.0. The brewer entered the segment in 2020 and has since expanded the lineup with new zero-alcohol products to match changing demand and drinking occasions.

Beer importer Beer K, the domestic distributor for Tsingtao, also improved its earnings with help from non-alcoholic products. Yonhap said the company posted operating profit of 1.2 billion won last year after an operating loss of 3.4 billion won a year earlier, while net results improved to a profit of 1.5 billion won from a loss of 2.7 billion won. A

company executive told Yonhap that, by volume, profit margins on non-alcoholic products run at about 8%-12%, compared with 1%-3% for alcoholic drinks, because non-alcoholic beverages are not subject to liquor taxes.

Traditional alcohol makers are also adapting. Jipyeong Brewery reported operating profit of 7.8 billion won last year, more than double the 3.7 billion won posted a year earlier, while net income rose to 7 billion won from 2.4 billion won. The company recently launched Jipyeong Matcha and Jipyeong Lychee in the domestic market after previously selling them only overseas. Both are lower-alcohol makgeolli products with 5.6% alcohol by volume.

The export growth in fruit soju and related drinks suggests that overseas demand is becoming more important as a buffer against soft consumption in South Korea. Yonhap said Golden Blue began exporting Golden Blue The Sapphire and Golden Blue The Diamond to Japan in May, marking a push into one of the world’s major whiskey-producing markets as companies look outside South Korea for growth.