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KFTC LAUNCHES A FACT-FINDING SURVEY ON AI SERVICES MARKET

The Korea Fair Trade Commission (“**KFTC**”) has launched a fact-finding survey on AI services market targeting major domestic and foreign businesses participating in the Korean AI services market, starting from May 21, 2026. Following this survey, which is targeted at businesses, surveys for consumers are planned to begin from July 2026, with in-depth industry interviews expected to follow.

I. BACKGROUND

The KFTC plans to publish a policy report titled “AI Downstream Markets and Competition” within this year, based on the analysis and research results of the research team regarding the survey results and in-depth interviews. This policy report is an extension of the “Generative AI and Competition” policy report published by the KFTC in December 2024 and the “Data and Competition” policy report published in December 2025 (a report analyzing data-related competition and consumer issues across the digital market, including generative AI), and is intended to analyze and review the transaction status and competitive conditions in the AI downstream services market.^{1 2}

With major competition authorities worldwide conducting various studies and analyses as follows, the KFTC is conducting this market survey and subsequent policy report publication to develop competition promotion measures and institutional improvements.

- Japan JFTC: Published “Report on Generative AI ver. 2.0” (April 2026)
- UK CMA et al.: Published “The Future of Agentic AI” report (March 2026)
- France FCA: Launched market study on conversational agents and agentic commerce (January 2026)
- Australia ACCC: Published “Recent Trends in Artificial Intelligence” report (December 2025)

¹ The “Generative AI and Competition” policy report examined the competitive landscape of the generative AI market—which was at an early stage and undergoing rapid changes—across the entire value chain, and analyzed structural and behavioral factors that could impede competition in each segment of the value chain as well as issues concerning consumer harm.

² The “Data and Competition” policy report, premised on the understanding that data can serve both as a factor promoting competition and as a means of market concentration, barriers to entry, and leverage of dominance, broadly presents future directions for enforcement of the Monopoly Regulation and Fair Trade Act and institutional improvements.

II. SCOPE AND KEY CONTENT OF THE MARKET SURVEY

This market survey targeting businesses covers 29 “major domestic and foreign AI service developers” participating in the Korean AI services market, as well as 17 “major domestic and foreign AI-integrated product providers” that incorporate their own or third-party AI services into their products and services.

Key survey items include (i) current status of, as well as services business and transactions related to AI functions and service integration, (ii) competitive conditions in the AI services market, (iii) methods of providing AI services to consumers, and (iv) whether there have been experiences of anti-competitive practices or unfair trade practices. The KFTC has previously indicated in the relevant research task instructions that key survey items would include “technical methods of AI service integration,” “the degree of access to and openness of devices and operating systems,” and “collection of and access to user data.”

III. IMPLICATIONS

With rapidly advancing AI technology, AI functions and services are developing dramatically, and dynamic competition is understood to be taking place. As the KFTC has noted, the integration of AI functions and services has the effect of further promoting innovation and competition in related products and services, and enhancing user benefits.

However, as the KFTC seeks to examine whether there are competitive constraints such as increasing market concentration in the AI services market, and whether there are concerns regarding consumer harm, businesses should pay attention to this market survey and it is advisable to continuously monitor the KFTC’s future policy and enforcement directions in relation to the Monopoly Regulation and Fair Trade Act, the E-Commerce Act, the Fair Terms and Conditions Act, and the Installment Transactions Act, among others.

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