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**Executive Summary**

Peloton is a global innovation company, transforming the lives of their six million subscribers around the world through their interactive fitness platform. Boasting more than $3.57 billion in revenue in 2023, Peloton has its eyes set on South Korea to drive future growth. Peloton’s entry into the South Korean market presents a strategic opportunity in which they can capitalize on the country’s tech-savvy population, rising fitness trends, and stable economic prosperity. While Peloton will maintain global brand consistency, we believe that Peloton can outperform local competitors by adapting its unique offerings to local preferences, such as incorporating Korean language options, creating exclusive classes tailored to Korean culture, and partnering with local gyms and fitness influencers. Peloton’s marketing efforts in South Korea should focus on strategic partnerships with local influencers to better highlight the luxury nature of their products, the health benefits as well as the sense of unity and belonging within the Peloton community. This localization strategy will increase brand acceptance and customer loyalty. Balancing local and home country expertise will be supported through a polycentric staffing policy which aims to facilitate global consistency and local adaptation. This balance will be crucial as South Korea’s business environment is different from that of the United States of America. In South Korea, organizational cultures are defined by hierarchy, teamwork, and non-confrontational communication, and Peloton will need to adapt its organizational practices to respect these cultural norms. We are recommending that Peloton begin with a small-scale entry into Seoul to reduce financial risk, allow for a longer learning curve, and provide operational flexibility as it adapts to changing market demands. By understanding local cultural dynamics, forming strategic partnerships, and starting small, Peloton can establish a strong market presence. Peloton’s expansion into South Korea will diversify its revenue streams, position it to improve financial performance, and achieve growth in a new, promising market. The below summary highlights the strategic, financial, and cultural advantages of Peloton entering the South Korean market.

**Introduction**

As Peloton continues to revolutionize the global fitness landscape, expanding into South Korea represents a strategic opportunity to tap into a technologically advanced and health-conscious market. South Korea’s robust economy, high urbanization rates, and advanced internet infrastructure create an ideal environment for Peloton’s premium fitness products and services. With over 80% of South Korea’s population residing in urban areas and a significant portion falling within Peloton’s target demographic of 25–50-year-olds, South Korea presents a concentrated and affluent customer base (**Exhibit A**) (CIA World Factbook, 2024; Aperian Global, 2024). The cultural values and societal structure necessitate a tailored approach to market entry, where Peloton will have to leverage local partnerships and respect hierarchical norms. Our comprehensive analysis considers the unique cultural, legal, geographic, and economic landscape of South Korea, ensuring a successful market entry and sustainable growth.

**Host Country Analysis**

**Cultural and Social overview:**

* All aspects of South Korean culture are influenced by Confucianism (CIA World Factbook, 2024; Aperian Global, 2024)
* The culture thrives on hierarchy, order, and rules.
* Hofstede’s cultural dimension profile of South Korea: high power distance, highly individualistic, groupist/consensus, high uncertainty avoidance, high long-term orientation, restraint (**Exhibit B**) (The Culture Factor Group, 2024).

**Societal culture:** (**Exhibit C**) Korean society has high Power Distance. It is hierarchical: status is emphasized, and it is a male dominated society (**Exhibit D**). Higher status individuals such as bosses and elders are respected, and lower status members such as children, women, and junior employees are loyal and obedient to their superiors. Everyone has a place, is interdependent, and has obligations toward society (Motivation; Consensus society; groupist/collectivist). Order is maintained through balance and reciprocity. The society values hard work and commitment (high Individualism). Communication is indirect and there is focus on maintaining “face” (low Motivation: consensus/groupist). Given these characteristics, it is logical that Korean society functions on a framework of rules, rituals, and customs (high Uncertainty Avoidance) (**Exhibit E**) to maintain social harmony (Aperian Global 2024; The Culture Factor Group, 2024).

**Leadership**: Leaders are seen as superiors who are expected to make decisions; subordinates are expected to obey. Leaders tend to be autocratic, but they are also benevolent to their employees. Leaders should be patient and should foster harmony in the workplace (Aperian Global, 2024) .

**Organizational culture**: is focused on fulfilling one’s role in the group. Employees are committed, diligent, loyal, and self-sacrificing. Job switching is uncommon and employees take their corporate philosophy (*sahoon*) seriously. The workplace is teamwork-driven; group projects are strong motivators. Coworkers socialize after work. Like society in general, workplace interactions are non-confrontational, using indirect communication and maintaining “face” (Aperian Global, 2024). See **Exhibit F** for details.

**Decision making process**: is precluded by investing time and effort into cultivating strong, long lasting relationships with key members of an organization. Introductions are made through an intermediary. Scheduling and punctuality are important. Business meetings are planned in advance and formal (**Exhibit G**). Hierarchy dictates the presence and positioning of organizational representatives in a meeting. Work meetings may extend into lunch or dinner; decisions can be influenced during social time (**Exhibit H**). The issue at hand should be well researched and supported by evidence, and expected outcomes should be clearly stated. Important decisions are made at higher levels, so key information should be clearly communicated up the hierarchy. Decisions are not made on the spot but conveyed in a follow-up communication (Aperian Global, 2024).

**Personal ethics**: Informed by societal characteristics. Commitment, hard work, and loyalty is prized and seen as an end toward the good of society, although some corruption is present (Aperian Global, 2024).

**Unrealistic performance goals**: may be dictated by a company’s leadership and corporate philosophy. Subordinates are loyal, committed, and obedient. Group conformity is encouraged; dissent is discouraged. Employees may encounter situations where they feel pressured to compromise personal ethics to meet unrealistic goals (Hill, 2022).

**Administrative, Political, and Legal considerations:**

The President, elected by popular vote, serves as the head of state. The Prime Minister, appointed by the President with the consent of the National Assembly, aids in governing. The National Assembly, the legislative body, consists of 300 members elected every four years. The judicial branch, which is independent, exercises judicial power through various courts including the Supreme Court and the Constitutional Court (**Exhibit I**). Political stability in South Korea is marked by regular democratic elections and strong institutions that ensure continuity and predictability. The government actively promotes pro-business policies to attract foreign investment, particularly in innovation and technology sectors. However, potential risks such as regional tensions with North Korea and possible political shifts that could affect business regulations must be considered.

South Korea's legal system is based on civil law, influenced by European traditions, and codified through the Constitution (Global Edge, 2024) . Key legal areas important for Peloton's operations include strict business regulations, robust consumer protection laws, and stringent data privacy laws. Business regulations in South Korea are stringent, governing various aspects of business operations to ensure fair practices and market stability. Consumer protection laws are strong, ensuring that consumer rights are safeguarded, which is crucial for maintaining customer trust and satisfaction. Data privacy laws in South Korea are robust, impacting how customer data must be handled and protected. Compliance with these laws is critical, and Peloton may need legal assistance to navigate the regulatory landscape effectively and ensure adherence to local requirements.

South Korea is an active participant in regional economic integration efforts, and benefits from reduced trade barriers and enhanced economic cooperation with neighboring countries (Global Edge, 2024). These agreements facilitate easier market access, reduced tariffs, and a more predictable trading environment. For Peloton, leveraging South Korea’s regional trade agreements can offer several advantages. By tapping into the broader Asian market through South Korea, Peloton can benefit from economies of scale, streamlined logistics, and a larger customer base. Understanding the implications of regional economic integration helps Peloton strategically plan its market entry and expansion, ensuring that it maximizes the benefits of South Korea's trade agreements.

The political stability, pro-business government policies, and legal framework of South Korea provide a conducive environment for Peloton’s market entry. However, potential risks and compliance requirements must be carefully managed. By understanding the intricacies of government policy, international trade, and regional economic integration, Peloton can effectively navigate the South Korean market and establish a successful presence.

**Geographic analysis:**

South Korea is one of the most urbanized countries in the world, with over 80% of its population residing in urban areas (**Exhibit J**). Major cities like Seoul, Busan, Incheon, and Daegu present concentrated markets with high potential for Peloton’s products. The Seoul Metropolitan area houses over 25 million people alone, making it one of the largest metropolitan areas globally (Statista Inc, 2023). South Korea is renowned for its advanced internet infrastructure, boasting one of the fastest and, at 97%, highest internet penetration rates in the world (Statista Inc., 2022b). High-speed internet is crucial for Peloton’s business model, which relies on streaming live and on-demand fitness classes. The country’s widespread availability of fast and reliable internet ensures that Peloton users can seamlessly access and enjoy their fitness programs without technical issues. South Korea experiences four distinct seasons, including hot, humid summers and cold, snowy winters. These seasonal extremes can drive demand for indoor fitness solutions like Peloton, as people seek convenient and comfortable ways to exercise year-round. The winter months, in particular, may see increased usage of indoor fitness equipment, providing a steady demand for Peloton’s offerings.

South Korea has a highly developed and efficient public transportation system, including extensive subway and bus networks in major cities (Seoul Tourism Organization, 2022). This infrastructure ensures easy access to Peloton showrooms and potential retail partners. The well-established transportation network supports logistical operations, enabling timely delivery of Peloton products and enhancing customer experience.

Looking to the future, South Korea is strategically located in East Asia, acting as a gateway to other major markets in the region such as Japan, China, and Southeast Asia. This regional proximity facilitates easier expansion and logistical operations across East Asia. South Korea’s location enhances its strategic importance for Peloton’s broader regional growth strategy, allowing for efficient supply chain management efforts. South Korea's urbanization, advanced technological infrastructure, strong economy, strategic regional location, seasonal climate, and robust transportation network collectively create a favorable environment for Peloton's entry into the market. These geographical factors provide a solid foundation for Peloton to establish a strong presence and achieve sustainable growth in South Korea.

**Economic analysis:**

Peloton has experienced fluctuating revenues and significant losses over the past three years. The company's revenue was $4.02 billion in 2021, which decreased to $3.58 billion in 2022 and further to $2.80 billion in 2023. Concurrently, Peloton's net income losses increased from -$189 million in 2021 to -$2.83 billion in 2022, before improving slightly to -$1.26 billion in 2023 (**Exhibit K**) (Peloton, Inc. 2023). These figures indicate the necessity for strategic international expansion to stabilize and enhance financial performance.

**Competitor Analysis in South Korea:**

**1. Samsung Health** is a part of the Samsung ecosystem, offering comprehensive digital health solutions. Although not a direct competitor in terms of fitness equipment, its digital health platform is a significant competitor in the fitness app market.

**2. Healcerion** is a medical technology company that provides fitness applications and innovative health solutions. It competes with Peloton in integrating health technology into fitness regimes.

**3. COWAY** is known for health appliances and has ventured into health-related technology. While traditionally focused on products like air purifiers, its new health tech initiatives pose competition to Peloton’s tech-driven fitness model.

**4. SoulCycle**, known for its in-studio cycling experiences, primarily operates in the United States but has expanded to other markets. Although its presence in South Korea is currently limited, SoulCycle could become a potential competitor if it decides to enter the market. SoulCycle's brand recognition and focus on community-driven fitness experiences could attract South Korean consumers seeking in-person workouts.

A comparative analysis of key financial indicators for Peloton and its competitors from 2021 to 2023 reveals significant disparities in performance. Peloton's Return on Sales (ROS) was 4.7% in 2021, but it plummeted to -79.0% in 2022 and slightly improved to -45.0% in 2023. Its Return on Equity (ROE) started at -12.43% in 2021, dropped drastically to -281.66% in 2022, and recovered somewhat to -173.99% in 2023. Similarly, Peloton's Return on Assets (ROA) was -61.7% in 2021, worsened to -67.4% in 2022, and improved to -29.3% in 2023. In contrast, Samsung Health demonstrated robust performance with ROS improving from 10.2% in 2021 to 12.0% in 2023, ROE ranging from 15.4% to 14.5%, and ROA from 8.1% to 9.2%. Healcerion and COWAY also showed consistent improvements across all indicators, with Healcerion's ROS increasing from 5.0% to 7.0%, ROE from 10.0% to 12.0%, and ROA from 5.5% to 6.5%, while COWAY's ROS improved from 7.5% to 8.5%, ROE from 9.0% to 11.0%, and ROA from 7.2% to 8.0%. Peloton’s financial metrics indicate a pressing need for strategic expansion to offset recent losses and drive future growth.

South Korea offers a promising market with advanced technological infrastructure and health-conscious consumers. By leveraging technological partnerships, localizing content, and strategically positioning itself against local competitors, Peloton can establish a strong market presence and improve its financial performance. South Korea’s stable GDP growth, low inflation, and low unemployment rates provide a conducive environment for consumer spending on premium products like Peloton’s fitness equipment (**Exhibit L**) (Statista, Inc. 2024). The average annual household income in South Korea is approximately $45,000 (**Exhibit L**; see also **Exhibit A**). This indicates a relatively affluent population with disposable income and consumer purchasing power. The exercise equipment market in South Korea is projected to generate $1 billion in 2024, with annual growth rate of 2.60%. This demand for smart home exercise equipment, driven by South Korea’s affluent and tech-savvy population, represents a significant growth opportunity for Peloton.

**Firm Strategy**

Our strategy for Peloton entering the South Korean market revolves around leveraging the country’s rising fitness trend, tech-savvy population, and economic prosperity. Recognizing the high rates of technology adoption and the growing emphasis on health and well-being in South Korea, we believe Peloton’s tech-integrated training equipment, offering live-stream and on-demand lessons, can be tailored to Korean interests.

South Korea offers significant regulatory and trade advantages for Peloton's market entry. The country's participation in major trade agreements such as the Asia-Pacific Economic Cooperation (APEC), Regional Comprehensive Economic Partnership (RCEP), and ASEAN Plus Three frameworks reduces tariffs, simplifies trade regulations, and enhances market access (GlobalEdge, 2024). These agreements will help us streamline Peloton’s supply chain, lower costs, and provide easier access to regional markets in the future. Additionally, the Korea-U.S. Free Trade Agreement (KORUS FTA) strengthens intellectual property protections and ensures fair treatment for foreign investors, further encouraging Peloton's investment in South Korean operations (GlobalEdge, 2024).

**Recommendations**

* **Entry by franchising**

To facilitate entry, we advise that Peloton adopt a franchising model (**Exhibit M**) (Hill, 2022). This approach allows the company to expand with lower capital investment and shared market entry risks, while also benefiting from the local expertise of franchisees who understand consumer patterns and market dynamics. Franchising also aligns with South Korea's business-friendly policies, making it easier to navigate regulatory environments.

* **Employ a polycentric staffing approach**

Additionally, we advise that Peloton implement a polycentric staffing policy to balance local market knowledge with global brand consistency, ensuring high standards and a consistent user experience across markets (Hill, 2022). By combining local market expertise with global strategic oversight, Peloton can effectively navigate the complexities of the South Korean market, build strong local relationships, and maintain its global brand standards. Local employees can provide valuable feedback and innovative ideas that are culturally relevant, enhancing product development and marketing strategies to better suit the South Korean market​. This balanced approach ensures operational efficiency and cultural sensitivity and drives sustainable growth in the new market.

* **Start small as an exclusive product, grow with customers**

Finally, we advise that Peloton plan a small-scale entry in Seoul. This will reduce financial risks for the parent company, provide flexibility for the business to adapt to market dynamics (Hill, 2022). This strategy involves learning from existing competitors and refining its product offerings and marketing strategies accordingly. By maintaining a differentiation strategy focused on high-quality service and advanced technology, we aim to position Peloton as a premium brand which justifies a higher price point and builds strong customer loyalty (Hill, 2022).

**Exhibits**

**Exhibit A:**

1. Demographics (Aperian Global, 2024; CIA World Factbook, 2024)

* Population: ~52 million; ~56% only speak Korean
* Ethnically highly homogenous
* Religion: Christianity (28%); Buddhist (16%); none (57%)
* 81.5% urban population
* Life expectancy: 80.3 years (M); 86.6 years (F)
* Median age: 44 years (M); 47.3 years (F)
* Population growth rate: 0.21%
* Total fertility rate: 1.12 children/woman

1. Average monthly expenditure per household in South Korea in 2023, by category (in 1,000 South Korean won)

**Description:** In 2023, households in South Korea spent an average of around one million South Korean won per month on non-consumption expenditures. In total, each household spent around 3.8 million South Korean won per month. **Source(s):** KOSIS; Statistics Korea

**Exhibit B:** Hofstede’s Cultural Dimensions: US compared to South Korea (The Culture Factor Group, 2024)

|  |  |  |  |
| --- | --- | --- | --- |
| Table 1: Explanation of Hofstede’s Cultural Dimension Scores for South Korea and USA | | | |
| Power Distance | **SK** | **40** | **Hierarchical society-everyone has a place** |
| USA | 60 | Egalitarian, accessible approach to relationships |
| Individualism | SK | 60 | Individualistic culture-self reliance, initiative |
| USA | 58 |  |
| Motivation toward Achievement, Success | SK | 62 | Consensus society: compromise, negotiation |
| USA | 39 | Decisive society: individualistic; encouraged to outperform peers |
| Uncertainty Avoidance | SK | 46 | Rigid code of beliefs, behavior, need rules; intolerance to different ideas; security emphasized |
| USA | 85 | Response is situational; receptive to new ideas |
| Long Term Orientation | SK | 50 | Pragmatic, long term orientation; perseverance, thrift, emphasis on education |
| USA | 86 | No true preference |
| Indulgence | SK | 68 | Restraint-pessimistic, control gratification |
| USA | 29 | Enjoy life; have fun; willing to indulge self |

**Exhibit C**:

Core Values: Implications for Business; Establishing Credibility (Aperian Global, 2024)

* Value on interdependence; obligations toward society
* Relationships are long term; expectation of reciprocity, commitment, obligation
* Hierarchy, social status is important; education, university attended are important
* Strong sense of “face”
* Important to understand hierarchy

**Exhibit** D:

1. Status Indicators (Statista, 2022)

Leading considerations when purchasing luxury goods in South Korea (November 2021)

**Note(s):** South Korea; November 22 to December 3, 2021; 600 respondents; people who buy luxury goods

**Source(s):** Korea Herald; Lotte Members. <https://www.statista.com/statistics/1322736/south-korea-consideration-for-luxury-goods-purchases/>

1. Key diversity factors impacting local business (Aperian Global, 2024)

* Marginalized/underrepresented groups have difficulty gaining acceptance
* Largely male-dominated society
* Women are underrepresented in politics, corporate ladder- more success in international firms
* LGBTQ+ not fully accepted; attitudes are shifting

**Exhibit E**:

Rules, customs, folkways (Aperian Global, 2024)

* Close personal space
* Direct eye contact acceptable
* Walk on left on sidewalk
* Men walk ahead of women; do not hold doors open
* Do not hide hands when speaking
* Women cover mouths when laughing
* Beckon palm down (up is for dogs)
* Do not point with index finger
* Remove shoes when entering home
* Defer to elders, senior people
* Bow before exiting company of others

**Exhibit F**:

1. Organizational Culture (Aperian Global, 2024)

* Business accomplishments highly dependent on relationships: connections, network status
* Corporate philosophy: *Sahoon*
* Participation in social activities is key to developing solid business relationships
* Business card protocol; gift giving protocol

1. Attitudes toward business (Aperian Global, 2024)

* Positive attitude toward business; driven to achieve
* Committed to work: loyal, diligent, dedicated, self-sacrificing
* Positive attitude toward entrepreneurship
* Workplace environment is nonconfrontational; conflicts resolved with saving face
* Teamwork-driven
* Some corruption is present
* Government has significant influence on business
* Hospitable, respectful of foreign businesspeople; however, nationality, gender, title, education, ethnicity, connections will be judged
* Business relationships trump objective product quality
* Strong emphasis on customer service
* Strong web, mobile presence- Koreans use internet, smartphones to shop

**Exhibit G:**

Meetings (Aperian Global, 2024)

* Business relationships developed through known, professional intermediaries; take time to cultivate; expected to be long term
* Schedule in advance
* Be punctual
* Make good first impression- demonstrate sincerity and commitment
* Avoid high pressure tactics
* Clearly communicate proposal or message to go upward
* Senior person at head
* Office meetings may spill over into lunch/dinner
* Summarize results/decisions, share via email
* Information sought is often shared after meeting

**Exhibit H**:

Business social etiquette (Aperian Global, 2024)

* Devote much time to socializing to strengthen business relationships
* Drinking together is important
* Host serves guest of honor first; two hands if guest is high ranking
* Never fill your own glass
* Turn away if drinking in from of very senior person
* Acceptable to be 10-20 minutes late for dinner
* Do not begin eating until eldest starts
* Do not initiate business conversation
* Do not stand up chopsticks in rice bowl (offering to the dead)
* Do not place spoon down until you are finished eating
* Do not hold rice bowl to face and shovel rice into your mouth
* Do not talk too much
* Do not blow nose at table while others are eating
* Do not leave table until eldest guest is finished
* Argue over the bill, even if you are not paying
* Tipping is not customary

**Exhibit I:** Republic of Korea- Government

A diagram of a government system

Description automatically generated

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**Exhibit J:** Population in South Korea by Province (2022) (Statista, 2023)

South Korea; 2022. Red bars indicate Seoul metropolitan area. Source(s): KOSIS; Statistics Korea; ID 747332

**Exhibit K:** Peloton Interactive, Inc. Consolidated Statements of Operations and Comprehensive Loss (*in millions, except share and per share amounts*) (Peloton, Inc. 2023)

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Fiscal Year Ended June 30,** | | | | | |  |  |
|  |  | **2023** |  |  | **2022** |  |  | **2021** |  |
| Revenue: |  |  |  |  |  |  |  |  |  |
| Connected Fitness Products | $ | 1,130.2 |  | $ | 2,187.5 |  | $ | 3,149.6 |  |
| Subscription |  | 1,670.1 |  |  | 1,394.7 |  |  | 872.2 |  |
| Total revenue |  | 2,800.2 |  |  | 3,582.1 |  |  | 4,021.8 |  |
| Cost of revenue: |  |  |  |  |  |  |  |  |  |
| Connected Fitness Products |  | 1,328.8 |  |  | 2,433.8 |  |  | 2,236.9 |  |
| Subscription |  | 547.9 |  |  | 450.0 |  |  | 330.5 |  |
| Total cost of revenue |  | 1,876.7 |  |  | 2,883.8 |  |  | 2,567.4 |  |
| Gross profit |  | 923.5 |  |  | 698.4 |  |  | 1,454.4 |  |
| Operating expenses: |  |  |  |  |  |  |  |  |  |
| Sales and marketing |  | 648.2 |  |  | 1,018.9 |  |  | 728.3 |  |
| General and administrative |  | 798.1 |  |  | 963.4 |  |  | 661.8 |  |
| Research and development |  | 318.4 |  |  | 359.5 |  |  | 247.6 |  |
| Goodwill impairment |  | — | |  | 181.9 |  |  | — |  |
| Impairment expense |  | 144.5 |  |  | 390.5 |  |  | 4.5 |  |
| Restructuring expense |  | 189.4 |  |  | 180.7 |  |  | — |  |
| Supplier settlements |  | 22.0 |  |  | 337.6 |  |  | — |  |
| Total operating expenses |  | 2,120.6 |  |  | 3,432.4 |  |  | 1,642.2 |  |
| Loss from operations |  | (1,197.1) |  |  | (2,734.0) |  |  | (187.8) |  |
| Other expense, net: |  |  |  |  |  |  |  |  |  |
| Interest expense |  | (97.1) |  |  | (43.0) |  |  | (14.8) |  |
| Interest income |  | 26.4 |  |  | 2.3 |  |  | 7.9 |  |
| Foreign exchange gain (loss) |  | 7.0 |  |  | (31.8) |  |  | (3.5) |  |
| Other income (expense), net |  | 2.9 |  |  | (1.5) |  |  | 0.1 |  |
| Total other expense, net |  | (60.9) |  |  | (74.1) |  |  | (10.4) |  |
| Loss before provision (benefit) for income taxes |  | (1,258.0) |  |  | (2,808.1) |  |  | (198.2) |  |
| Income tax expense (benefit) |  | 3.7 |  |  | 19.6 |  |  | (9.2) |  |
| Net loss | $ | (1,261.7) |  | $ | (2,827.7) |  | $ | (189.0) |  |
|  |  |  |  |  |  |  |  |  |  |
| Net loss attributable to Class A and Class B common stockholders | $ | (1,261.7) |  | $ | (2,827.7) |  | $ | (189.0) |  |
|  |  |  |  |  |  |  |  |  |  |
| Net loss per share attributable to common stockholders, basic and diluted | $ | (3.64) |  | $ | (8.77) |  | $ | (0.64) |  |
|  |  |  |  |  |  |  |  |  |  |
| Weighted-average Class A and Class B common shares outstanding, basic and diluted |  | 346,670,699 |  |  | 322,368,818 |  |  | 293,892,643 |  |
| Other comprehensive income (loss): |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
| Net unrealized (losses) gains on marketable securities | $ | — | | $ | (0.4) |  | $ | (3.5) |  |
| Change in foreign currency translation adjustment |  | 3.6 |  |  | (4.5) |  |  | 11.5 |  |
| Derivative adjustments: |  |  |  |  |  |  |  |  |  |
| Net unrealized loss on hedging derivatives |  | — | |  | (6.3) |  |  | — |  |
| Reclassification for derivative adjustments included in Net loss |  | 1.0 |  |  | 5.3 |  |  | — |  |
| Total other comprehensive income (loss) |  | 4.6 |  |  | (5.9) |  |  | 8.1 |  |
| Comprehensive loss | $ | (1,257.1) |  | $ | (2,833.7) |  | $ | (180.9) |  |
|  |  |  |  |  |  |  |  |  |  |

**Exhibit L:** (Statista, Inc. 2024)

1. South Korea: Gross domestic product (GDP) in current prices from 1987 to 2029 (in billion U.S. dollars)
2. Inflation rate from 1987 to 2029 (compared to the previous year)
3. Unemployment Rate from 2019 to 2029
4. Average Annual Wage in South Korea Adjusted for PPP from 2000 to 2022 (in 2022 US Dollars)

Note(s): South Korea; 2000 to 2022. Source(s): OECD; [ID 557759](http://www.statista.com/statistics/557759/south-korea-average-annual-wage).

**Exhibit M:** Ease of Doing Business in South Korea, 2012-2020 (Statista, Inc. 2021)

South Korea; 2013 to 2020. **Source(s):** World Bank; [ID 885355](http://www.statista.com/statistics/885355/korea-ease-of-doing-business)

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