

Future Economy and Industry Trend

1.

**Data as Resource in the
Connected Society**

2.

**Importance of Data-based
Strategy**

3.

**Data-based Connected
Society**

4.

**Implications for Emerging
Countries**

1 Data as Resource in the Connected Society



BIT: Bus Information Terminal

1 Data as Resource in the Connected Society

Various types of data act as essential resource in the connected society.

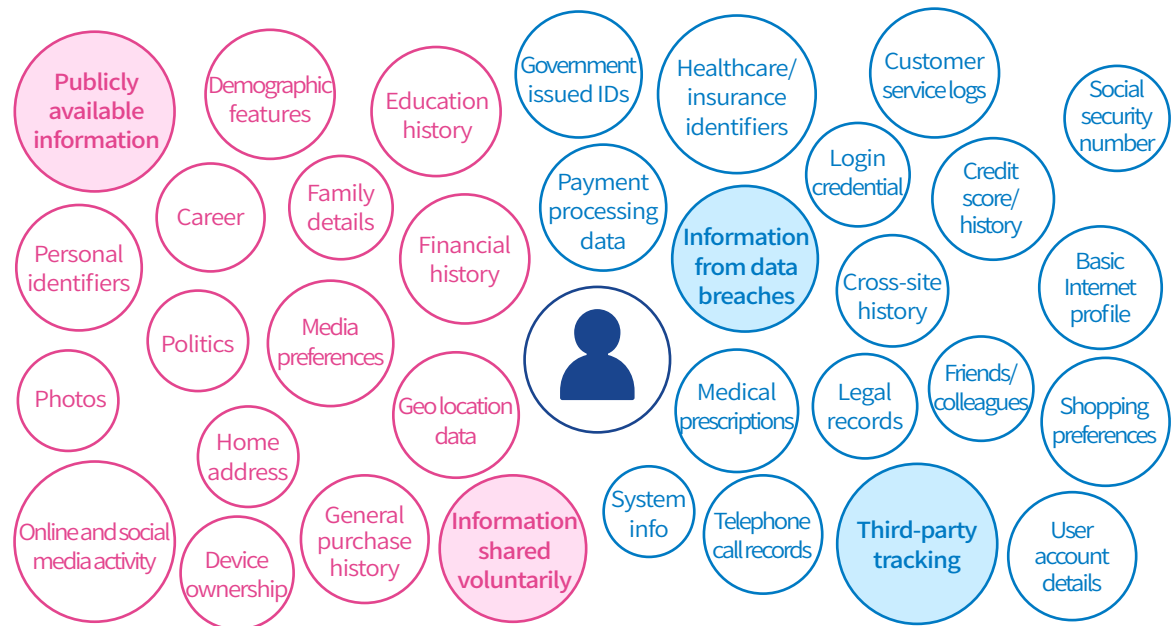
All data types such as location data, purchase history, demographics, data collected from IoT devices, smart-watch data and mobile device data, are the basic units of analysis. In addition, user-generated data from reviews on social media are also important factors

Such data is collected from GPS, Wi-Fi, motion sensors, SMS, calendars and many other sources to analyze users' lifestyle patterns

Collected data is used to recommend necessary information based on the results of the analysis, creating the connected society.

Figure : Types of consumer data revealed daily

● Mostly user controlled ● Minimally user controlled

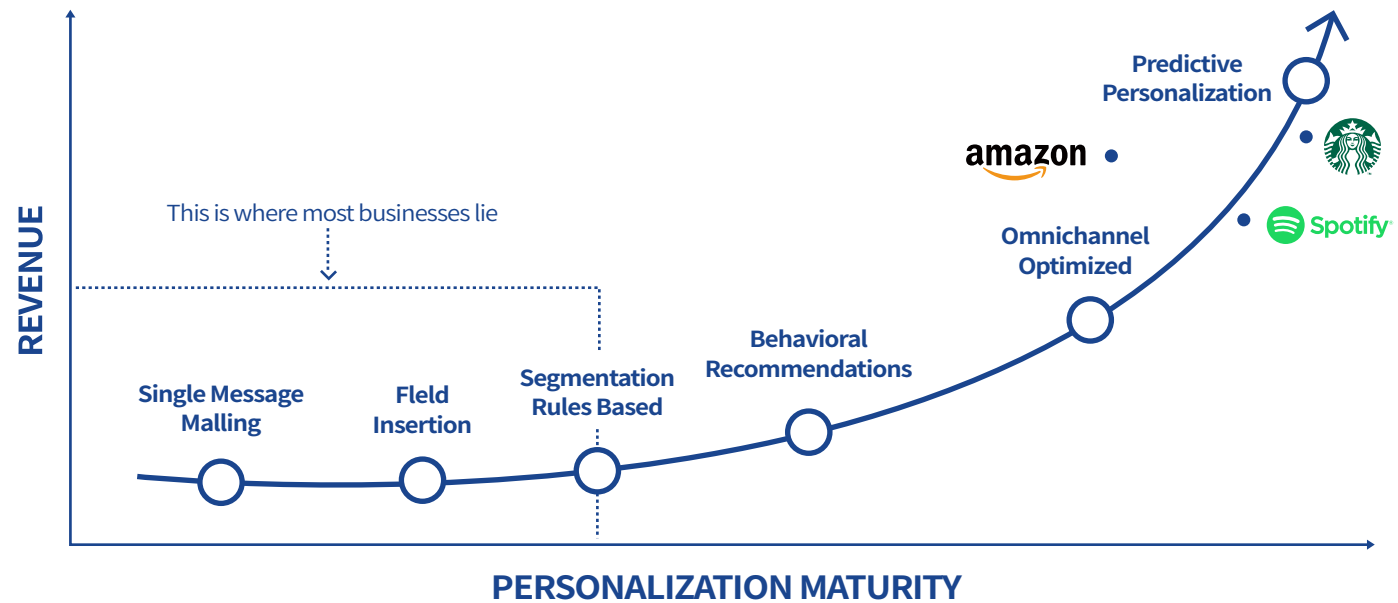


Source : Deloitte, November 7, 2019 / <https://www.clickz.com/consumer-data-privacy-retailers/257592/>

2 Importance of Data-based Strategy

Companies that understand and handle data well are outperforming. BCG expects companies to see revenue grow by 6% to 10% through personalization technologies. Figure presented below shows how brand's revenue can increase by mastering personalization strategy. Sending out personalized messages is the first step to understanding consumers and personalization. Next is to group customers based on data collected and to customize content and channel of these messages. Currently, about 90% of the companies have reached this stage of hyper-personalization.

Figure
: How brands are using
Hyper-Personalization



Source : <https://webengage.com/blog/hyper-personalization-marketing-future>

2 Importance of Data-based Strategy

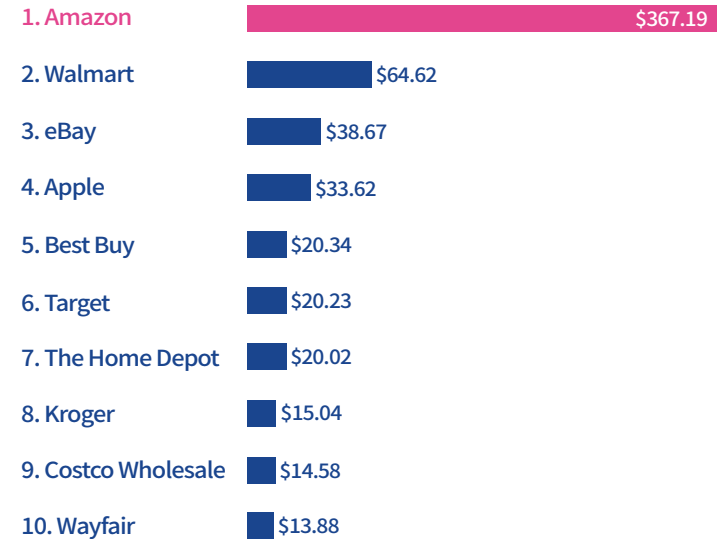
Companies great with data are still very few, and those are the ones that continue to grow. The global use of data collection are dominated by a small number of U.S. and Chinese power-user companies known as GAFA (Google, Amazon, Facebook, Apple) and BATH (Baidu, Alibaba, Tencent, and Huawei).

Companies that dominate the market can observe consumers more closely and accumulate more data. Naturally, they have better understanding of consumers and create better algorithms, thereby creating a virtuous cycle (positively feedback) and the strong become the stronger. They can penetrate deeper into people’s lives and secure more accurate information than they have now, consequently consolidating their current status.

Figure

: Top 10 US Companies, Ranked by Retail Ecommerce Sales, 2021

billions



Note : represents the gross value of products or services sold on the website of each company listed (via browser or app), regardless of the method of payment or fulfillment

Source : Emarketer, Feb 2021

Source : Emarketer, Feb 2021 <https://www.emarketer.com/content/top-10-us-ecommerce-companies-2021-plus-6-key-takeaways-our-latest-forecast>

3 Data-based Connected Society



D'rose Jump Store

3 Data-based Connected Society

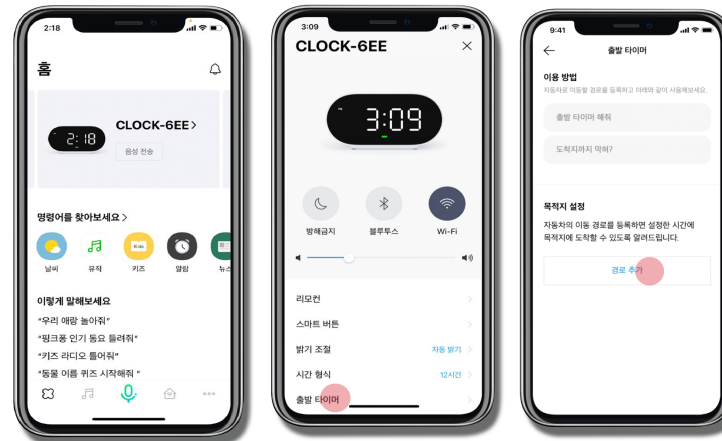
1) Understanding consumer's situation and context

Every consumer faces different needs depending on situations.
Data helps in understanding them and providing the right solutions.

Figure

: Clova Clock+, AI speaker that calculates and informs perfect departure time to arrive in time

NAVER released its AI speaker/clock in Feb. 2020 to satisfy corporate workers' needs in calculating commute time. This alarm clock allows users to preset destination, target arrival time, transportation methods, etc, which will then calculate real-time traffic situation to alert users on the time to depart.



3 Data-based Connected Society

2) Supporting consumer's education and growth

Companies are using data to provide personalized solutions based on every consumer's situation.

Figure

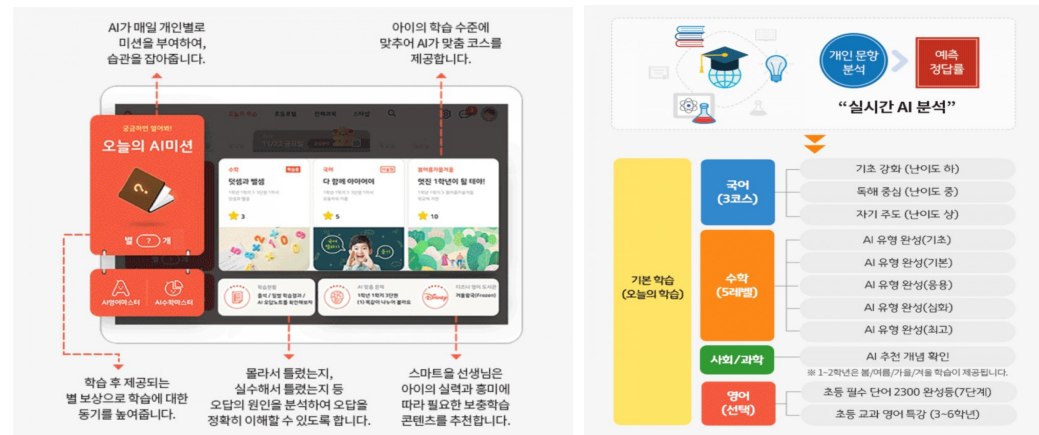
: Quanda, AI-based education mobile application



When students scan math problems with their smartphone camera, Quanda recognizes them and provides solutions out of its solution bank of 6 million datasets in 5 seconds.

Figure

: Woongjin SmartAll, AI education platform for elementary students



Woongjin Thinkbig SmartAll AI Study Friend helps students build proper studying behaviors by correcting bad study habits such as skipping questions, random guessing answers or not reviewing mistakes.

3 Data-based Connected Society

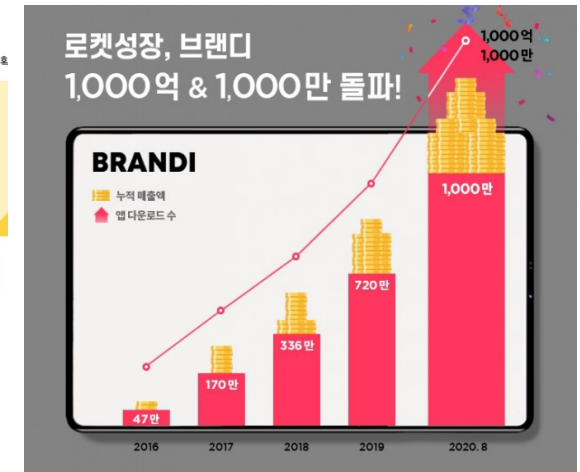
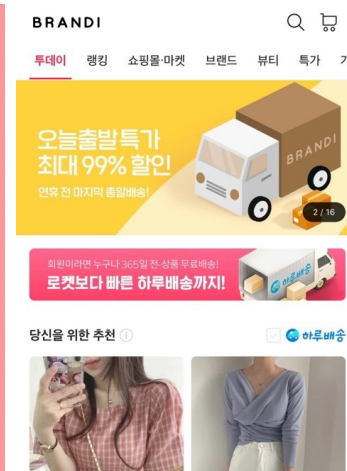
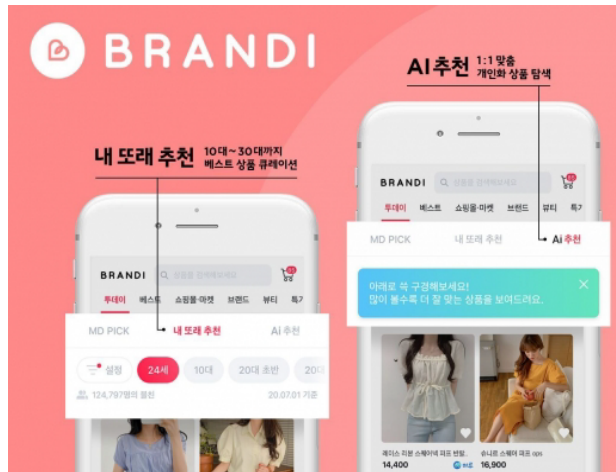
3) Recommending based on consumer's taste

Data-based businesses are growing in the fashion industry as well to accommodate both trends and personalities. MZ generation's needs are being met by analyzing their actual activity data to offer customized recommendations based on their tastes.

Figure

: BRANDI, fashion platform that implemented peer recommendation and AI recommendation service

Fashion platform BRANDI uses algorithms for its curated recommendation feature 'Peer Recommendation' and AI-based personalization service provided by Amazon Web Services (AWS) for its 'AI recommendation' feature.



3 Data-based Connected Society

4) Customized production

While in the past personalization meant recommending products based on analysis of similar consumers, now it means real-time data analysis of each and every individual for a truly customized service.

Figure

: Innisfree's Personal One Cream, analyzing big data of 1M datasets to personalize 20 types of ingredients

Innisfree launched its Personal One Cream service that uses big data to match and customize products. One million datasets of consumer skin types, troubles, product reviews and ingredient information are collected and analyzed, which are then used to produce individually customized skin care products for every skin type through hyper-personalization technology.



3 Data-based Connected Society

5) Matching supply and demand

AI and big data analysis can also provide customized information to job seekers, increasing their chance of finding a job. This overall reduces the effort job-seekers put in to look for the right jobs, and eventually the mismatch of job-seekers and recruiters.

Figure
: Saramin's HRPool, AI-based HR recommendation service



HRPool provides service for companies to directly offer jobs to talents. AI will analyze filters such as job description, location and experience set by the companies and will recommend matching talents everyday based on the resumes registered on the Saramin platform.

Figure
: Wanted, job seeker and recruiter matching service



자료: 원티드랩, 하이투자증권

Employment matching AI platform Wanted uses AI to provide high match rates between job seekers and recruiters, as well as predictions on possibility of acceptance.

4 Implications for Emerging Countries

1.

Data is the basic resource, hence the oil, in connected societies. Overall process improvement is necessary to acquire data in every business step.

3.

Such acquired 'information' needs to be utilized for strengthening connection between consumers and companies. Through this connection, new industries and jobs suitable for connected societies will be created.

2.

Collected data itself means nothing and may even be just trash. Cross-matching data, applying algorithms and analyzing it, hence turning it into 'information' is necessary.

4.

With the accumulation of everyone's lives into data, there can be more issues related to privacy due to personal information leakage. Moving forward, stricter regulations and processes will be required to collect and protect data.

Reference

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Website

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