The keywords of information and communications technology (ICT) are content, platform, network and devices. Among them, content and devices are most closely related to user experience. With the wide use of smart phones having led to rapid growth of wearable smart devices, many share optimism about the future of this market.

The number of connected devices per person is already quite high, and is expected to grow continuously from 3.47 in 2015 to 6.58 in 2020, according to KT Economics and Management Research Lab. Many people use laptops, tablet PCs, Bluetooth earphones and other devices on top of their smartphones and desktop computers. As new devices such as selfie sticks, smart headphones and other devices on top of their smartphones are combined into a single smartphone, this means that smartphones have evolved from simple phones to truly ‘smart’ devices.

Electronic devices, which used to function individually, are now communicating and sharing information with each other, unleashing the potential to provide a wider range of functions. Such connection between devices is referred to as “Machine-to-Machine (M2M),” “Internet of Things (IoT),” or “Internet of Everything (IoE)—all of which mean that various devices in our lives not only provide information but also collect, process and analyze such information to maximize the convenience of users.

In Korea, large conglomerates have led the growth of the domestic smart device market and are gaining global competitiveness. The domestic market is now entering the "maturing phase" for second-generation devices (i.e. PDAs, smartphones, tablet PCs), while newly-developed, third-generation devices (i.e. wearable devices, IoT devices) are leading the change. In order to promote the smart device industry as a new national growth engine, the Korean government announced a number of initiatives, including the Next-generation Smart Device Korea 2020 (2014) and the K-ICT Smart Device Promotion Plan (2015) to promote further growth. Such initiatives by the government are just some of the reasons why many share a bright outlook for the industry.

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One of the most widely-used wearable smart devices is the smart wristband or smart band. Smart bands in the early stage, such as Jawbone and Fitbit, were perceived as costly gadgets. This perception changed with the introduction of products like Misfit Shine, which promoted itself as an accessory rather than a device and offered other options at lower prices. Most recently, Xiaomi gained an unrivalled competitive edge. Other late-comers from China have also joined the competition with its Apple Watch, and Samsung has launched the Galaxy Gear S2. Meanwhile, LG has continuously introduced new products including the G Watch R and G Watch Urbane to secure a competitive edge in the global market.

With competition growing fiercer, Chinese smart manufacturers are now paying close attention to the smart watch market. Some Chinese companies have recently launched smart watches at one-tenth of their competitors’ prices. Against this backdrop, the future smart watch market is expected to be divided into two submarkets—one for high-end products manufactured by large conglomerates and the other for low-price products mostly manufactured by Chinese companies.

Besides smart wristbands and smart watches, wearable devices even come in the form of belts, rings and bags. The interest in the smart wearable device industry continues to grow, as shown in the fact that companies from this sector accounted for 17 percent of 3,500 participants in total at the Consumer Electronics Show 2015. In addition, manufacturers are developing more "wearable" and user-friendly products, moving away from traditional wristbands to rings and bags.

Korea’s information technologies and services, along with its superb supporting infrastructure, are recognized worldwide. Such recognition greatly contributes to the national branding of “Korean-made” products. In the past, high-quality Japanese electronics led consumers to trust all products made by Japan.

Likewise, Korean IT products have already earned trust worldwide. Combined with the growing trust in Korean-made IT products, the so-called Korean Wave has also further boosted the global awareness of domestic goods. Building on such opportunities, cooperating with companies all throughout Asia will create greater opportunities for mutual growth in the global market.