

Five Reasons Why The Korean Startup Ecosystem Is Booming

Lim Jungwook, Startup Alliance



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Jungwook Lim

Education

BA, Hankook University of Foreign Studies

MBA, Haas School of Business, UC Berkeley

EMBA, Graduate School of Business, Stanford University

Career

Managing director of Startup Alliance Korea

Head of Global, Daum Communications Corp.

CEO of Lycos Inc (Waltham MA USA)

CEO of Chosun Ilbo JNS

Staff Writer, Chosun Ilbo

Startup Alliance

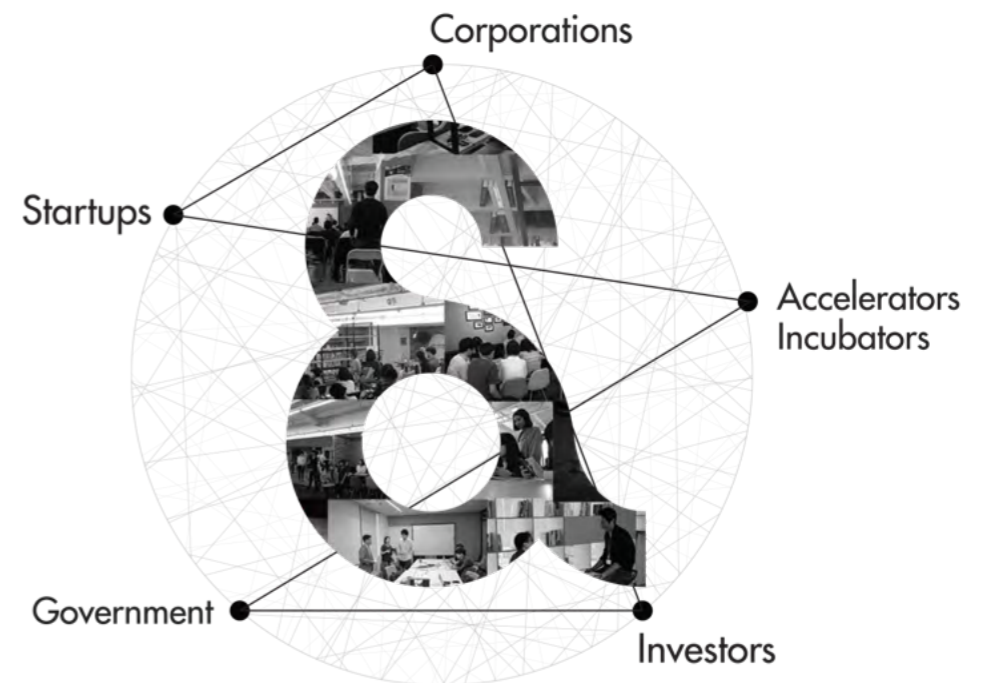


Startup Alliance is a NPO that fosters a health startup ecosystem.

Founded by the Naver Corporation

We Made It On Programs!

Connecting Amazing People



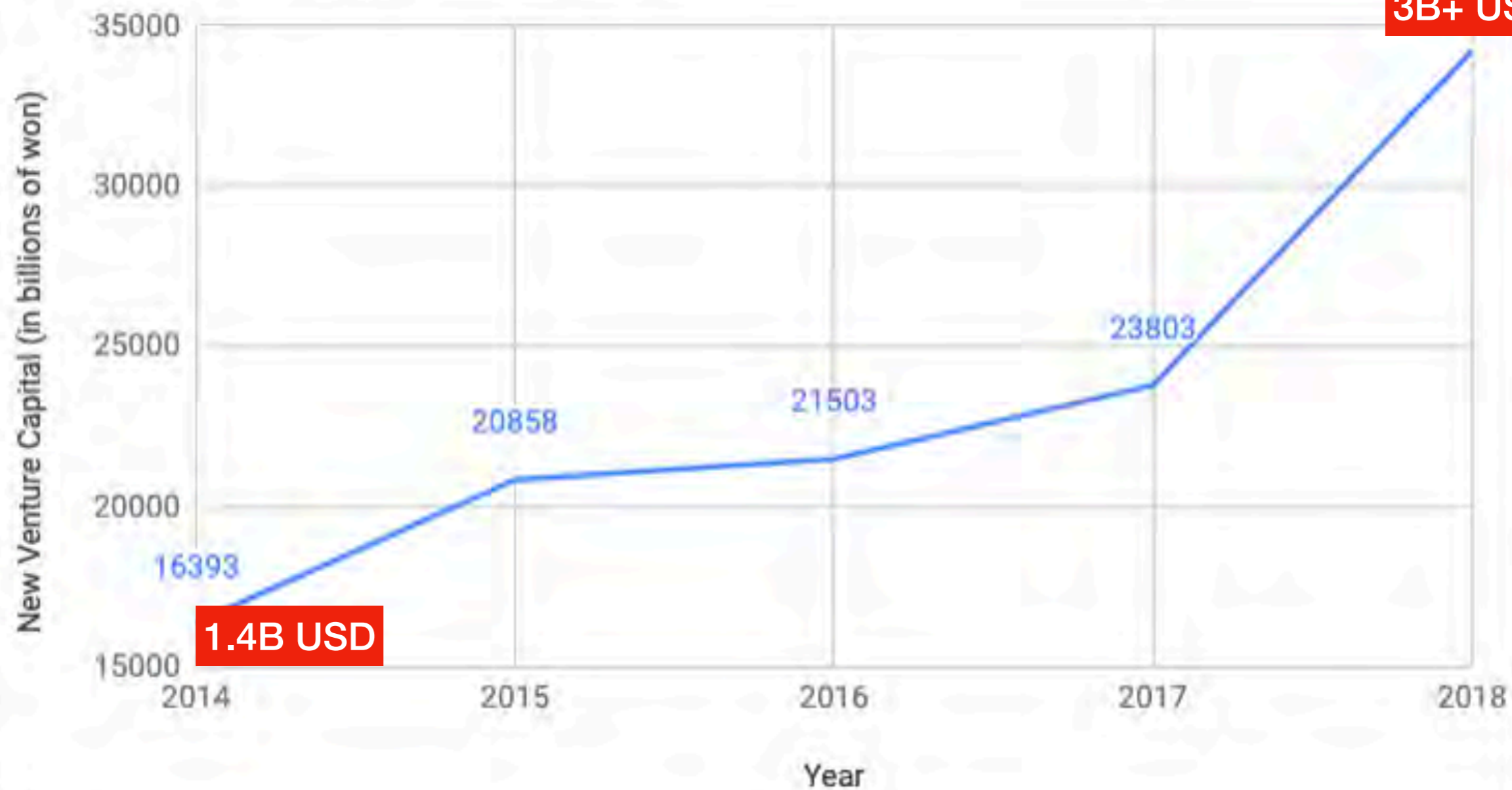
We connect startups to other startups, investors, corporations, and other stake holders



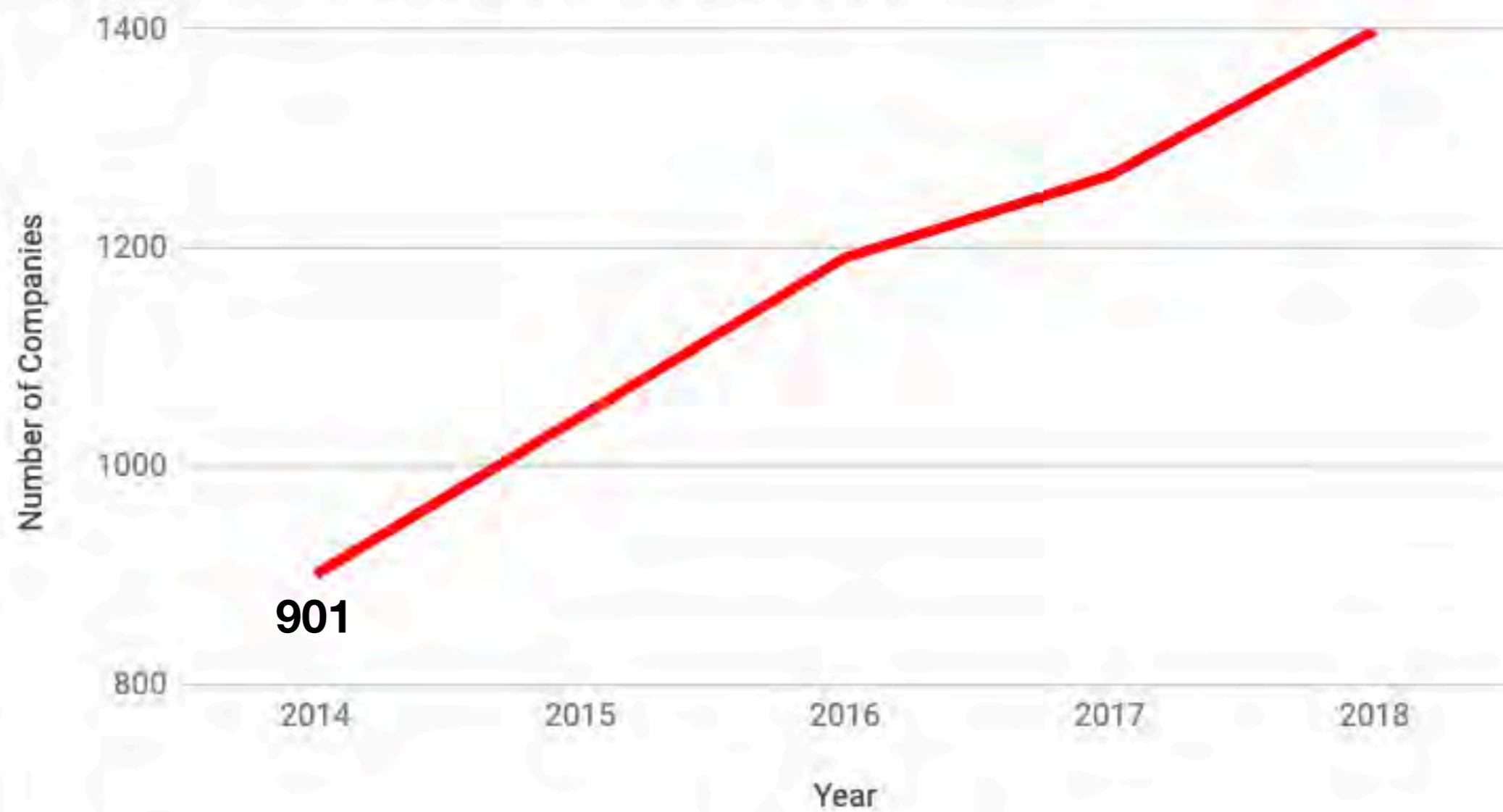
<http://1smartchic.com>

**Korean startup
ecosystem is
Thriving**

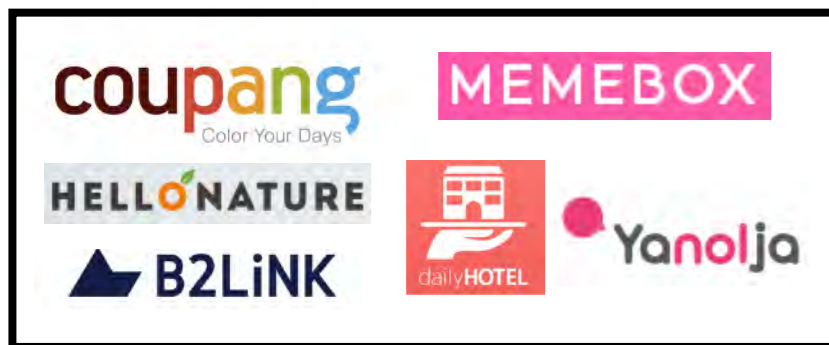
Venture Investment in Korea



Number of Companies Invested by VC money



E-Commerce



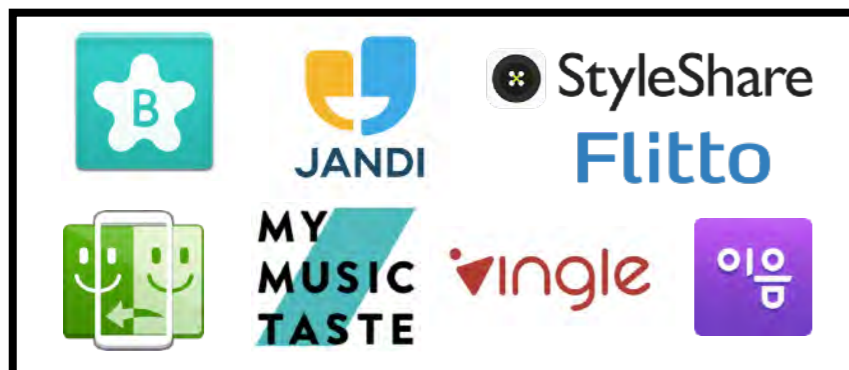
Foodtech



Fintech



SNS/Communication



Sharing Economy



Healthcare



Education



Utility



Contents



Game



Analytics

AD/



A map of startups that received a VC funding of \$1M USD or more. There were 76 firms on this map when it was first made by Startup Alliance in Oct. 2015.



Startups that received investment of
\$1M USD or more

E-Commerce



Fintech



Education



Fashion/Beauty



Hardware



Contents



Healthcare



Food



Leisure



Game



SW/Utility



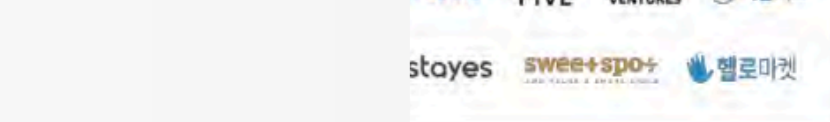
AD/Marketing



Home service



Analytics



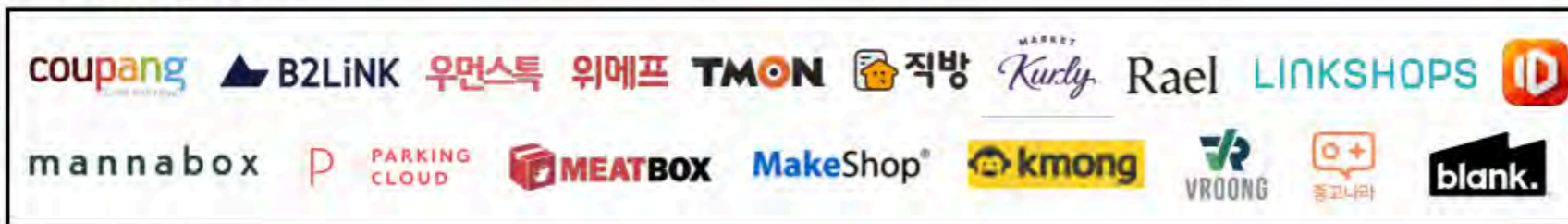
Now, Over 500

KOREAN STARTUP OVER \$10M

Ver. 4.9
Last Updated on Jan 16, 2019



E-Commerce



Contents



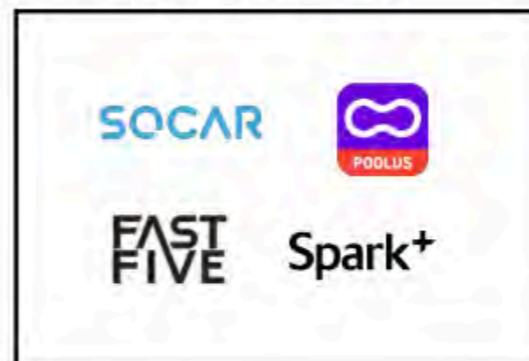
Food



Healthcare



Sharing Economy



Hardware



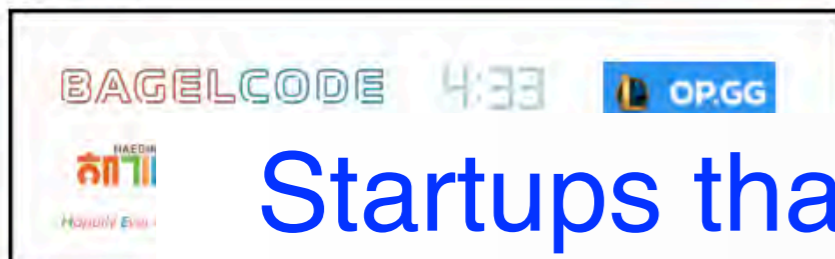
Fashion/Beauty



Education



Game



Leisure



Fintech



AD/Marketing



SW/Utility



Analytics



Home service



Startups that received investment of \$10M
USD or more



GLOBAL UNICORN CLUB: 309 PRIVATE COMPANIES VALUED AT \$1B+

(as of 01/22/2019)



CYBERSECURITY



MEDIA



TRAVEL TECH



AUTO TECH



DATA ANALYTICS



SOCIAL



HARDWARE



ON-DEMAND



HEALTHCARE



FINTECH



E-COMMERCE



OTHER



INTERNET SOFTWARE SERVICES



Among the 300+ Unicorn Startups in the world...

coupang
Color Your Days



 **toss**



L&P Cosmetic

yello mobile

**There are Six Korean
Unicorn Startups**

Coupang, Amazon of Korea



쿠팡



E-COMMERCE 전자상거래

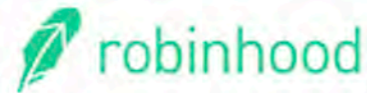


우아한 형제들(배달의 민족)



Woowa Brothers,
No. 1. Food Delivery Service in Korea

FINTECH 핀테크



비바리퍼블리카(토스)



Viva Republica,
No. 1. Fintech Startup in Korea



Krafton,
Game publisher of the world-wide hit
Battlegrounds

INTERNET SOFTWARE SERVICES 인터넷 소프트웨어 서비스

블루홀스튜디오





**L&P Cosmetic,
Known for K-beauty Mask Pack**

OTHER 기타

L&P코스메틱



옐로모바일



BESPIN GLOBAL

SOCAR

Tap. Unlock. Drive.

MARKET
Kurly

Hyperconnect

yanolja

• •
Big Hit
Entertainment

**There are so many
Next Unicorn Candidates**



But Why?

5 reasons why the Korean startup eco-system is booming

1. Strong support from the **government**
2. Emergence of **startup communities**
3. Influx of capable **entrepreneurial talents** into startup world
4. Growing number of aggressive **venture investors**
5. **Korean millennials** love to use startup products



1. Strong Support From the Government

創造經濟



“Creative Economy”

Park Administration's Policy Drive from 2013



"4th Industrial Revolution"
"Growth on innovation"

About MSS

Korean SMEs

Major Policies

MSS Newsroom



Welcome to
Ministry of SMEs and **Startups**



Minister

Minister of MSS has not been appointed yet.

> About Minister



Organization



Affiliated
Organizations

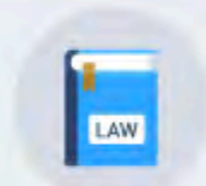


Photo News

Korean SMEs



Status of Korean SMEs



Laws



Statistics



Policy Direction
of the Year



MSS Policies

SMBA upgraded to **MSS**!



산업혁명위원회

출범 및 제1차회의



PRESIDENTIAL
COMMITTEE ON THE
FOURTH INDUSTRIAL
REVOLUTION

"Fund of funds" for startups



(From 2005)

4B USD



(From 2013)

7B USD

Giving Birth to Hundreds of New VC Funds in Korea

Matching Investment Fund by Government



마크 주커버그의 TIP

TECH INCUBATOR PROGRAM FOR STARTUPS

Connecting Korea's Innovative Startups to the World

100k investment

STARTUP

**500k
R&D support**

**Up to
400k
marketing
support**

Equity

**Paying back
up to 10%**

INCUBATORS
OR
ACCELERATORS

1 to 9 Match!

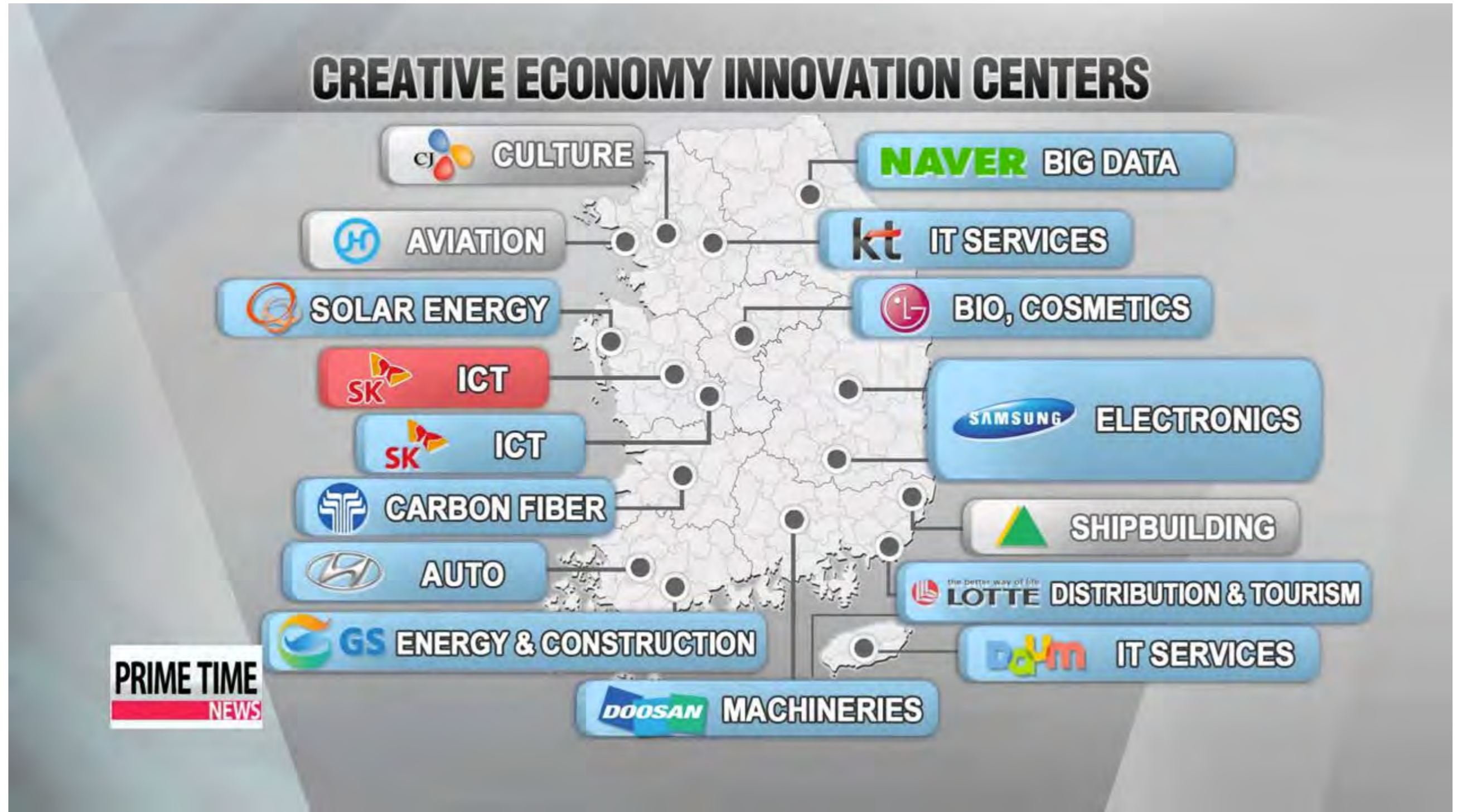
GOVERNMENT



Number of TIPS Startups 500+ and counting



Center for Creative Economic Innovation (CCEI)





Seoul Startup Hub

Naver

Coupang

Toss



Krafton

Woowa Brothers

NC Soft



Presidential Meeting with Unicorn Startup Founders (Feb. 2019)



2. Emergence of Startup Communities



Vibrant Startup Community



Before 2013
There was no place to go...

Huh, Startup?



**Gangnam
Has Become the Center of
Startup Fever**



Gangnam Startup Belt



**March
2013**



D.CAMP

**March
2014**



STARTUP
ALLIANCE

**April
2014**



MARU 180

**April
2015**



GOOGLE
CAMPUS
SEOUL

**May
2015**



NAVER D2
STARTUP
FACTORY

**July
2015**



TIPS
TOWN



Event Venue, Co-working Space, Free Office Spaces
for Accelerators and Startups



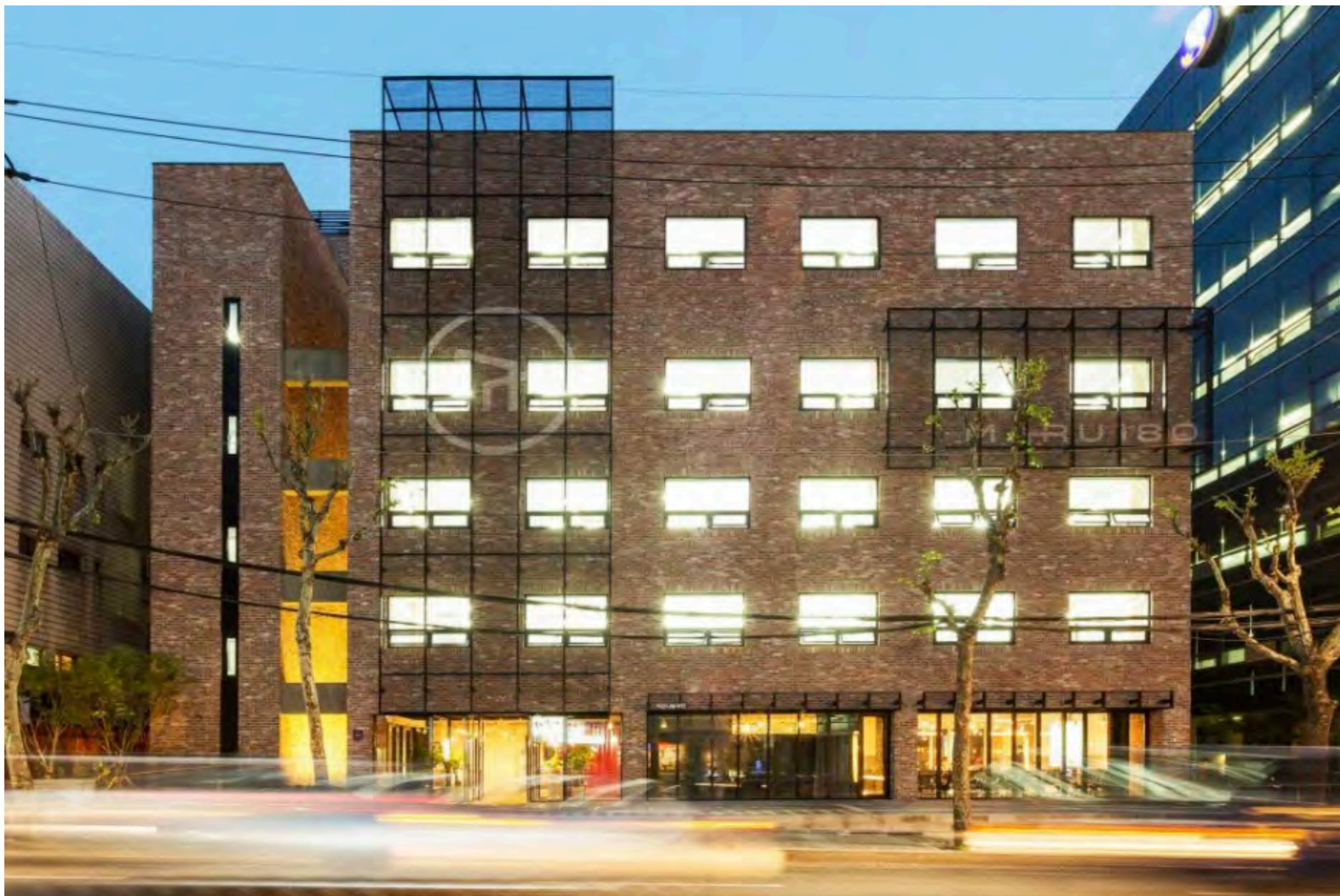
Startup Alliance



Startup Alliance



DCamp



Maru 180



Google Campus

NEXT PANGYO VALLEY

Creative Economy

PANGYO TECHNOVALLEY

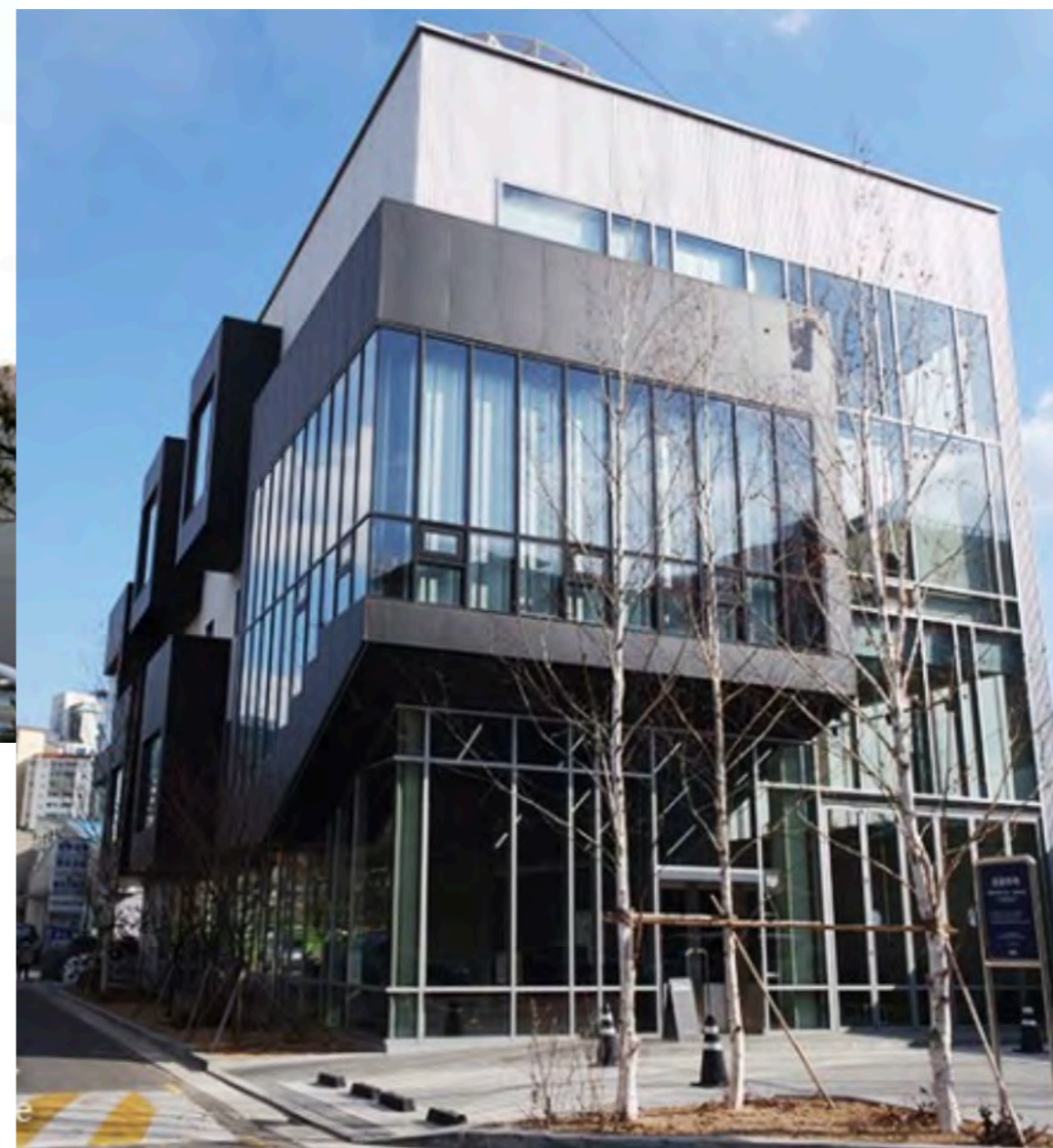




Startup Campus in Pangyo



**Seongsu-dong
Emerges as
Social venture hub**





**Seongsu-dong
Emerged as
Social venture hub**

Education



Environment / Energy



Sharing Economy / Platform



Crowdfunding



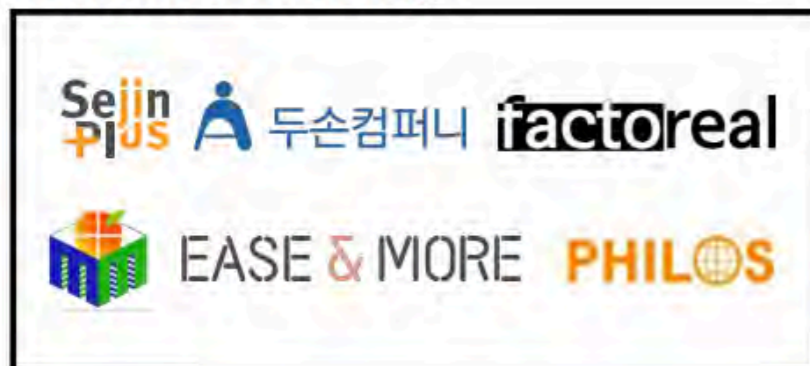
Healthcare



Design



Manufacturing



Contents



Food



Travel



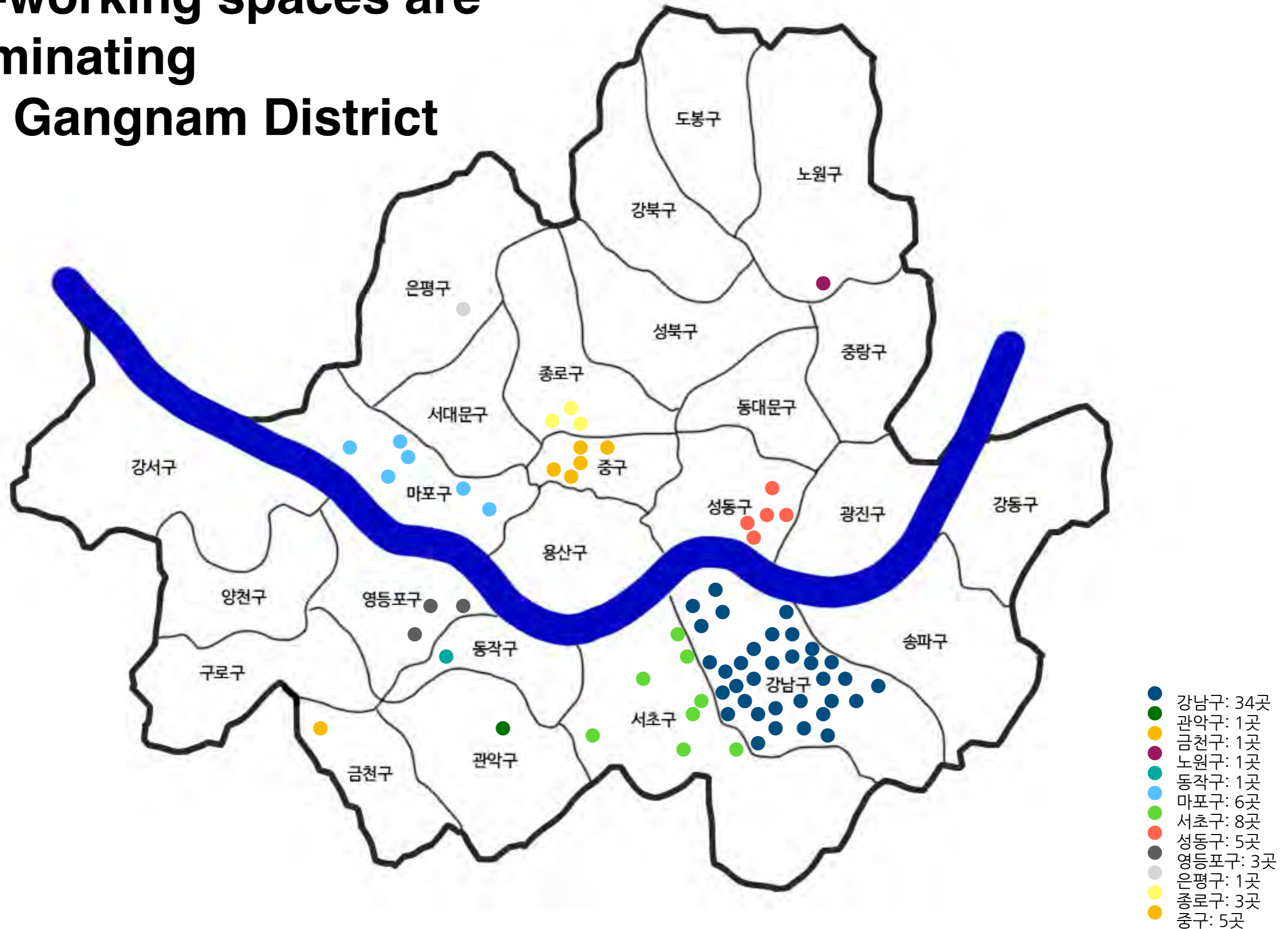
Abletech



Social Finance



Co-working spaces are dominating the Gangnam District



WeWork Seoul



FAST FIVE



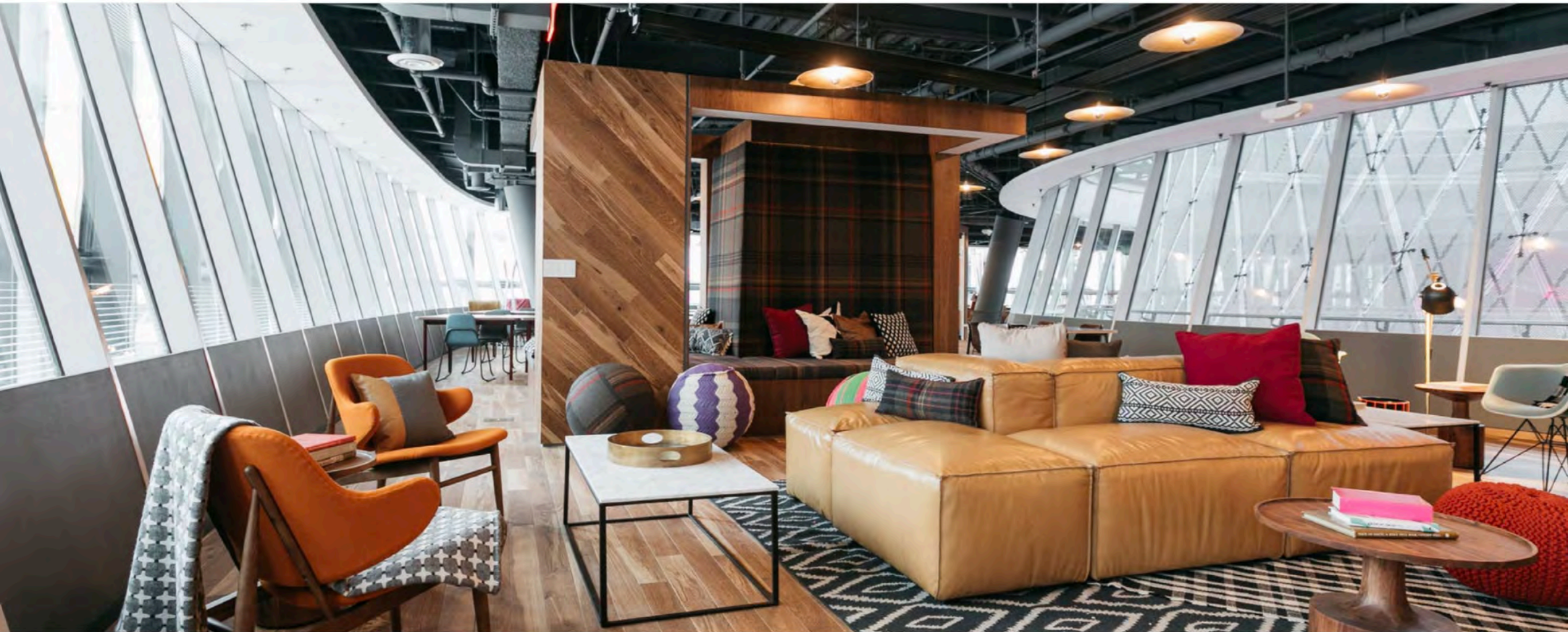
Hyundai Card Studio Black



Dreamplus Gangnam



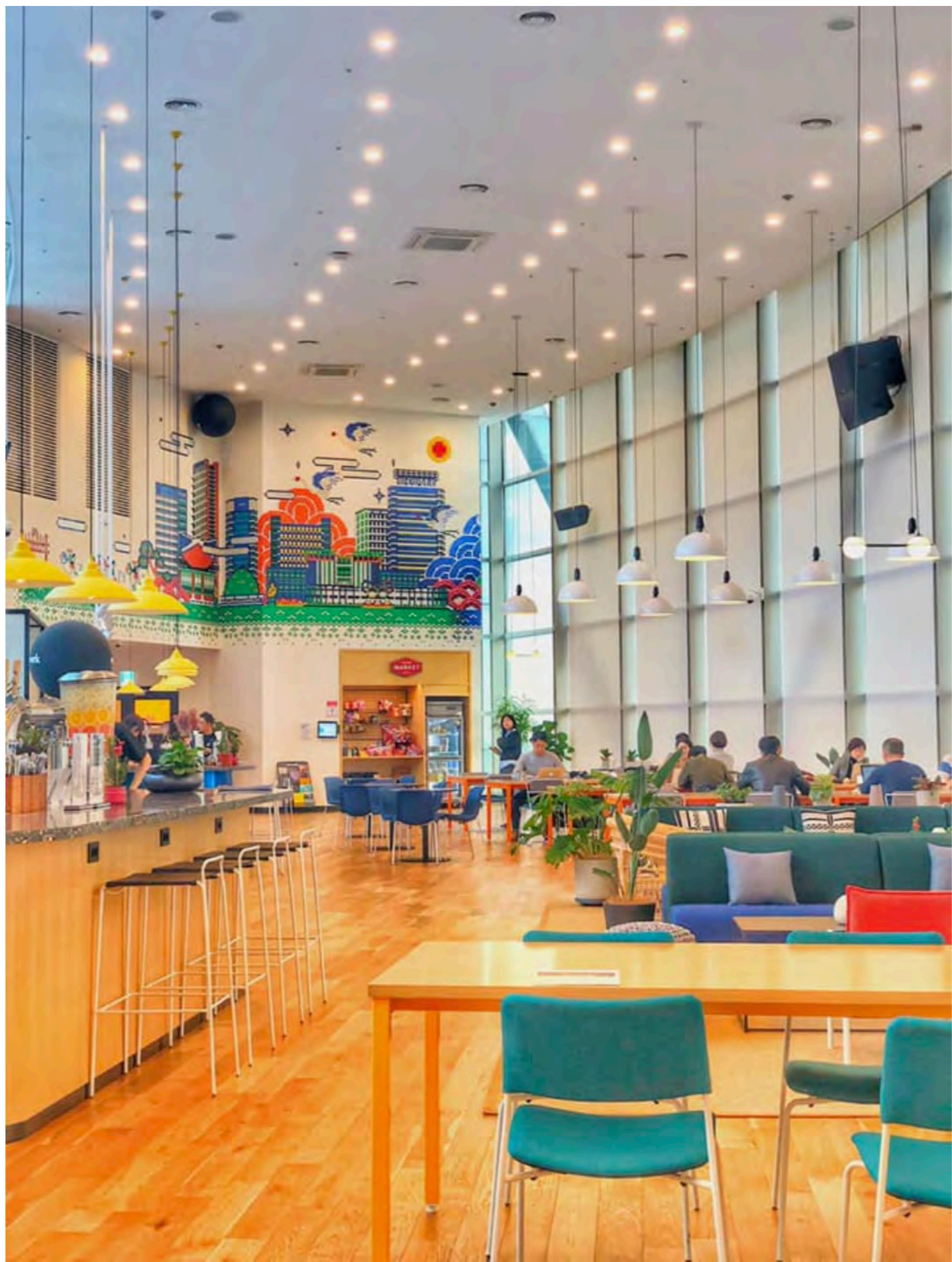




Jongno Tower

서울 [Address](#)

[Schedule a Visit](#)





3. Influx of Capable Entrepreneurial Talents Into the Startup World



(Top 4 Univ. for TIPS founders)

Park, Taehoon



Frograms CEO & Founder, KAIST

Kim, Bom



Coupang CEO & Founder, Harvard

From
Consulting
Firms

Choi Jaeho, Founder of Drama&Company



Na Jewon, Founder of Yogiyo



From Big
Companies

Kim Hosun, Founder of Sunshine



Kim KyungTae, Founder of Zikto



Zikto
Every movement matters

Entrepreneurs with international background



 Jobplanet

황희승 대표



MARKET
Kurly

김슬아 대표



PUBLY

박소령 대표

Entrepreneurs from prestigious research universities



WATCHA

박태훈 대표
(KAIST)



 **Lunit**

백승욱 대표
(KAIST)



 **coinone**

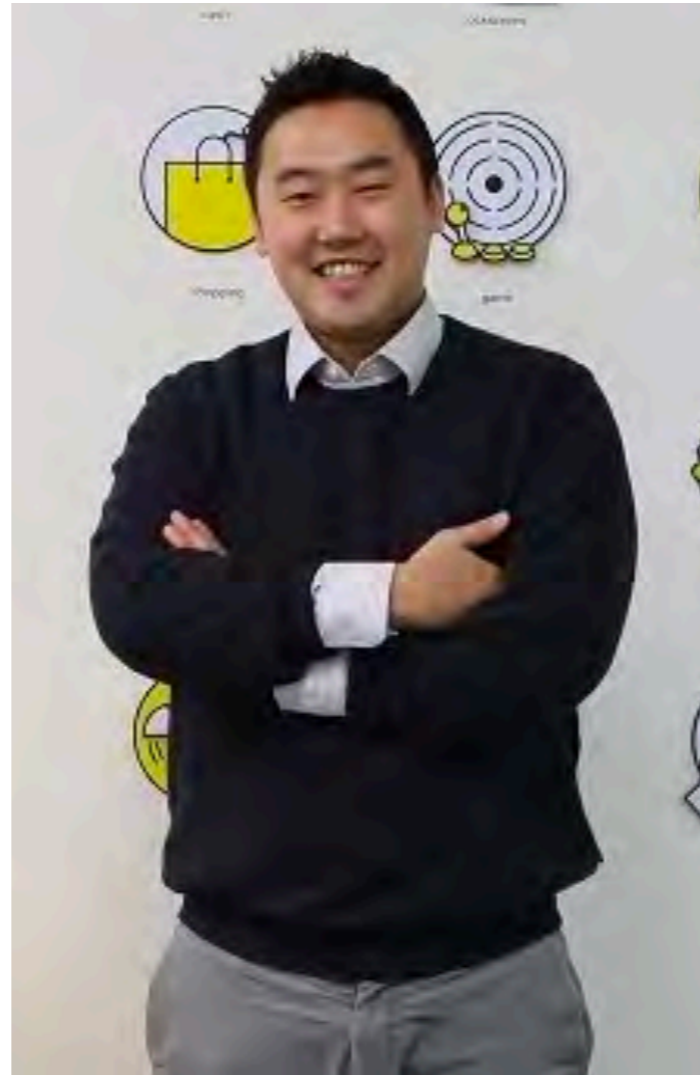
차명훈 대표
(POSTECH)

Entrepreneurs from global consulting firms



Remember 

최재호 대표
(BCG)



cashslide

박수근 대표
(BCG)



김태경 대표
(Bain & Company)

Entrepreneurs from big corporations



LINKFLOW

김용국 대표
(Samsung)



 **Dable**

이채현
(SK)



Flitto

이정수
(SK)

Increasing number of successful female entrepreneurs



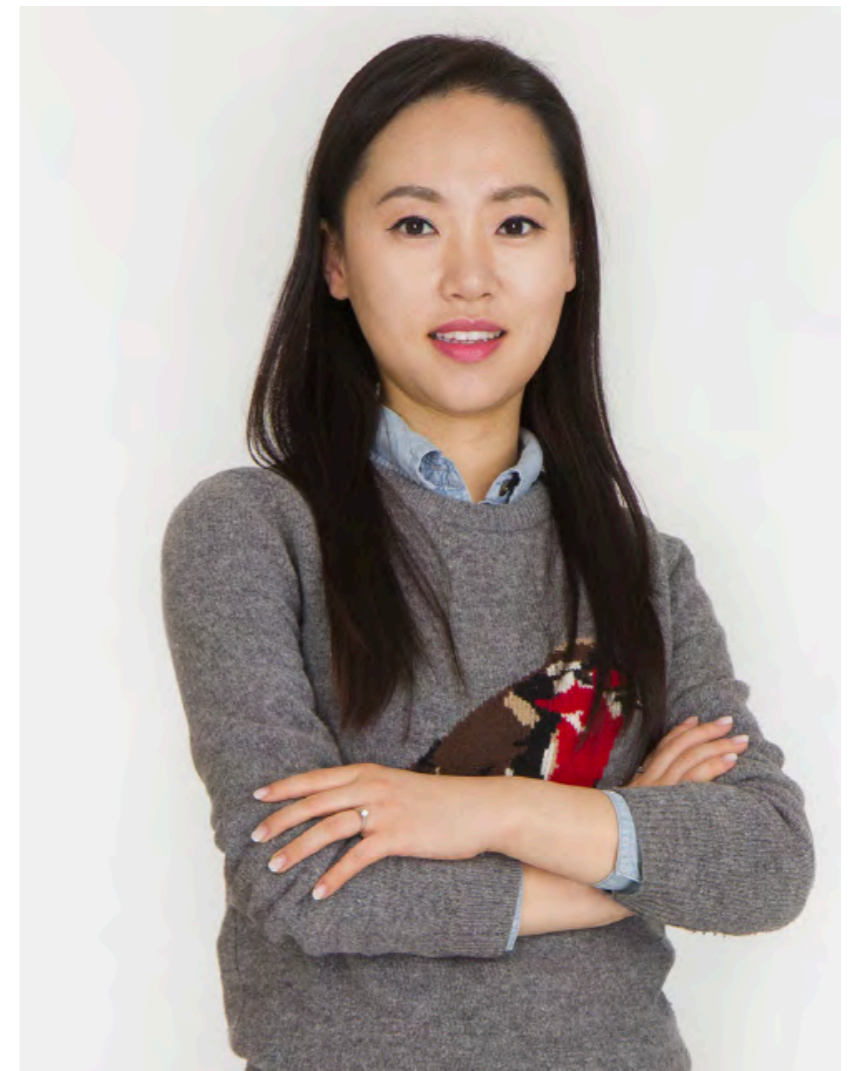
tutoring,

김미희, 최경희 대표



StyleShare

윤자영 대표



LinkShops

서경미 대표

Increasing number of serial entrepreneurs



BESPIN GLOBAL

이한주 대표



이창수 대표



FINDA

이혜민 대표



최정이 대표



Gwangju Institute of
Science and Technology



POSTECH

UNIST



EDUCATION



FIN TECH & DATA ANALYTICS



SOCIAL & SHARING



VR/AR



MEDIA & ENT.(CONTENTS)



HEALTHCARE & BIO



FOOD TECH & AGRICULTURE



중소벤처기업부의 STARTUP
창업을 지원하는 기술창업 프로그램

SCIENCE & ENGINEERING



SOFTWARE(SOLUTION)



HARDWARE(SYSTEM)



HARDWARE(IOT)



HARDWARE(ROBOT)



HARDWARE(CHIPSET)



SOFTWARE(SERVICE)



MATERIAL



ACCELERATOR (INVESTMENT)





4. Growing number of Aggressive Venture Investors

연도별 창투자사 등록현황

(단위: 개사)



Number of the VCs is growing recently

Prominent Entrepreneurs Turn into Angels & VCs

Neowiz
Founder



Inicis
Founder



Daum
Co-Founder



Olaworks
Founder



NexR
Founder



Kakao
Founder



viki
Founder



Byung Gyu
Chang



Douglas Guen



Taekkyung
Lee



Junghee Ryu



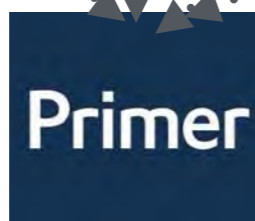
Jason Han



Beomsoo Kim



Jiwon Moon &
Changseong Ho





Primer

Established the first startup accelerator in 2010.
Focused on supporting early-stage startups



Foreign VCs becoming
active in Korea



**Han Kim,
Korean American VC from Silicon Valley**

ALTOS VENTURES



**Altos Ventures now has 4 Korean unicorn startups
in their portfolio companies**



Global Brains, top Japanese VC which has Seoul branch office



5. Korean Millennials Love to use Startup products



Order food by Woowa Brothers



Send money by Toss app



Order anything you need by Coupang



Order grocery by Market Kurly



Go anywhere by Tada

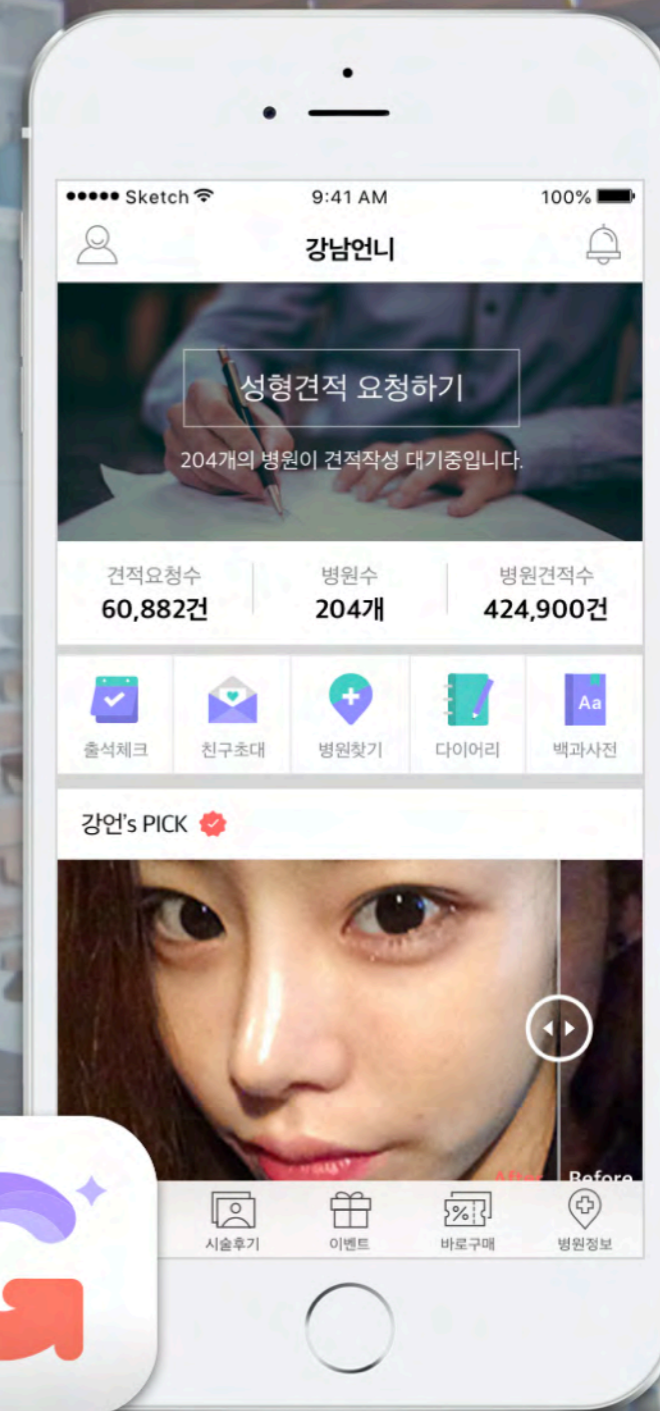
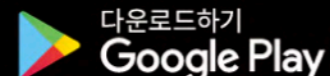


Book hotel or activities by Yanolja

성형 전문가

강남언니

594개 병원과 함께하는 1등 성형앱 (18.04.19 기준)





**Startups grows fast thanks to the push from
younger generation,
while old generation can't recognize the name of
the leading startups today.**

5 reasons why the Korean startup eco-system is booming

1. Strong support from the **government**
2. Emergence of **startup communities**
3. Influx of capable **entrepreneurial talents** into startup world
4. Growing number of aggressive **venture investors**
5. **Korean millennials** love to use startup products

Challenges

- Old regulations and resistance of incumbents
- Unadventurous VCs
- Lagging entrepreneurial spirits – Fear of failure, Parents
- Too much dependency on gov funding
- Unfair business practice for startups
- Lack of exits (IPO or M&A)



Thank You