

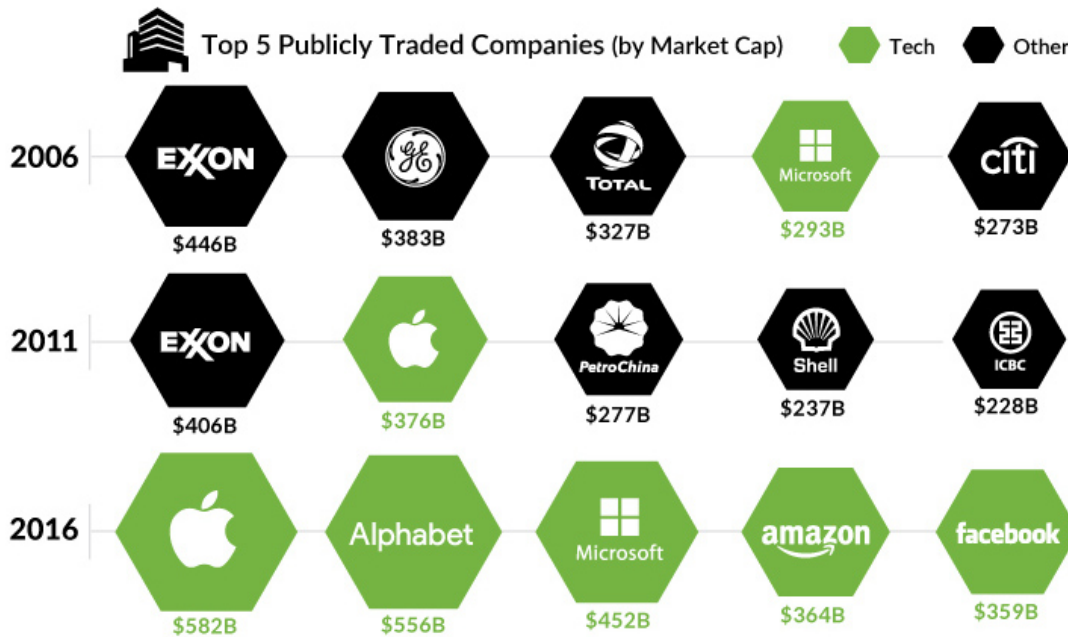
3.9 Case Study of Republic of Korea¹

The Fourth Industrial Revolution can be defined as a hyperlinked intelligent revolution triggered by digital technologies such as artificial intelligence, the Internet of things, and big data.

The intelligent revolution is that everything is connected by the network; the data explosively increases according to the connection; and the increased data leads to a level of self-learning, so that it can perform not only manual labor but also intelligent judgment function.

So intelligence is changing as the key factor that determines the competitiveness of products and services, changing the existing industrial structure and triggering the revolution of the industrial ecosystem. Therefore, in the 4th industrial revolution era, it is expected that platform companies with algorithms capable of building and utilizing ecosystems to secure data themselves will lead the industries and markets

The top five global market cap of 2016 are all platforms based on digital intelligence technology, or that combine platform business models into the value chain of existing businesses.

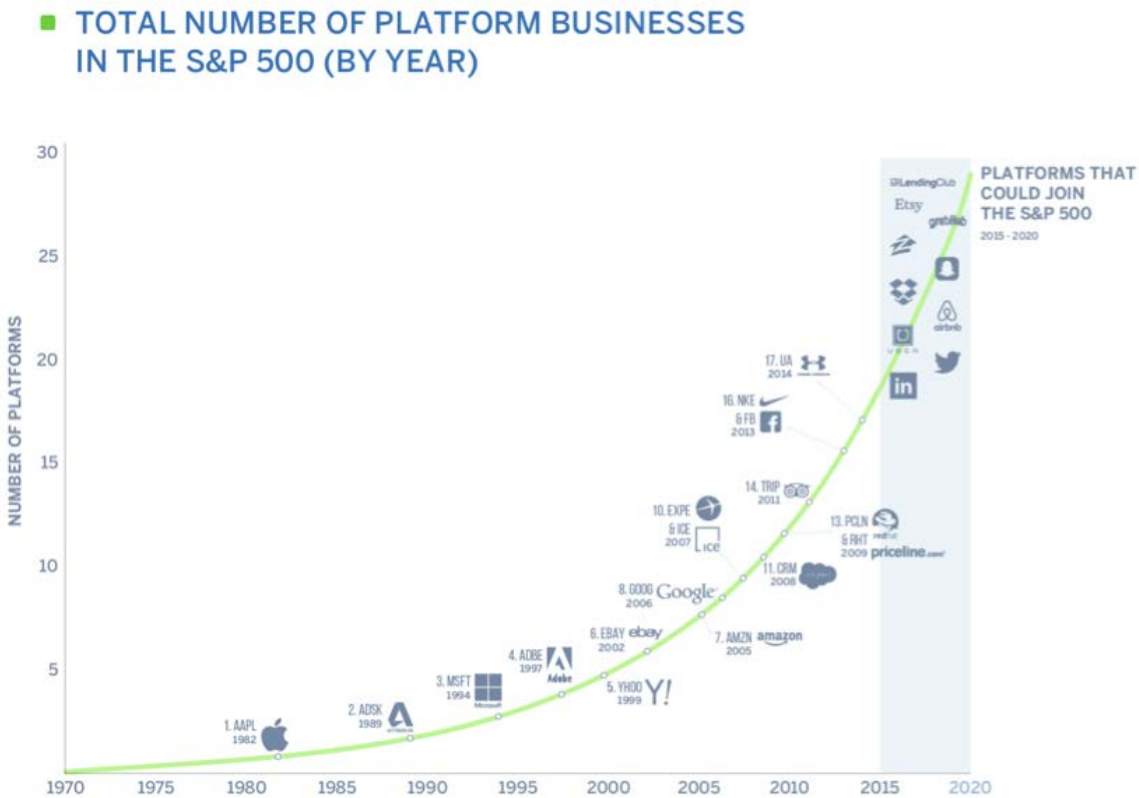


¹ This case study was conducted by Kyungmi Kim, General Manager, Asia Pacific Women's Information Network Center, Sookmyung Women's University, Republic of Korea.

The three most successful platforms to date are Alphabet(Google), Apple and Facebook, and the number of platforms at the top of our economy is growing fast. In 2016, four of the top five members of Forbes’s list of most valuable brands were platform companies, as were eleven of top twenty. In addition, the companies that make up the S & P 500 companies are showing increasing numbers of platform companies.

Platform representation in the S&P 500 will continue to increase exponentially because platforms have distinct advantages over more traditional business models, such as more favorable cost structures, higher profit margins and the ability to scale to a size that traditional businesses can’t. In five years, 5% of the S & P 500 will be platform business based on the following platform trend line.

Figure 1. Platform Business in the S & P 500 over the Last Forty Years



S & P 500 platform business have improved their net earnings on average by 330% in the past 10 years, compared to 16% for the overall S & P 500. So, in 25 years, 50% of the S & P 500’s collective net income (profit) will come from platforms².

² ALEX MOAZED, 5 Reasons Entrepreneurs Should Take Advantage of the Platform Business Model, <https://businesscollective.com/5-reasons-entrepreneurs-should-take-advantage-of-the-platform-business-model/>

Platform companies are now clearly a global phenomenon. They are found not only in advanced industrial markets, but throughout the entire world thanks to the growing availability of mobile digital technologies. Not only are platform companies starting in all corners of the world with established hubs in places like Hangzhou, China, Bangalore, India and Cape Town South Africa, but a growing number of platforms are expanding beyond their home countries. Indeed, many platforms are best recognized as the multinational enterprises that they have become with large global footprints.

Above the mentioned, platform is very important business model in 4th revolution era. So to be successful in today's business, it is necessary to understand how platforms work.

What is the implication of platform companies like AirBnB, Uber, Car2Go, and Amazon on legacy, precedent businesses such as Hilton and Walmart? Once small and novel, platform businesses have grown substantially in recent years to become a much larger part of the economy.

Taking this into consideration, we have selected the online fashion platform company "StyleShare" and its founder and CEO "Jayoung Yoon" as the final case. StyleShare is a platform company that allows fashion information to be shared online.

3.9.1 Profile of a Woman Entrepreneur

Founder and CEO

The Founder and CEO of StyleShare, Jayoung Yoon, is a young female CEO who is currently attracting world attention a lot.

Resin Man Kiss, Global VOGUE editor, visited the Styleshare in 2015, and commented "Styleshare is a strong team that changes the landscape of the fashion industry". Jayoung was also named as one of the 300 young leaders of 2016 selected by Forbes Asia and invited as a representative of Korea to the Global Entrepreneurs Summit hosted by President Obama in 2016 .

Jayoung was born in 1988 in Seoul, Korea. She entered Yonsei University in 2007 and founded StyleShare in 2011 in her fourth year of college. During her college years, she was majoring in electronics, but she was very interested in fashion. At first she had no intention of making fashion a career, but as a consumer interested in fashion, she was gradually wondering if there was a chance for a fashion information service that was not available in the market at that time. One day, when she saw a magazine to get the information she needed to buy clothes that suited her at a reasonable price, she was disappointed to see that an expensive luxury brand of clothing was described as a

must-have item

‘What is fashion trend these days?’ ‘What should I wear today?’ ‘Where can I buy beautiful clothes?’ She started looking for a service that provided information on these questions. She finally found a UK personal blog, Stish.com, which provides similar information and went to England to meet bloggers. After this trip, she became convinced that her business idea was something feasible and she could start her business. Her business idea was providing a recommendation service that helps regular consumers with a normal body shape to dress well.

In her fourth year of college, Jayoung participated in a start-up competition hosted by a number of universities, and got a good result there. As she participated in several contests, her business ideas became more and more concrete, and she finally embodied her business idea as a service sharing street fashion information: through this, people could share and obtain information about the sophisticated attire found on the street.

In 2010, when Jayoung decided to start a business, the mobile environment was rapidly expanding due to the launch of smartphones in Korea. As she saw Facebook appear and the number of its subscribers increased, she thought she would do this with a website or mobile application.

Jayoung’s decision to start a business was made concrete when she met a startup accelerator. One day she attended a special lecture hosted by Yonsei Enterprise Support Foundation, and after the lecture, she had a chance to meet the lecturer to hear his advice on her business ideas. The lecturer was a representative of Primer as a startup accelerator, and, thanks to him, Jayoung got an opportunity to participate in the startup accelerator program with an investment of \$ 20,000, as her business idea was evaluated as excellent. She finally set up a company for \$ 25,000, including \$ 20,000 for investment and \$ 5,000 for school scholarships.

With the establishment of the company, she had to form a team to do business with service development and marketing. The Primer recommended her to work with a developer who had a long history of service development, and she thus teamed up with developers and school seniors. Her service, which remained only as an idea, started to become more concrete when she met a developer CTO, Min-hee Hong.

StyleShare team spent four months in developing StyleShare application in Boston, and they finally launched the app in September 2011. The team built an app for Android and iOS, and an internet website. Their app was selected as "NEW & Noteworthy app" and "What's Hot" in the Apple iTunes App Store. The team members were initially involved in service development, content and user expansion. The necessary funds for it were provided by the Small and Medium Business

Administration with \$ 70,000 in preliminary technology start-up funds and \$ 50,000 in prize money from entrepreneurship conventions sponsored by Money Today.

After only three years of sales in 2011, there was little sales, and in 2014 sales were only \$ 10,000, but the number of users increased rapidly to 1 million and monthly average number of visitors reached 300,000. Recognized for its achievements, in 2013, it attracted series A-level³ investment from the founders of Daum, Lee Jae-woong and Suprema, and in 2014, they entered the full-scale commercialization in four years after starting their business with investment from series b-level⁴ LB investment. As a result, the first ad sales were generated in 2014, and the sales started to increase from 2015. From 2016, sales were generated not only from the information sharing but also from the transactions of clothes and accessories in the photographs.

As for the future direction of StyleShare, Jayoung said "I think that StyleShare will be the fashion ground where young generation can play. Content and commerce will naturally be harmonized and serve as good media as a good store. I hope that newly launched brands or brands that do not have big funds will quickly gain recognition through StyleShare. I also hope StyleShare will act as a fashion incubator that will lead to sales. I think StyleShare is possible because it can act as media and distribution channels for those brands. We are confident that StyleShare will be a natural distribution channel for users to enjoy."

3.9.2 Profile of a Company

StyleShare started with a fashion-based SNS service that intends to help people to find the purchase information easily, on the fashion items that they see on the street. Specifically, StyleShare is a fashion information sharing service that allows users interested in style to upload pictures of their attire and also to ask questions about the size, dealer, and price of the fashion items to each other. StyleShare is growing into a fashion sharing platform company that creates new value by linking suppliers and consumers all over the world and also linking fashion designers and small and medium retailers.

To date StyleShare has achieved remarkable growth in all respects. First, the most important performance indicators of platform companies are the number of members and Monthly Average Users (MAU). In 2017, the number of subscribers reached 2.8 million, and the average monthly number of subscribers is 800,000, which means that 26,000 people on average use StyleShare each

³ Investment in the process of making a prototype or beta version of a business into a formal service (product)

⁴ Investments that are made when active services are required for marketing, services, and personnel recruitment needed to increase market share in the event that a formal service or product is recognized in the market

day. Traffic is rapidly increasing, with monthly average of 800,000 people visiting, 10,000 contents uploaded per day, and 78% of the members returning on average every week. More importantly, 2.4 million people, or 85% of the members, are young women under the age of 23.

For the first three years after the start of the business, there was little revenue, and the annual cumulative sales were only \$ 10,000 in 2014, but then in 2016 the platform company opened a store menu for sale in the StyleShare app and achieved a transaction value of \$ 400,000 in the first month. Since then, the turnover has increased rapidly, reaching a cumulative total of \$ 9.2 million in April 2017, exceeding \$ 27.5 million by the end of December.

Before making this achievement, StyleShare had prepared a lot of things for the platform company. From 2011 to 2013, StyleShare focused on developing services and recruiting members, and did a variety of activities to provide good content for retention. Mobile apps, the core of the business, were developed in 2011 and upgraded three times. StyleShare's mobile app was developed to support iOS and Android, and open source is used because open source does not have fixed cost burden such as license cost; it is economical; it has good performance and stability. By using mobile apps, users can upload purchase information such as the purchase place, price, and brand along with the photos they are wearing. It has comments, likes, follow, and notifications that enable users to interact and respond to uploaded information in real time. The StyleShare 2.0 version includes a collection function that allows the user to store necessary information separately, and a style feed function that updates every second in order to share the latest trends in real time. In 3.0 version, it has a store function together with a payment function and also launched a point reserve system called "button"

In 2012, StyleShare created an annual anniversary trend book, which was first released in the New York Fashion Week, and invited its members to the world street photographer event to give their members the latest fashion information. Partly thanks to these activities, the number of members has gradually increased to 500,000 in 2013 and to 1 million in 2014.

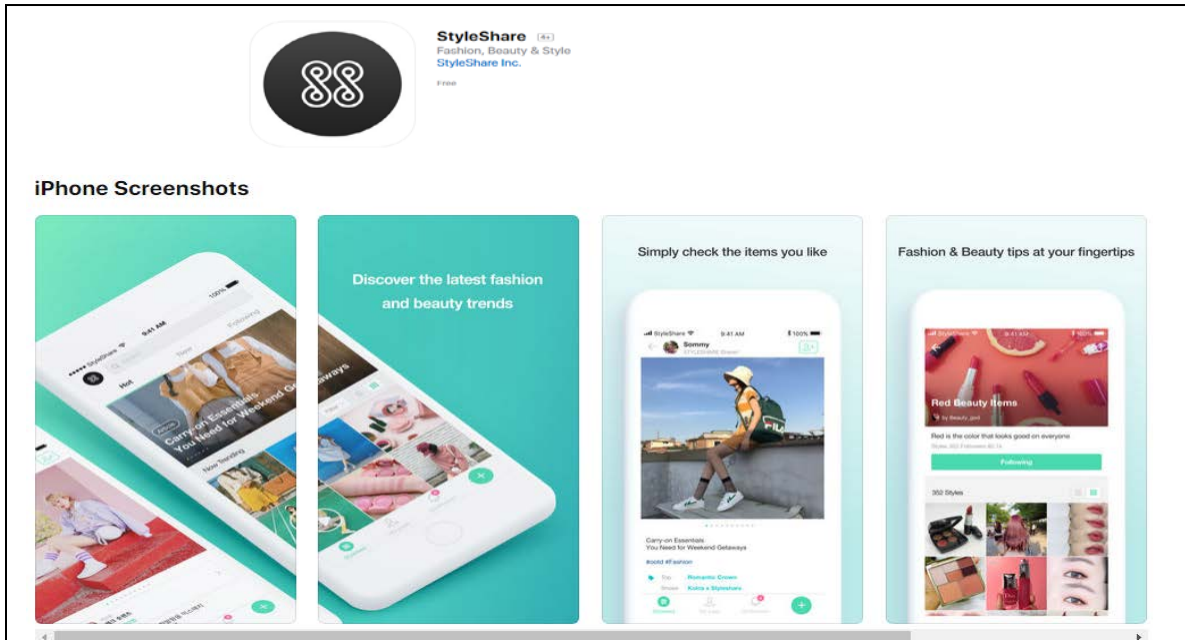
Since 2013, the market festival, a flea market, has been held annually for network effects. The number of participants has increased by 10,000 every year, and by 2017, it has reached 50,000. Participants are also becoming more diverse, including fashion designers, manufacturers, distributors and media.

StyleShare started business for profit in 2014. They launched an advertising system for advertising revenue and diversified revenue sources through various affiliate events. Then, in 2016, it was equipped with commerce function, and started to generate income from sales transaction in 2017.

As of 2017, StyleShare online store has 6,000 apparel brands, 300 shoe brands, and 300 beauty brands, and launches StyleShare's own branded products.

The following figure shows the StyleShare app.

Figure 2. StyleShare App for IOS



The advertisement for the StyleShare app for iOS features a central graphic with the app's logo and name. The logo is a black circle with a white stylized 'S' and 'S' intertwined. To the right, the text reads 'StyleShare (4.2) Fashion, Beauty & Style StyleShare Inc. Free'. Below this, the heading 'iPhone Screenshots' is followed by four smartphone screens displaying the app's interface. The first screen shows a feed of fashion items with a 'New Beauty' section. The second screen has a teal background with the text 'Discover the latest fashion and beauty trends'. The third screen shows a post about 'Simply check the items you like' with a photo of a person in a hoodie. The fourth screen shows 'Fashion & Beauty tips at your fingertips' with a 'Red Beauty Items' section.

Description

With millions of users from 120 different countries, StyleShare is the No.1 Mobile Fashion Application nominated by [VOGUE], [Instyle] and other fashion magazines!

Do you struggle what to wear every morning? With StyleShare, you will never have to face the same problem. It's a simple and easy way to keep up with new brands, know the latest trends, and receive fashion feedbacks from global fashionistas. With StyleShare, start sharing your outfit or daily fashion finds, and become a fashionista.

What You'll Find in the App

1. Fashions at Your Fingertips: Enjoy unique styles and fashion tips and items from all around the world.
2. Snap and Share your outfit or daily fashion finds: Upload your outfit without having to resize your picture, and get quick feedbacks.
3. Follow Other Fashionistas with a single click: Find new outfits and looks from other fashionable users around you anytime, anywhere you go.
4. Tag the fashion items: Tag and display where you've purchased the items.
5. Become a Fashion Editor: Collect styles you love with our new 'Collection' feature! Lovely themed fashion collections like "How to dress for Valentine's Day" or "10 Top Lipstick Shades" will attract more followers.

Press our 'Danchu' (or Button) to experience new and upgraded StyleShare 3.0.

3.9.3 Findings

3.9.3.1 Success Factors

There are many success factors of StyleShare that has been growing rapidly during the six years since the foundation. Three major success factors selected are as follows.

Marketability

StyleShare was very attractive as a business item considering the fact that it successfully received angel investment only with a business idea even before the company was established.

In 2017, Korea's fashion market size was as large as \$ 40 billion. Fashion market participants are very diverse and enormous, including designers, manufacturers, distributors and public relations companies. Every player participating in the fashion market wants to know what the design of the final consumers like, what price they prefer, and where they can buy. Consumers also want to know what good clothes are available in the market, how much they cost, and where they are sold. Most of the companies engaged in the fashion industry are so small that they have a hard time in getting the market information they need, and, at the same time, consumers have too many kinds of fashion on the market to get the appropriate information. Therefore, fashion information sharing service is attractive to consumers as well as to fashion market workers. This kind of nature of the fashion market is well suited to the platform business. In other words, since the number of players in the fashion platform is huge and they have a strong desire to be connected with each other, the network effect through the platform can be maximized.

This type of fashion platform companies existed prior to StyleShare, but the companies provided their services were provided in supplier-oriented ways. The main difference between existing services and StyleShare is that StyleShare provides consumer-oriented fashion information, usually about popular brands, while existing services provide brand-oriented information, particularly about high-priced brands. StyleShare made it possible by leveraging mobile apps.

When StyleShare was established, the mobile environment rapidly improved, and the culture of sharing information such as blogs and Facebook was spreading immensely. As a result, StyleShare's business ideas received a lot of attention in many start-up competitions. When the service was introduced to the market, the number of its members rapidly increased to 100,000 in the first year, 500,000 in the second year, and one million in the third year.

Focus on Customer and Customer Needs

The success of a platform company such as a StyleShare depends on how much network effect is generated.

Network effect means that as the number of users who consume the same product grows, they gain more benefits from consuming the product. Considering network effect, it is very important to secure the number of users because the more the number of users of the StyleShare service, the more useful the service. However, simply having a large number of members does not mean that the network value is high. The value of the network is determined by the connection, not by the number of users. From that point of view, it can be said that StyleShare has network effects. In 2017, StyleShare has 2.8 million members, of which 85% are women under 23 years of age. Considering that the population of this age group in Korea is 5 million, 60% of this age group are StyleShare users. It is likely that these main users who share common characteristics are connected with each other through StyleShare and actively share fashion information, which will enhance network effects. StyleShare is successfully not only in terms of a total number of members but also in terms of network effects.

Then how did StyleShare get such a remarkable result? It can be said that it is partly because Jayoung had a clear target group in her mind from the beginning, and constantly improved and diversified the service to meet the user's demands. Jayoung's business was driven by her desire to provide consumer-oriented fashion information rather than supplier-oriented information. StyleShare has continuously focused on their customers' needs and demands.

StyleShare is designed to be easily accessible and easy to use through mobile apps. It allows users to upload all kinds of fashion information they want to know, such as price, store, and brand, and provide features such as comments, likes, and follow-ups in order to facilitate interaction with each other. Also, all the complaints and improvements from the users were shared with all the employees and the service was improved with reference.

In the early days of the business where there were only a few users and fashion contents, StyleShare broadcasted live broadcasts of New York fashion shows and Seoul Fashion Week at a great cost to provide fashion information to its members. They also made trend books and continued to build fashion content. With this user-centered service development and marketing, within three months of launching the service, StyleShare got the nickname of "Schweich," which means 'I want information' with a clear sense of purpose. When users access StyleShare and add a "Schweich" to someone's clothes or a fashion item photo, s/he will give the users information on the price, brand, and place of purchase. This way, members of StyleShare have created their own culture and created a solid bond. StyleShare has become a fashion-specific space for them.

As the number of users and activity indexes have increased, fashion designers and shopping mall operators have been joining as users and uploading their contents. As a result, users of StyleShare have begun to diversify, and network effects have begun to increase as the number of connections among various groups of members increases.

As for StyleShare, which has a higher number of users and activity indexes than other similar services, Jayoung explains:

“I do not think there is a big difference in function. The main differences between StyleShare and other similar services are content and users...Based on the number of members and active activity index, StyleShare is ranked third in the world. There is no place where users can respond to each other like in StyleShare. To sum up, I think that StyleShare is different in that sticky bonds have already been formed among the users, a unique culture has been created among them, and young people came to have their own special place for fashion.”

Join the Excellent Start-Up Ecosystem

Individuals with business ideas have many difficulties before they actually start business. Jayoung, who decided to start a business as a college student, also had difficulties as she only had a business idea but did not know how to start a business.

Jayoung was looking for help, and she came to have a great opportunity to meet a startup accelerator in a school foundation support event. A startup accelerator is a group that finds start-up companies only with business ideas, and supports them by providing office space or non-core tasks, or by linking them to consultants and experts as their mentors. Startups seeking help from startup accelerators were supposed to get a good appraisal of business ideas and participate in the programs that the startup accelerators provide. Actually, Jayoung did not know anything about the startup accelerator system, which might be what she needed most at that time, but she came to attend a special lecture about startups and, after the lecture, went to the lecturer to ask for his feedback about her business plan. The lecturer, co-president and the founder of start-up accelerator Primer, then advised her to apply for a startup accelerator named Primer club. Primer⁵ is the first start-up incubator established in 2010 in order to create the domestic start-up ecosystem environment with the first generation of internet venture being the main axis and to give experience to young entrepreneurs.

With his guidance, Jayoung made a presentation about her business idea in front of the primer partners and successfully was allowed to join the Primer Club to participate in the startup

⁵ <http://www.primer.kr/> Primer is Korea's first start-up accelerator that runs initial start-up capital investment and incubation programs in 133 startups from 2010 to 2017

accelerator program. As a member of the Primer Club, she received \$20,000 as entrepreneurial funding, mentoring and team members to work with. Besides, Jayoung made regular business meetings with mentors, set up key business indicators, set goals, and received advice on the overall business. Meanwhile, Jayoung met an angel investor who was a primer, and then learned about the ways to attract Series A and Series B investments, although it was not her intention to decide on the start-up ecosystem. Jayoung specifically described the following:

"I started my business with Primer investment from the beginning. At the beginning of the business, I did not think too much about the concept of investment. At that time, I had a strong desire to make good service, and I did not think that I was going to do business. Thanks to a good investor called Primer, I was impressed by the investment itself. At that time, the investor had a vague idea that he was the person who helped start the business. At the beginning of my business, my investment was like incubating. At that time, I did not have an ability to formulate business management strategies and to find out when I would need more funds. However, the investment came at a time when we lacked funds. In retrospect, I think it was the process that investors reminded me that we needed funds. In the meantime, we have invested in people we can respect. After receiving investment, I felt a need for IR (investor relation) but making a proper preparation was very difficult personally. It was not easy to organize myself and look back on my failures, but I learned a lot in the process.

I especially remember when I met a venture capitalist who reminded me of what I could not even think of. Angel investment or Series A may appeal to our enthusiasm, teaming, or idea, but it does not make sense in Series B investment. It was important to prove that we are the company that leads the market and shows visible performance. So the judges had different depth of questions. I felt like being tutored when I asked for data I could not think of, or when I asked about the meaning of the data. 'Oh, you can use this data in this way' and 'companies that have been evaluated to be growing up have been worried about this.' After returning from a venture capitalist meeting, I recreated their questions, and from then on, I was able to pick up and build up the data requested by the venture capitalist. "

Jayoung was a beneficiary of a healthy startup ecosystem functioning in Korea. She had a chance to meet a startup expert, gain supports from mentors, and receive funds from investors. Thanks to the help from the startup ecosystem, Jayoung could start and grow her business.

3.9.3.2 Challenges

StyleShare was a relatively easy startup unlike other startups, in terms of funding and management. It also succeeded in receiving large-scale investment from venture capitalists. But there were many difficulties in doing business, three of which are described as major ones below.

The Emergence of a Strong Competitor

In April 2013, when Naver, Korea's leading portal company, started to provide similar service to StyleShare, StyleShare faced the first crisis coming from the appearance of a huge competitor. Competition against large enterprises with a huge amount of capital was overwhelming. There are very few small companies that can cope with the rich capital and manpower of large corporations, especially in the case of platform business where it takes time to make profits. In this situation, netizens criticized Naver as an unfair trade practice that harms SMEs. As a result, Naver ended their new fashion service at the end of October 2013.

Other large companies have launched similar services, but they were not as successful as StyleShare. As Naver is Korea's largest internet company, StyleShare would have been a very difficult period if it had to continue to compete.

Rapid Organizational Change and Leadership Building

The most difficult time for Jayoung as CEO was when the entrepreneurial members left and she had to recruit a large number of experienced external personnel.

At the time of its establishment, most of the members of StyleShare were students, and they used the university space as their office. However, soon after it was founded and business was on track, five out of seven startup members left the company. At that time, when Jayoung saw the empty office, she had no intention of continuing the company, but she received advice and encouragement from her mentors and other career people to overcome the challenge by filling in the scarce manpower and to keep going.

However, Jayoung experienced the problem of manpower once again with the business booming and the large-scale investment. As the size of the company grew due to the large-scale investment, the role required for the CEO changed, which posed the biggest challenge to her. Regarding the situation of that time, Jayoung said,

"Before the team was upgraded, I was doing a lot of work myself, planning, marketing, and many others. However, there seemed to be a gap between my appearance and what people expected from me as CEO. I think I was deeply

distressed about what my role is and what my identity is. So I tried to change myself to fit what they wanted, but for the first time the business was so much less fun. It was the hardest time to do business. I was looking for advice, but in the end, my conclusion was that I had to live up to my style, and there was no other way around that”.

In the end, she did not lose her style but maintained her unique strengths while playing a role as CEO. One of her biggest strength was a deep understanding and affection for fashion and customer needs.

3.9.3.3 Policy Recommendations

Develop Manpower to Deal with Digital Technology

StyleShare is a platform company that is a representative business type in the 4th industrial revolution era. Internet, big data and artificial intelligence are important things in this new age. Digital intelligence connected with them is expected to bring about changes in society as a whole, and business based on them is expected to grow as well. Also, data, rather than capital and labor, which are important elements of existing production, will play an increasingly more important role as a new factor of production. Therefore, in the 4th industrial revolution era, competence to collect, analyze and utilize data will be important as a means of creating new value.

Against this background, the demand for the manpower to understand and deal with digital technology will increase, and securing the manpower with such capability at the start-up will be more important than anything else. Therefore, governments should establish a policy that can help to develop relevant competencies and link competent people to the places where they can work properly.

Establish a Network

It is also necessary to establish a network that can connect a potential entrepreneur with a business idea and a developer with development ability.

Create an Effective Startup Ecosystem

In solving the problems of entrepreneurship, governments should make policies and regulations that can promote easier startups, rather than provide funds and evaluate performance from a short-term perspective. It is important to focus on a policy that builds the environment and infrastructure from a longer-term perspective, such as a startup accelerator that invests business funds to entrepreneurs, or a policy that helps venture capitalists effectively support successful entrepreneurs.

3.9.3.4 Advice for Women Entrepreneurs

Jayoung gave three kinds of advice to other women entrepreneurs.

Focus on a Business Item that You Know Well

When asked about when to start a business, she said, "Start-up is your own choice, so you should start when you can convince yourself 100%." Regarding how to prepare for start-up, "If you decide to start a business, you should choose the item that you are most affectionate and can do well. Understanding the field is much more important to understanding consumers than understanding how. You need to be able to find a consumer's pain point and present a solution to that pain point. Most importantly, the founder must have an answer to the pain point.

Forming a Solid Team

When asked about what is important in the process of starting a business, Jayoung said, "There is no certainty at the beginning of the business, and it is difficult to recruit team members to work together. If you are convinced that it is really necessary for consumers, you have a lot of stress. It is very important to have a solid team that can work together and share their concerns when there is a hard time."

Network with Others

Finally, when asked what is important in the process of doing business, she says, "I do not step on a big landmine. If you do a hard job alone, you are exposed to a lot of dangerous moments. I often meet people, share their concerns and listen to their opinions."

3.9.3.5 Summary and Discussion

It took two years for a female college student who was interested in fashion information to generate a business idea with steady market research. She then met with a startup accelerator who participated in initial business start-up funds and mentoring programs, and in 2011 StyleShare was finally established.

During the first two years, StyleShare focused on service development and user recruitment, and in its third year, due to its satisfactory performance, the company succeeded in attracting large-scale investments. StyleShare invested the fund in manpower and developed additional services to earn real profits while diversifying profit sources such as advertising and co-marketing. With the introduction of the billing system in 2016 and the launch of the sales service, transactions started, and, in the 6th year of the business in 2017, the annual cumulative transaction value of \$ 27.5 million was achieved.

The story of Jayoung and StyleShare is a good example of what role the startup ecosystem can play in producing successful entrepreneurs. The startup ecosystem consists of multiple actors, including government, startups in their various stages, and various types of physical or virtual organizations, including universities, funding organizations, support organizations (like incubators, accelerators, co-working spaces etc.), research organizations, service provider organizations (like legal, financial services etc.) and large corporations. All the players in the ecosystem are interacting as a system to create and scale new startup companies.

Jayoung roughly formulated her business ideas in the beginning, but, with supports from the ecosystem, she could refine the original rough ideas and encounter precious opportunities to start and grow her business. She had an opportunity to present her business ideas through various venture contests held by universities, media, and government agencies; she was given advice and other necessary helps by her university that provided training and information necessary for start-up for the students interested in start-up; she was also connected with mentors and other institutions in the entrepreneurial ecosystem; she gained startup funds as a member of an incubation program. Later StyleShare succeeded in attracting large-scale investment after finishing the startup accelerator program. At that time, StyleShare had little revenue, but the cumulative investment amount reached \$10 million. The investment amount was used to boost the business, and it reached \$30 million transactions in 2017, just six years after its foundation. The footsteps of StyleShare show how a business idea can grow with a help of entrepreneurial ecosystems.

If a healthy startup ecosystem is built, it is possible for an individual with plausible, solid business ideas to start a business even if they do not have enough resources. Because of the intertwined interests of individuals or organizations involved in startup ecosystems, if the trust among the players is maintained, the ecosystems will prosper and startups benefit from the flourishing ecosystems. A healthy startup ecosystem with a trust relationship will boost and vitalize entrepreneurship. As the entrepreneurship becomes more active, the ecosystem will flourish as well, creating a virtuous circle of entrepreneurship.

If the startup ecosystem is well developed, there will be more opportunities for value creation through new innovation, which is critical to the current 4th industrial revolution era. Prospective founders or entrepreneurs need to understand the current entrepreneurial ecosystem, find reliable agencies and build networks with them.

Before anything else, it is important to thoroughly prepare the business ideas, and to do so, potential entrepreneurs need to try to get advice on their ideas and opportunities for evaluation.

These opportunities can be obtained by participating in various business idea contests hosted by the key players in the ecosystem or other relevant related meetings. Networking also has the potential to create such valuable opportunities.