

S.Korea's traditional markets go high-tech

August 23 2013, by Jung Ha-Won



A manual cash register with a touchscreen tablet offered by SK Telecom is seen at a sesame oil store in Seoul's Jungkok Cheil traditional market, on August 7, 2013. SK Telecom started to offer for free the new devices and necessary training to merchants early this year.

Seoul's traditional markets—bustling, narrow streets of small vendors selling cheap, fresh produce—have largely opted out of the high-tech charge to make the South Korean capital one of the most wired cities on earth.

But squeezed by big-box stores and dwindling custom, these mom-and-

pop operations are slowly going digital, replacing well-thumbed ledgers with [tablet computers](#), and cash pouches with sleek smartphones that can scan credit cards.

Yoo Hyung-Geun has been selling sesame oil at Seoul's outdoor Junggok Cheil market for the past 14 years.

Two months ago , he finally parted ways with his trusted manual cash register and replaced it with a Samsung Galaxy touchscreen tablet provided free by the country's top [mobile operator](#), SK Telecom.

The tablet not only functions as an electronic cash register but also features software specifically developed by SK Telecom to help small businesses improve their performance.

At the most basic level, it stores and provides basic sales and inventory data, such as how many bottles of sesame oil—a key ingredient in South Korean cuisine—are sold each day, week or month.

But it also lists and stores the items brought by individual customer, allowing Yoo to engage in some basic target marketing, promoting new products via text messages or e-mails to regular shoppers based on their purchase history.

"These days, I'm trying to analyse this data in different ways," Yoo said, adding that his sales had jumped nearly 30 percent since he embraced the new technology.



Yoo Hyung-Geun, sesame oil seller at Seoul's Junggok Cheil traditional market, demonstrates his manual cash register with a touchscreen tablet, offered by SK Telecom, on August 7, 2013. S.Korea's huge, family-run conglomerates have been blamed for stifling innovation and deliberately smothering small firms—especially in the retail sector—as they seek to expand into new markets.

Yoo was one of an initial batch of 14 merchants in Junggok Cheil market to receive the tablet and specialised software.

SK Telecom launched the initiative partly in response to a call from President Park Geun-Hye for large companies to lend a hand to smaller businesses who struggle to stay competitive.

South Korea's huge, family-run conglomerates, like Samsung and Hyundai, have been blamed for stifling innovation and deliberately smothering small firms—especially in the retail sector—as they seek to expand into new markets.

For those working in the country's 300 or so traditional markets, the growth of supermarket chains like E-Mart and HomePlus with modern, spacious, air-conditioned stores and ample parking space is a daunting challenge.

So far, the company has provided 26 tablets and accompanying software to merchants in two markets in or near Seoul and plans to do the same in other venues later this year, said SKT spokeswoman Irene Kim.

The mobile operator has also provided mini electronic kits that can scan credit cards—addressing one of the main complaints of shoppers who seek to stay loyal to the old markets.

"It's much more convenient if I don't have to carry wads of cash whenever I come here," said Kwon Hyuk-Sung, a Seoul resident and regular shopper at Yoo's store.

Junggok Cheil is not the only market where vendors have accepted that new technology can give them a fresh foothold in a rapidly-changing and increasingly-competitive environment.

In the southern city of Busan, one traditional market teamed up with a local government office to create a mobile phone app that offers discount coupons, information about each of its 100 stores and directions to the nearest parking lots.

Some have begun to offer a free WiFi service—an important move in attracting younger customers to the cooked food stalls that complement the grocery stores.

And in Suwon city, near Seoul, store owners have set up cameras capable of counting the number of people in any corner of their market at any given time.

The merchants use the data to determine the best time and location to hold special cultural or sales events.

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