SAMSUNG

SAMSUNG 2015 PREDICTIONS

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Introduction

from Lysa Clavenna, Head of Innovation at Samsung Europe

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Head of Innovation at Samsung Europe

Technology has incredible potential to impact how we live our lives and connect with each other across the globe. It touches every aspect of living – work, rest and play –and innovations in technology can help us to create the life we want and help us feel closer to distant loved ones.

Inevitably it takes a while for technology to reach tipping point, before it can become mainstream and change the way we live and work, so it is important to look to trends taking off now and imagine how they might transform our lives in the future.

Samsung's European Product Innovation Team has taken a look at five trends that, over the next 12 months, might influence the way we work, how we live in our homes, the way we shop and even the way we learn.

While it is impossible to predict anything with any certainty – it is possible to use insights to feed our imagination.

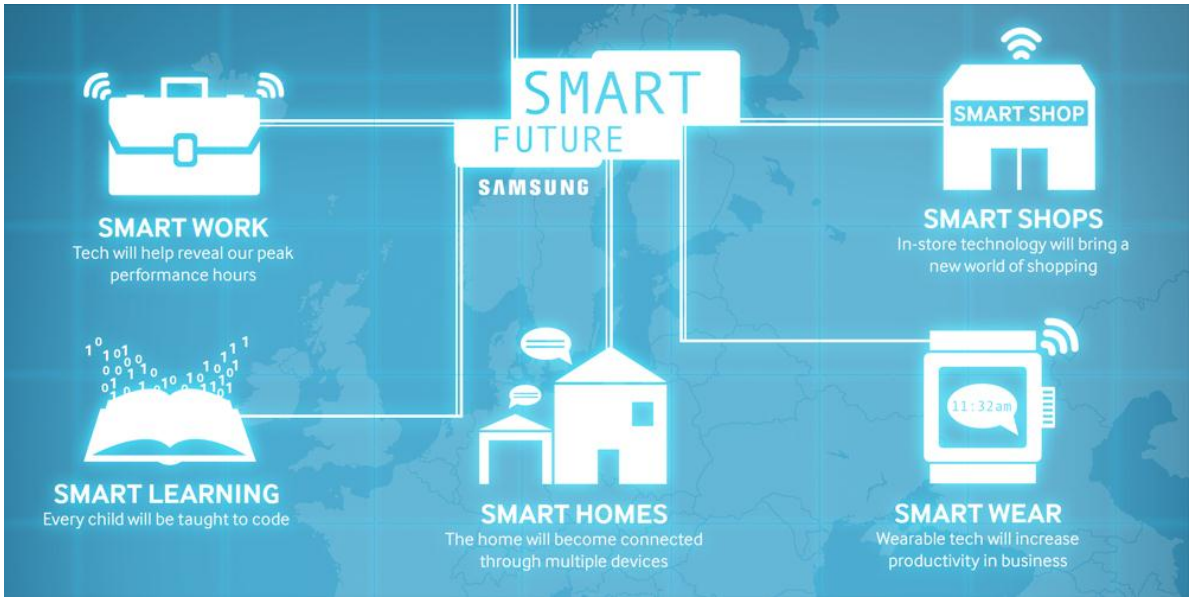
Enjoy!

About Samsung's European Product Innovation Team

Samsung Electronics has a total of five Product Innovation teams (PIT) around the world – including Europe – which operate as in-house incubators to develop market-driven technologies and innovation.

The European team – based in London – influences the company's range of products and services for consumers and businesses across Europe by analysing the local cultural, lifestyle and industry trends in the region.

2015 Predictions



Prediction No. 1

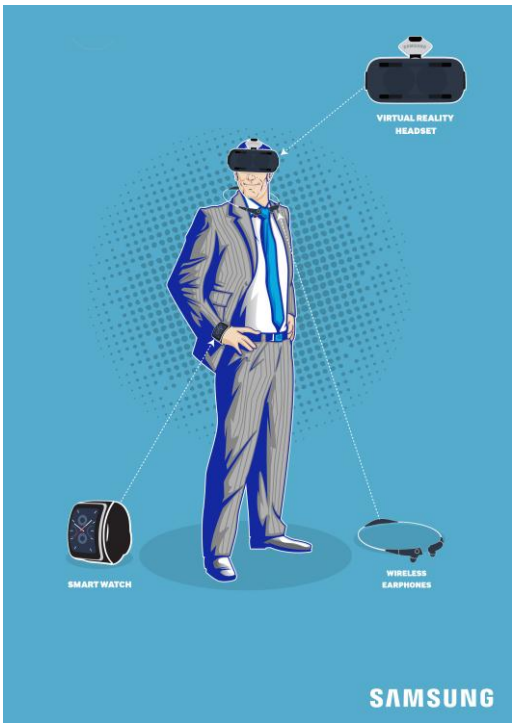
Wearable technology will create a new era of Power Dressing for business leaders

Wearable technology is hugely exciting. Its benefits are clear: it allows us to be connected at all times

to a constant flow of live data helping us to live in smarter ways. From checking messages and answering phone calls, through to monitoring fitness levels and analysing the quality of your sleep – all of this can now be done without having to wake up your smartphone.

We predict that businesses – or smart business people – will see a real competitive advantage in this technology, which has the potential to dramatically disrupt the business world.

Business leaders are no strangers to dressing to impress – wearable technology is going to take this to a new level. Through the course of 2015 increasing numbers of individuals will begin to use their own wearable technology to make themselves more efficient and better organized. We predict that this trend will begin with smart watches and gradually develop into devices such as wireless headsets, lanyards and other forms of smart clothing.



Individuals will lead this revolution; however a number of progressive industries have already adopted wearable technology – namely healthcare and business consulting.

New Samsung research into how wearable technology has impacted on workers within these industries finds that:

- **47%** of wearable technology users felt more intelligent
- **61%** felt more informed

- **37%** state that wearable technology helped with career development
- **61%** claimed that their personal efficiency improved wearables[1].

That's a compelling argument for business leaders.

Forrester predicts 2015 as a breakthrough year for wearables .

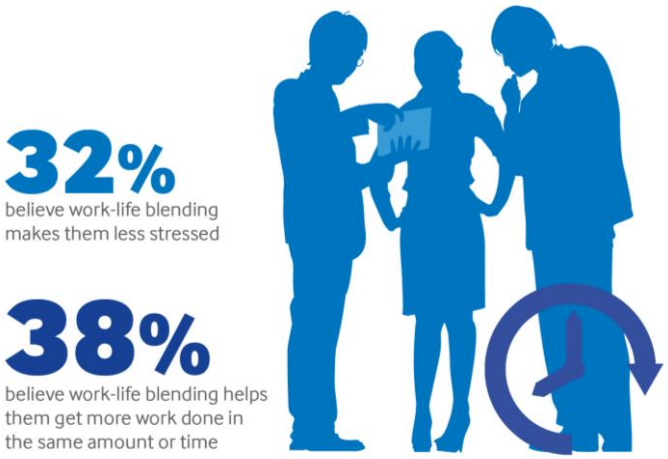
New research from them indicates that the number of wearable users will triple next year, with 68% of business decision makers stating that developing a wearables strategy was now a priority.

Samsung predicts wearable technology will become normal in offices across the world from 2015.

Prediction No. 2

People will restructure their working lives around personal "Power Hours" – as technology reveals peak performance times

Three factors point to a trend that will see people and businesses restructuring their working lives away from the traditional 9 - 5.



The first is that our working and personal lives are already blending more than at any other time in history.

According to a Samsung study conducted this year involving 4,500 workers, three quarters of those surveyed do personal tasks in work time (75 per cent) and work tasks in their personal time (77 per cent). Nearly four in every ten (38 per cent) say this helps them get more

[1] https://www.forrester.com/Five+Urgent+Truths+About+The+Future+Of+Wearables+That+Every+Leader+Should+Know/fulltext/-/E-RES119783

work done in the same amount of time. Almost one third (32 per cent) believe it helps them manage their personal tasks better, and the same proportion say it makes them less stressed.

The second is that people are much more interested in measuring their own fitness, wellbeing and productivity – enabled by a rise in apps, smart technology and wearable technology.

Samsung research shows that already 27% of people use devices to measure and track their health. 61% of people try to be aware of their health and body and increasingly our attitudes to wellness move beyond just fitness. 30% of people meditate or take a mental break at least weekly, while 42% of people try brain teasers.

Thirdly, flexible working has become easier to implement thanks to huge advances in home computing, web and video conferencing and digital communications.

We predict that a new wave of apps, coupled with a rise in wearable technology, will enable people to understand when they work most productively, how much sleep they need and when they need to recharge. Increasingly people will have a data-driven understanding of when they are most productive. This will help people to structure their working time around the most productive hours of the day.

Businesses will embrace this, re-thinking how they approach flexible working. Already many businesses encourage employees to “work from home”. Eventually this technology and understanding is also likely to transform work schedules, meaning an end to our standard 9-5 working hours.

Prediction No. 3

Virtual reality technology and the innovative use of displays will lead to a new generation of digital shops, allowing retailers to overcome space constraints and high rent

A number of forces are driving innovation in retail.

First is the impact that multi-channel shopping is having on traditional "high street" retailers. A study by professional services group PwC found that in the UK, 16 high street shops closed every day in the first half of 2014.

At the same time, in prime retail areas such as major shopping streets in main cities, space is limited and rents are high. This is driving innovation amongst retailers to maximize the space they have.

It's no longer realistic for many brands to have large, physical stores to showcase their ranges and so they're turning to digital to extend the shop walls. These endless aisles consist of interactive displays and tablets, providing a way to display vastly more merchandise than the physical store can hold.

The next trend likely to cross over into retail is the resurgent interest in virtual reality. This technology can be used to train employees or enable shoppers to take virtual tours of items they'd like to purchase such as a new car or holiday package. Customers might not select an expensive handbag, but seeing themselves holding it alongside the dress they're trying on in an augmented reality mirror could be extremely persuasive.

Retailers are also adopting a 'pop up' approach – taking over retail space for short periods of time in order to sell a particular product or target a specific audience at a specific time. Nike, for example, took a vacant unit from Transport for London at Piccadilly Circus in order to sell a limited edition trainer.

We expect that this pop-up experience will become increasingly digitized as consumers embrace the idea of 'click and collect' – leading to a creation of pop-up 'virtual' shops with the potential to allow shoppers to purchase at new times and in unexpected places. We expect this sort of shopping to be trailed in 2015 amongst leading retailers and extended in future.

In 2015, retailers who lead the pack will blend the best elements of the online shopping experience with the unique opportunities a physical presence can offer.

Prediction No. 4

Automated home systems will move from 'geek' to 'chic' driven by a dramatically improved user experience

Already two in five people have some type of home automation. Heating and air conditioning (22%) and entertainment (16%) are the most popular ways in which people have begun to use technology to control their appliances.

There are a number of reasons why people up until now have not fully embraced home automation.

Firstly people are concerned that technology will become obsolete (52%). Secondly, people are concerned about privacy concerns (42%) and thirdly – more than one in three (36%) of people don't understand why home automation would even benefit them.

We believe that 2015 is the year that these concerns begin to be overcome. The first thing that will help people to embrace home automation is a more user friendly approach to automation than has previously been available. This will be driven by more sophisticated cross platform functionality.

In particular, services that provide an open platform for home automation, such as Samsung-owned SmartThings. SmartThings makes it easy for consumers to turn their home into a smart home using an app on their phone to connect and control various devices and appliances.

As these services grow we predict that establishing 'smart settings' for your home will become much easier. More people will embrace the technology as it becomes a 'one touch' service.

As this happens, word of mouth will drive new users towards the technology until it reaches a tipping point.

Research by Samsung suggests that the main uses for home automation in the short term will be:

- Managing energy consumption (**59%)**
- Security (**53%)**
- Entertainment (**35%)**
- Creating a relaxing atmosphere (**31%)**

Over the longer term we predict that we will use some form of home automation for most aspects of household living.

Prediction No. 5

Every child born in the next 12 months will learn coding as a core subject alongside numeracy and literacy

The great education shift in coming years will be the development and growth of the computing curriculum.

There are clear reasons for this. The European Commission estimates that there will be 900,000 ICT vacancies by 2020. Around 90% of all jobs in 2015 will involve at least some computer skills.

Coding is a skill that Samsung predicts will become a basic, foundation subject in future – and that every child born in the next 12 months will learn to code. We expect entry level coding programmes will become available for tablets in 2015, making it much easier for it to be learnt at school or at home.

This is hugely relevant to business. The McKinsey report 'Getting Europe's Youth into Work' (2013) found 60% of employers were not confident they could find enough applicants with the right skills for their opportunities.

Demand from business is helping governments to recognise that computer literacy is a fundamental, basic skill – and incorporate coding into their curriculums. The UK has launched a new 'Computing' curriculum during this academic year, in which children as young as five will be taught programming skills. Estonia has been teaching children to code since 2012.

Samsung predicts that in 2015 and beyond, these education innovations will gradually become the norm, with businesses, educators and governments working together to raise skills across Europe. An innovative example is the Kano computer – which allows children to build their own simple computer for just $150. And in doing so, introduces them to coding.

Samsung is already involved, as are many other businesses, with championing the computer literacy agenda in Europe.

In the UK, Samsung has partnerships with Apps for Good and Code Club to bring coding into our Smart Classroom programmes (aimed at 6-16 year olds).

In Poland, Samsung runs the Coding Masters programme which aims to create a national movement that will teach 50,000 young people across Poland to code by end of 2015.

Longer term this generation of young people will offer prospective employers the sought-after computing skills businesses need.

Increasingly the need for employees to be computer literate will also see a wave of intensive schools for coding spring up – helping longtime employees to learn coding quickly. Already schools such as 42 in Paris are beginning this trend – offering intensive, one month courses in coding.

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About Samsung Electronics Co., Ltd.

Samsung Electronics Co., Ltd. is a global leader in technology, opening new possibilities for people everywhere. Through relentless innovation and discovery, we are transforming the worlds of TVs, smartphones, tablets, PCs, cameras, home appliances, printers, LTE systems, medical devices, semiconductors and LED solutions. We employ 286,000 people across 80 countries with annual sales of US$216.7 billion. To discover more, please visit www.samsung.com.