

Review Of The Russian Media Scene

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TNS, Russia

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Agenda

- Key figures about Russia
 - Advertising trends
 - Print media in Russia
-
- Panel discussion

Panel «Russian Media Landscape»

- **Ms. Marina Pereverzeva**

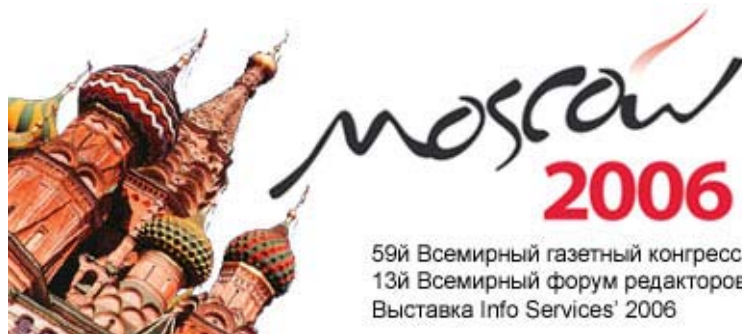
- Head of Media Department, «PromSvyazCapital Group»

- **Mr. Pavel Filenkov**

- COO, «Kommersant» Publishing House

- **Mr. Evgeny Abov**

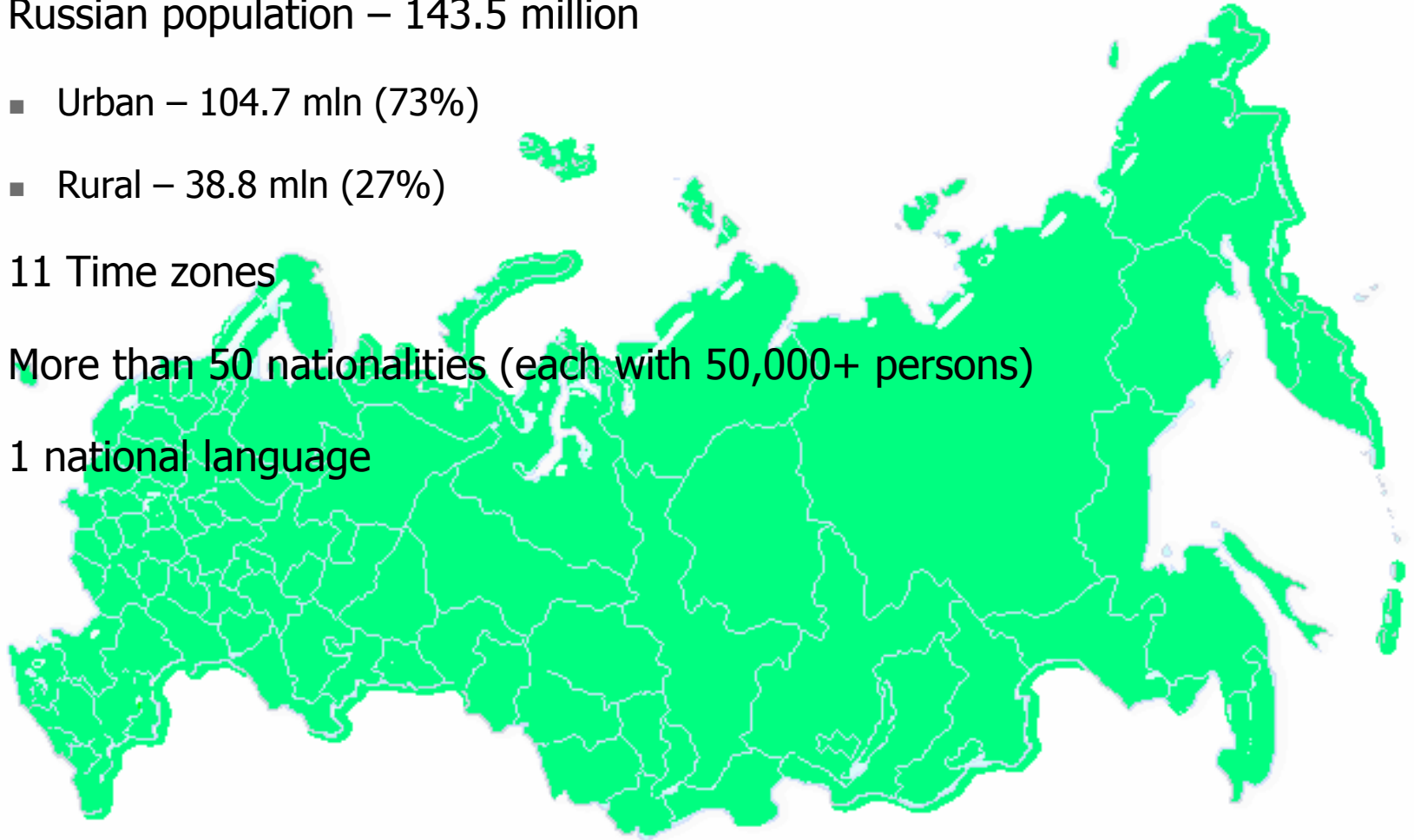
- Vice-President, Guild of Press Publishers
- Deputy CEO, «Prof-Media» Holding



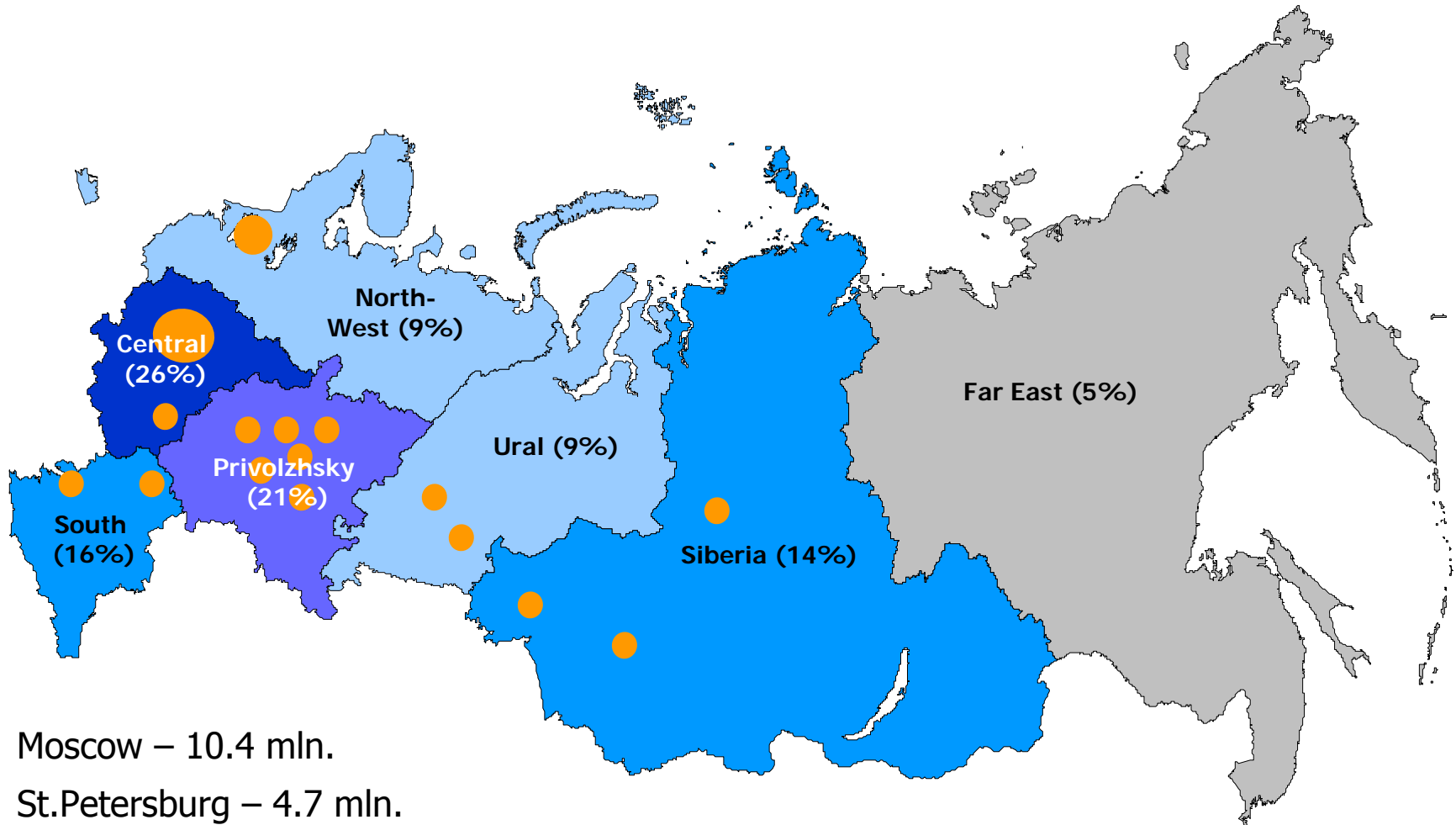
Key figures about Russia

Russia: General Information

- Russian population – 143.5 million
 - Urban – 104.7 mln (73%)
 - Rural – 38.8 mln (27%)
- 11 Time zones
- More than 50 nationalities (each with 50,000+ persons)
- 1 national language



Density of Population in Russia

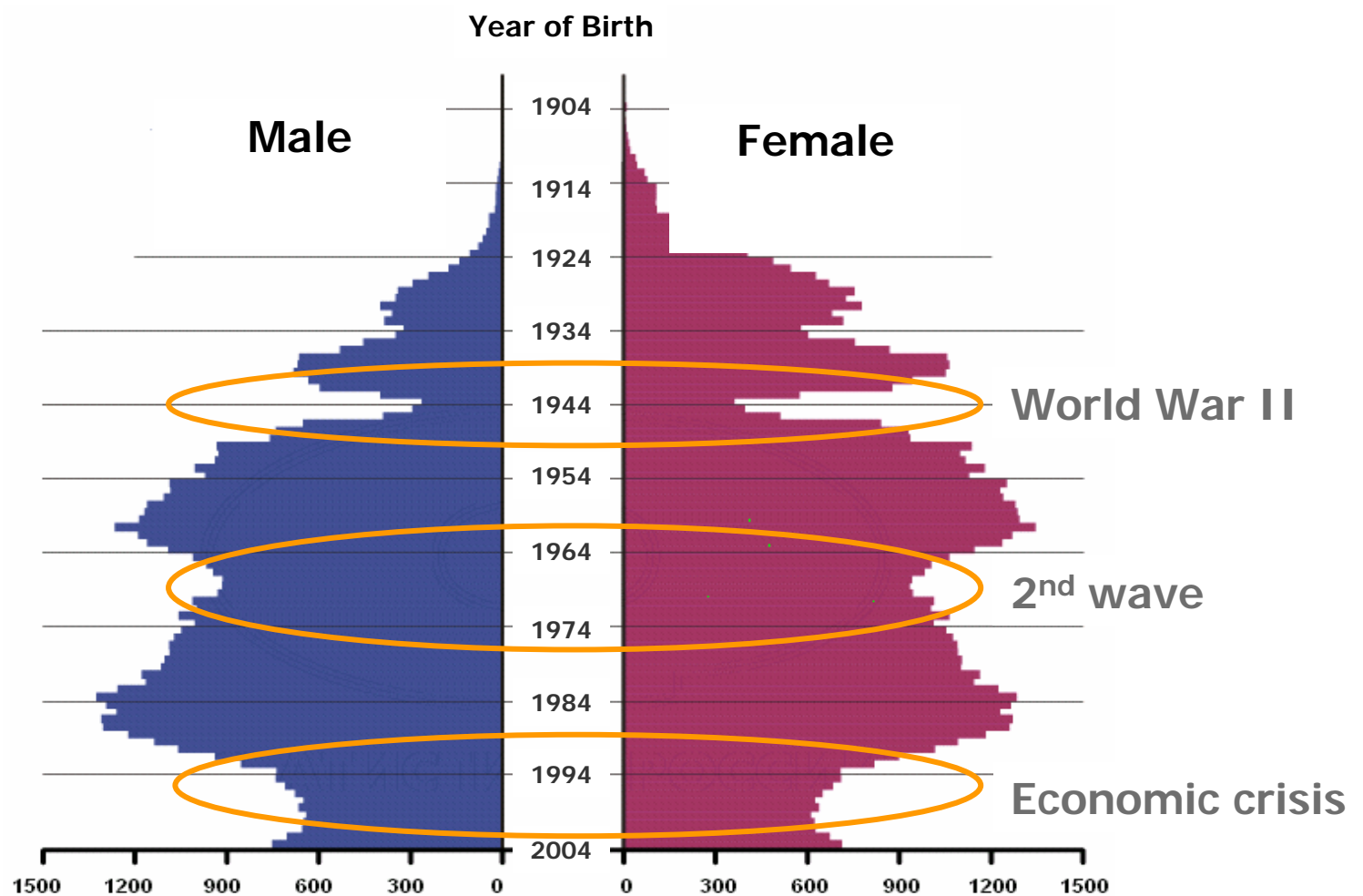


Moscow – 10.4 mln.

St.Petersburg – 4.7 mln.

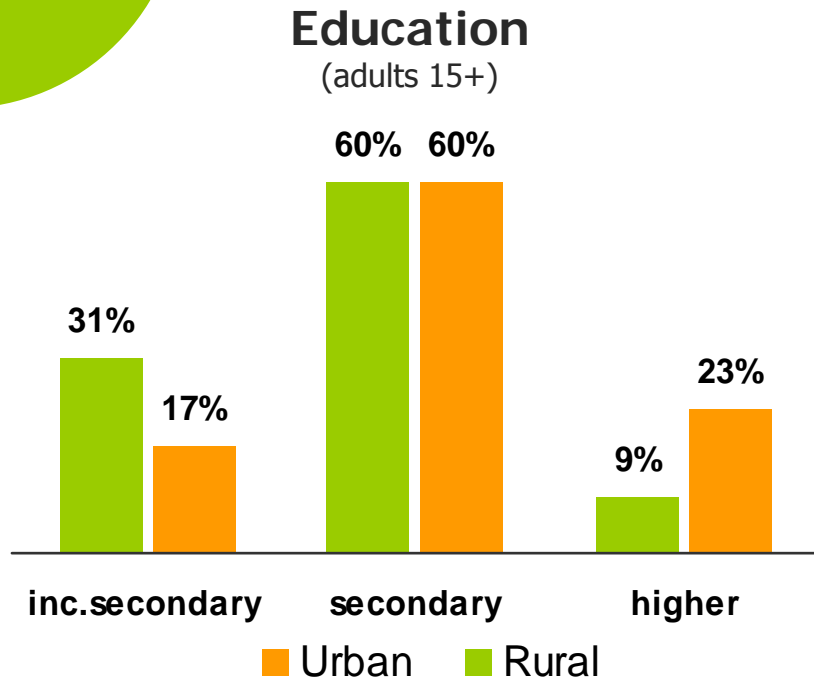
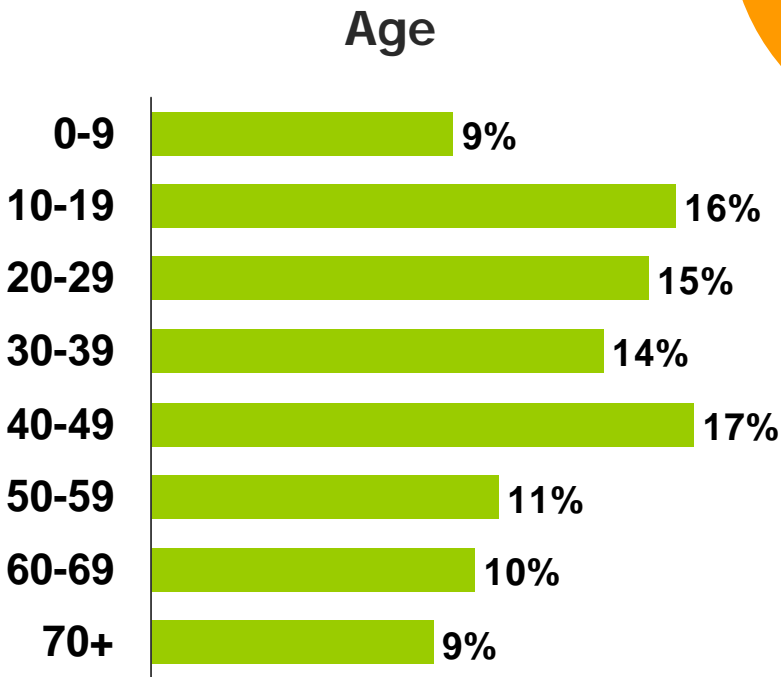
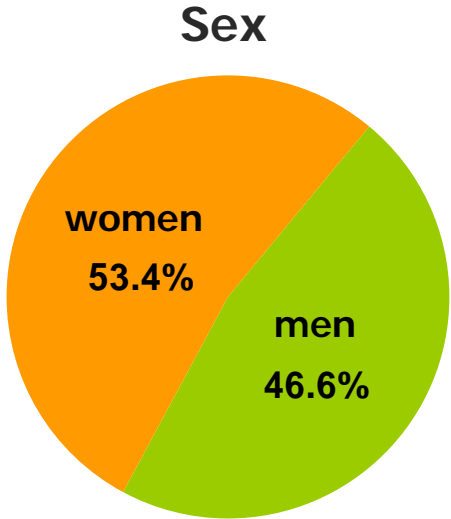
14 Cities – about 1 mln.

Population of Russia: basic demographics



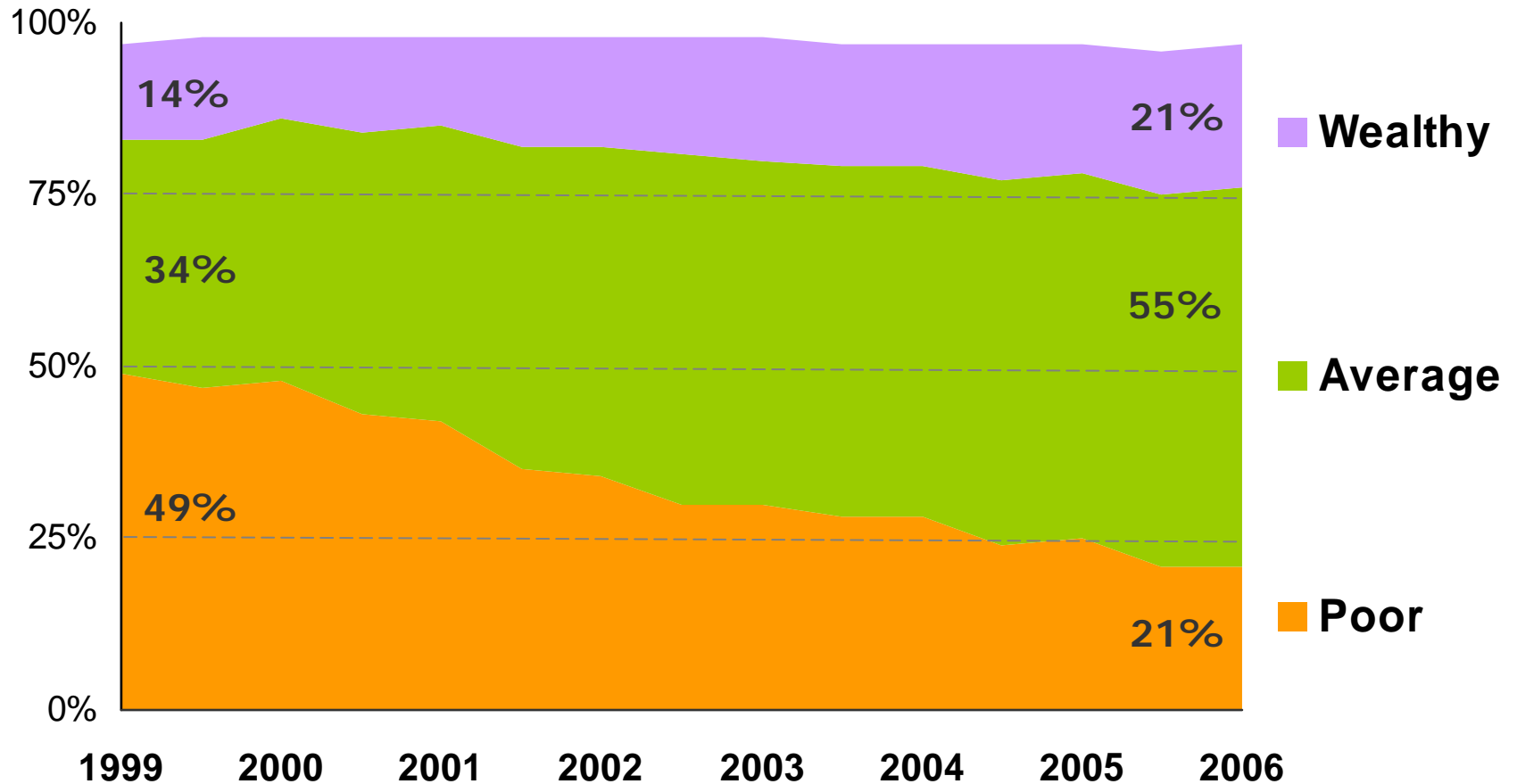
Source: Federal State Statistics Service, 2004

Population of Russia: basic demographics



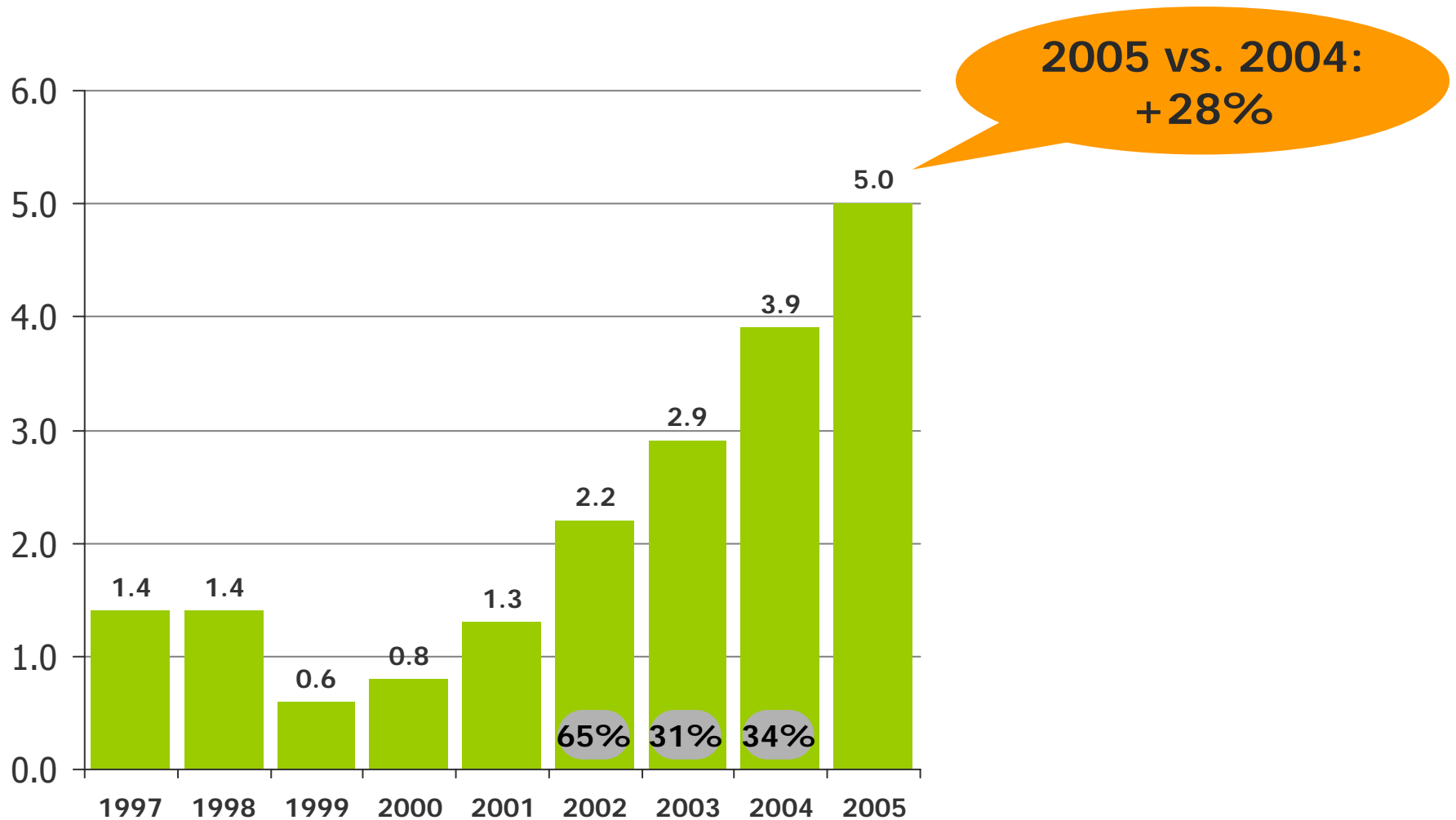
Source: Federal State Statistics Service, 2004

Population Income Level: dynamics

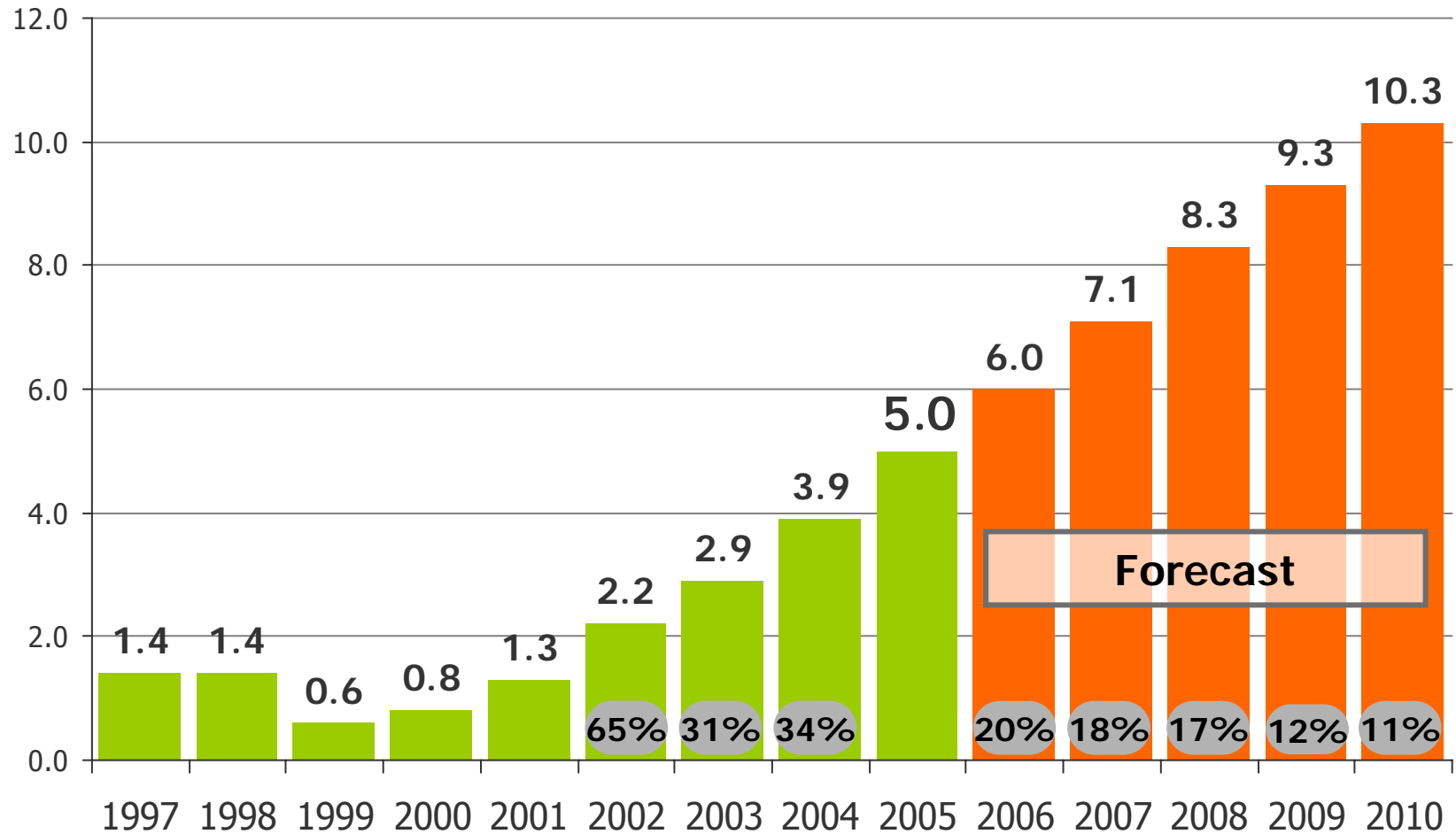


Advertising Trends

Advertising expenditures (\$, bln)



Advertising expenditures (\$, bln)

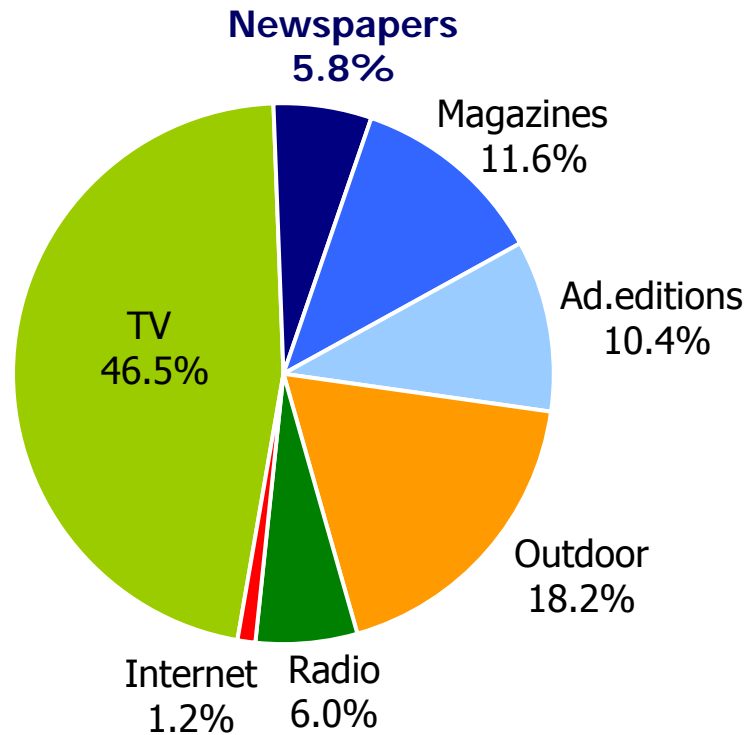


Russia and World Advertising Market

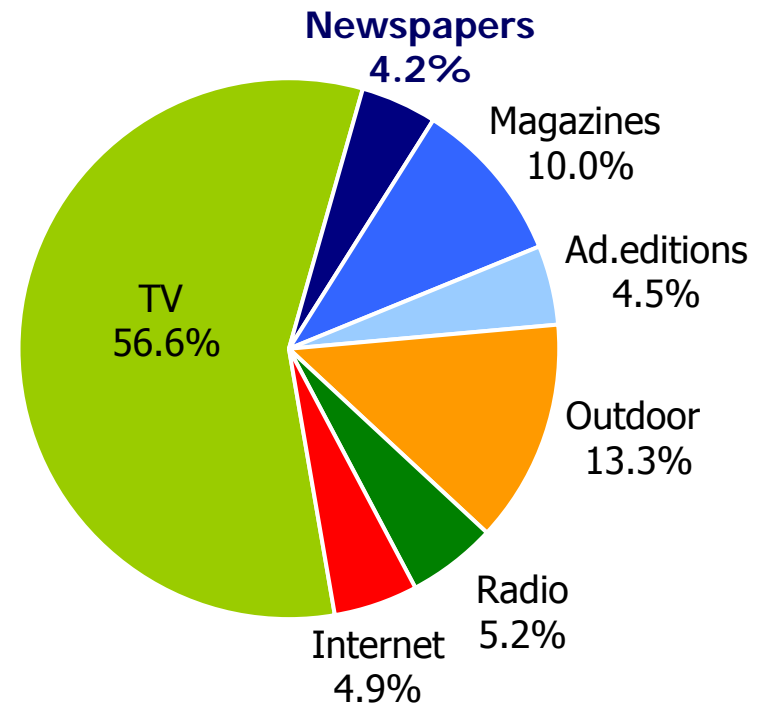
NUMBER	COUNTRY	Advertising Expenditures, USD bln			
		1991	1996	2001	2005
1	The USA	82,2	104,9	147,2	168,0
2	Japan	37,2	37,7	38,9	38,7
3	Germany	14,3	18,2	20,8	19,0
4	Great Britain	8,9	12,3	16,6	18,7
5	France	8,0	8,4	10,9	11,5
6	Italy	5,0	5,8	8,8	10,0
7	China	0,3	2,5	5,1	9,7
8	South Korea	2,0	4,5	5,3	7,6
9	Spain	5,3	4,1	6,2	6,9
10	Canada	3,7	4,2	5,6	6,5
11	Australia	3,0	3,9	4,9	6,1
12	RUSSIA*	...	1,0	1,5	5,0
13	Brazil	2,5	6,0	4,0	4,2
14	The Netherlands	2,3	3,2	4,3	3,9
15	Mexico		1,8	3,6	3,6
17	Poland		0,6	2,5	3,3
18	Belgium	1,0	1,3	2,0	3,1
19	Greece	0,3	1,0	2,1	2,9
20	Switzerland	2,4	2,5	3,1	2,8

Ad Spending Split in Russia

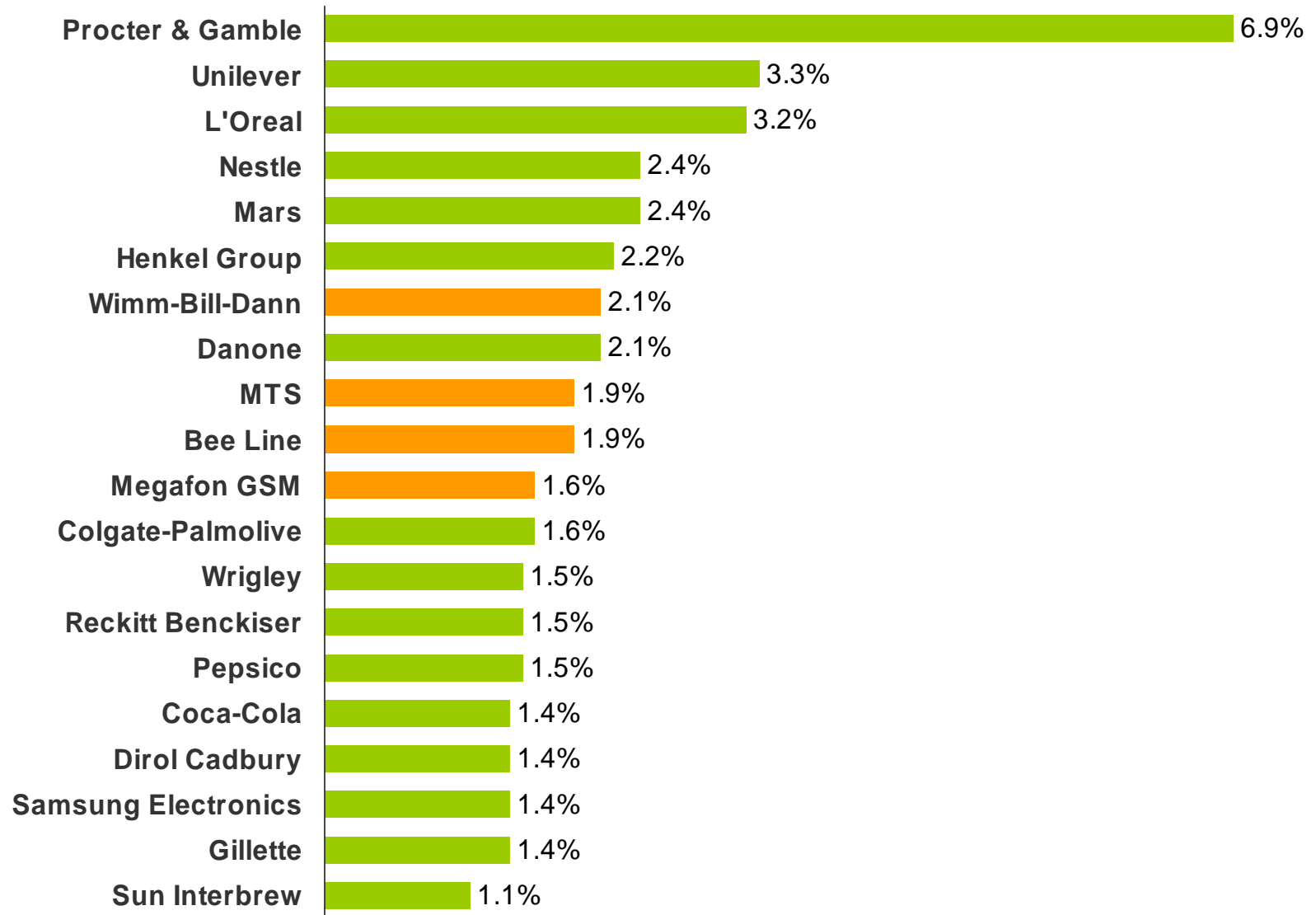
2005



2010 Forecast



Top-20 advertisers in Media (SOV, %)



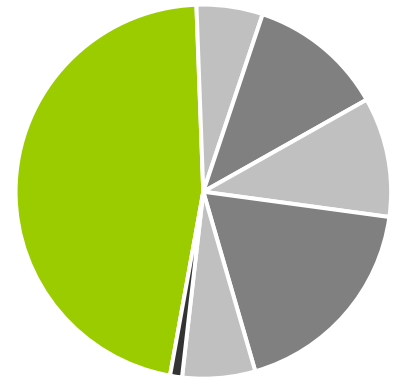
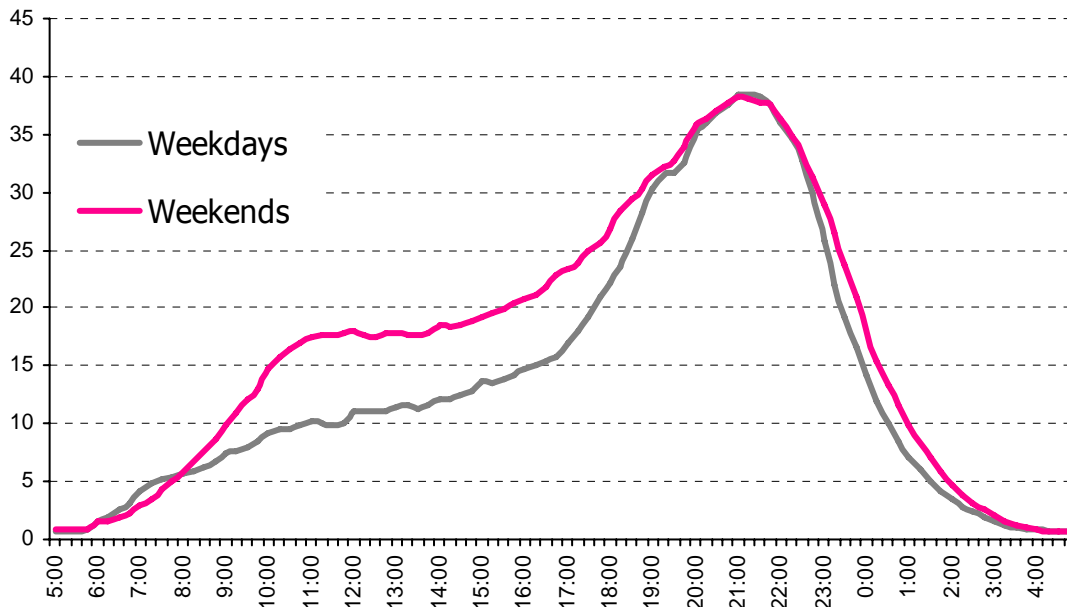
Top-10 advertisers budget split

Advertiser	TV	Radio	Press	Outdoor
Procter & Gamble	97.3%	0.1%	2.3%	0.3%
Unilever	98.8%	0.2%	0.9%	0.2%
L`Oreal	92.2%		7.6%	0.2%
Nestle	98.7%	0.003%	0.8%	0.3%
Mars	98.5%	0.2%	0.7%	0.3%
Henkel Group	98.4%	0.1%	1.3%	0.2%
Wimm-Bill-Dann	99.1%	0.2%	0.2%	0.4%
Danone	99.5%	0.1%	0.3%	0.1%
MTS	84.4%	7.1%	4.6%	3.3%
Bee Line	86.9%	5.5%	4.6%	2.4%

TV Market

- 2 Federal channels, 15 network channels
- 15-20 channels per city
- TV Penetration – 98%
- Cost Per Thousand (CPT) \approx 2-5 USD

Total TV Ratings dynamics within a day



Source: TNS Gallup Media, 2005

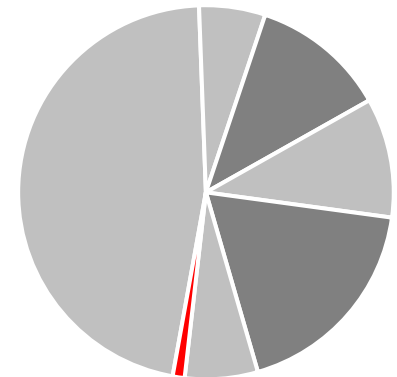
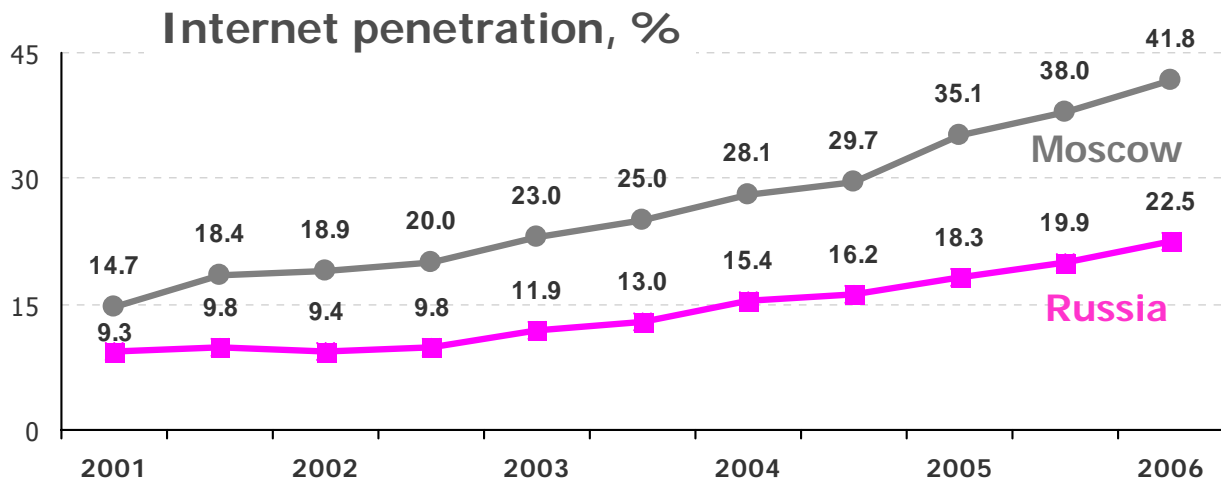
Internet

■ Penetration:

- Urban Russia – 22%
- Moscow – 42%

■ Biggest players (≈ 50% of ad market):

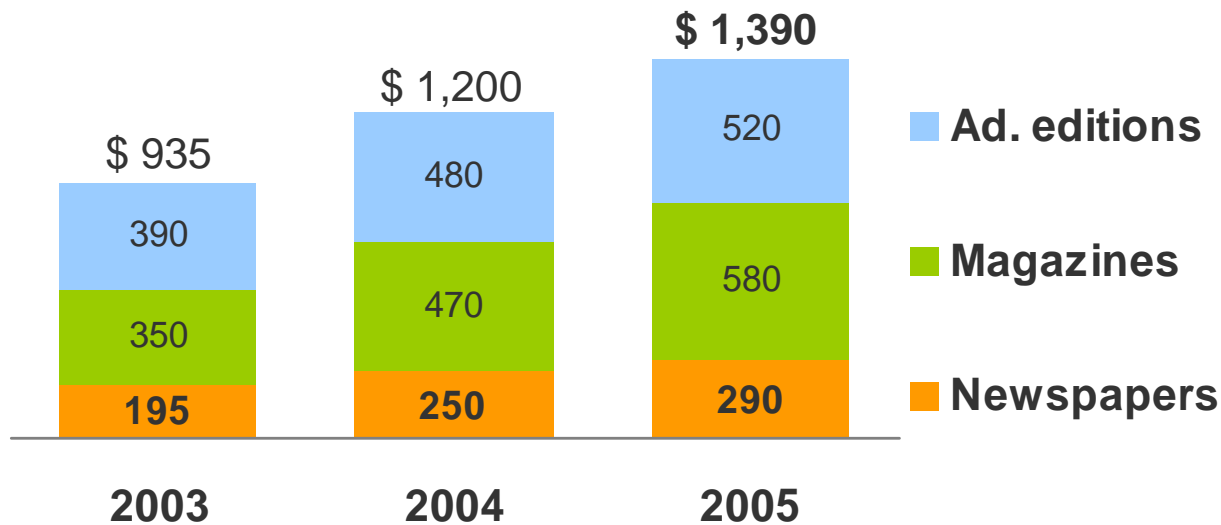
- Yandex.Ru - search engine
- Mail.Ru - free mail service
- Rambler.Ru - search engine



Print Media in Russia

Print Media

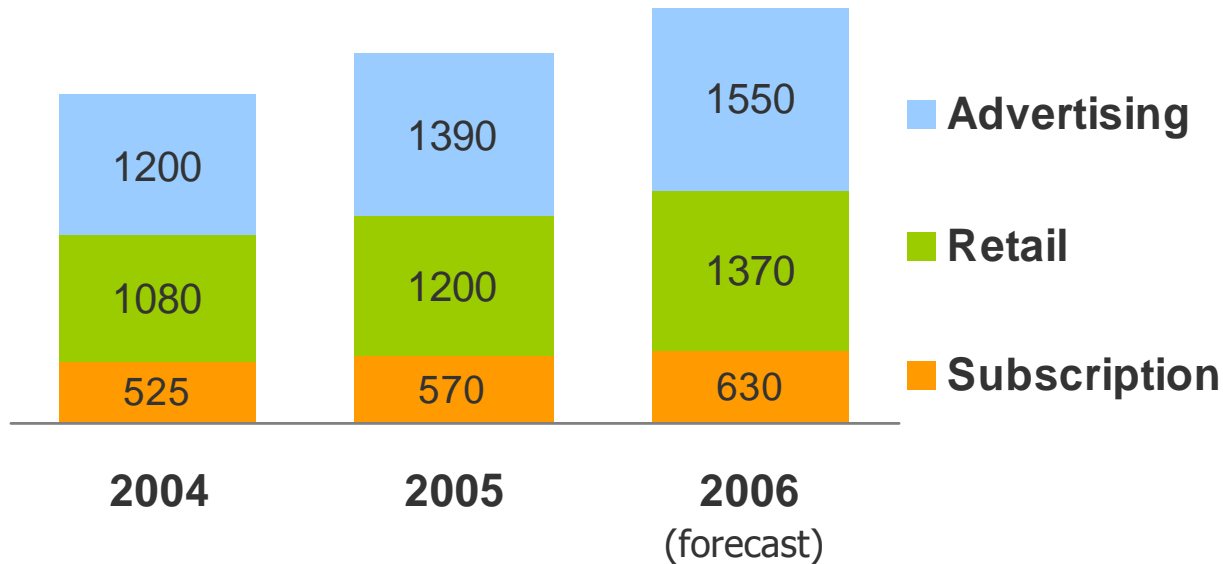
- Officially registered: 50,000 titles
- Active on advertising market:
 - Federal level ~ 200 titles distributed all over the country
 - Regional level ~ 50 titles per city
- Total ad spend on print media: 1.39 billion USD



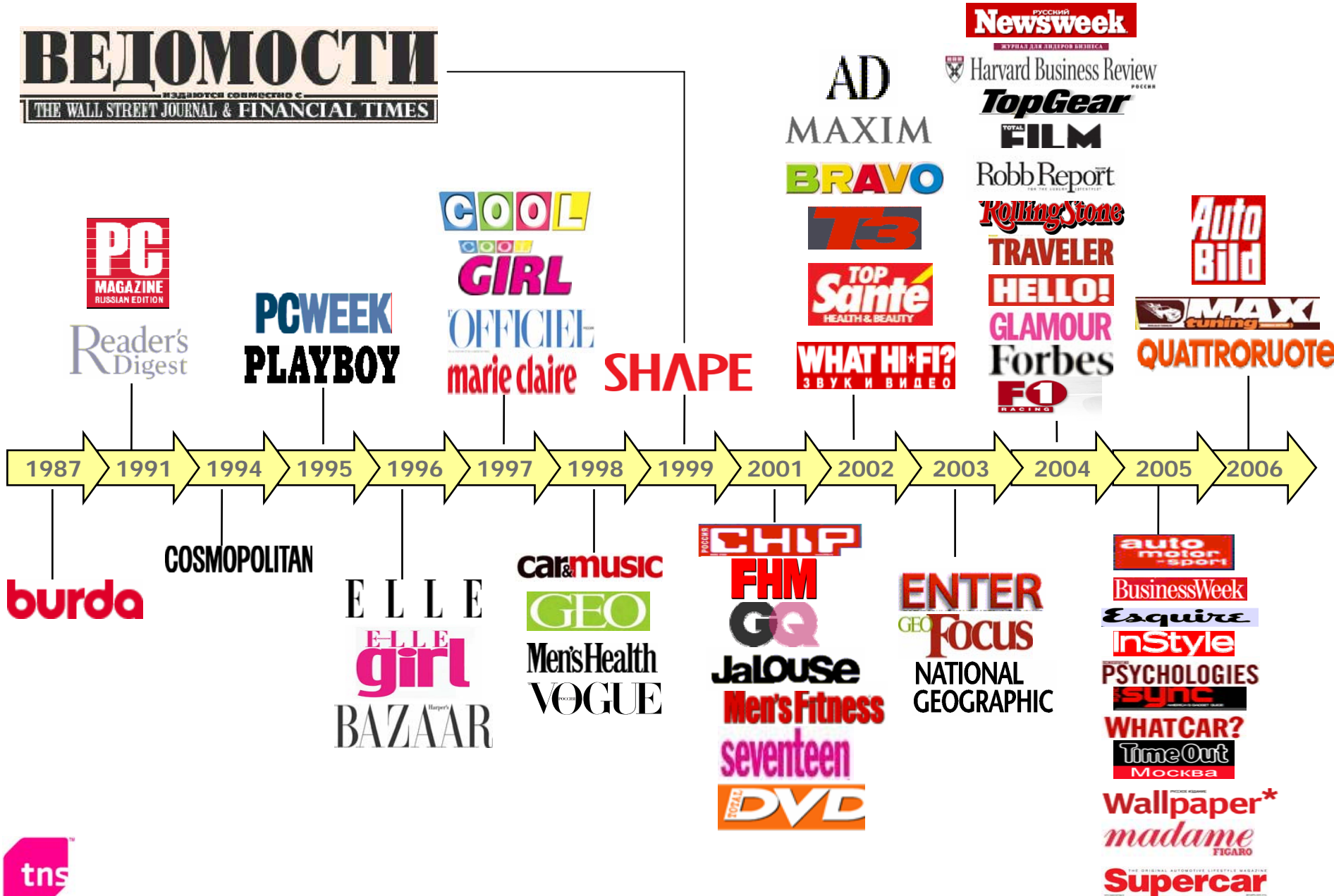
Circulation

- Total circulation increased in 2005 by 4%
- Share of subscription in total circulation \approx 29%

Russian print media revenue structure (mln USD)



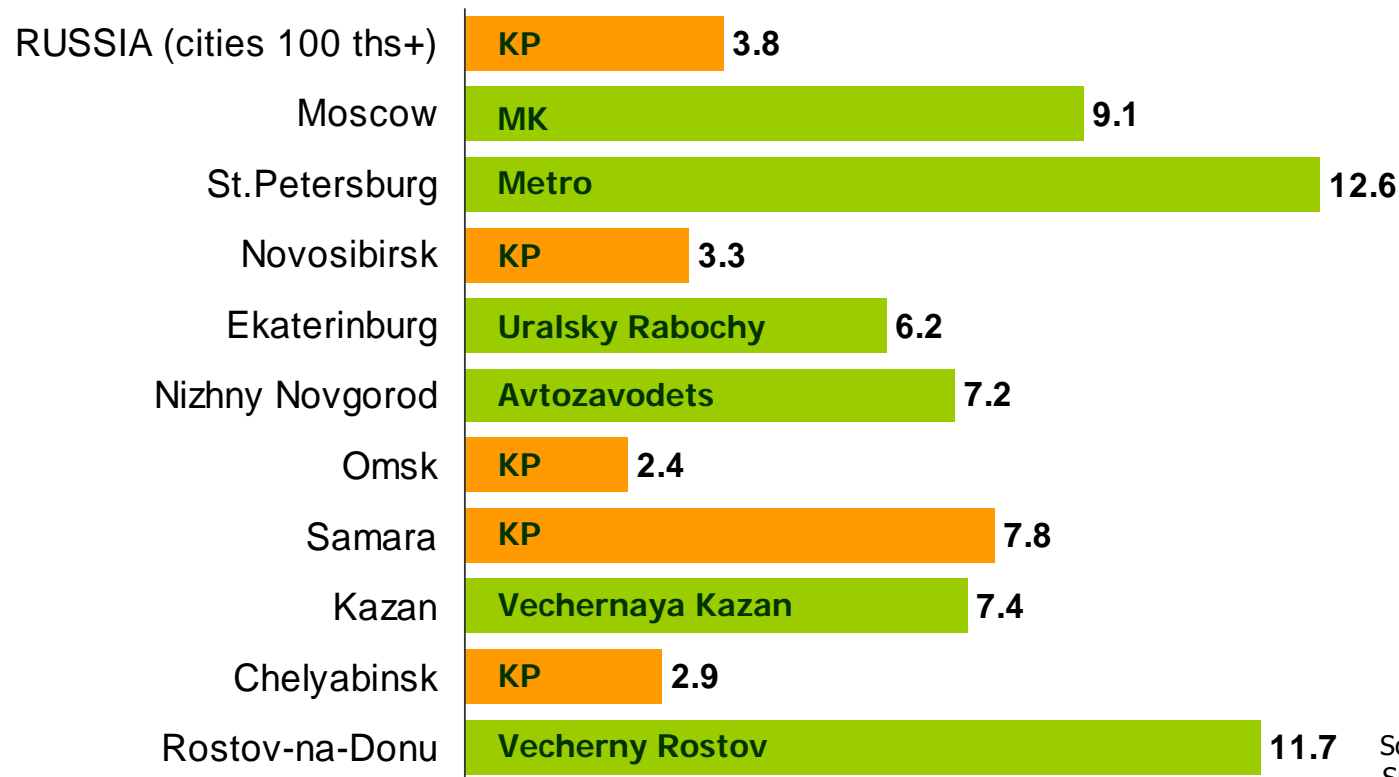
Western Brands on the Russian Market



Readership

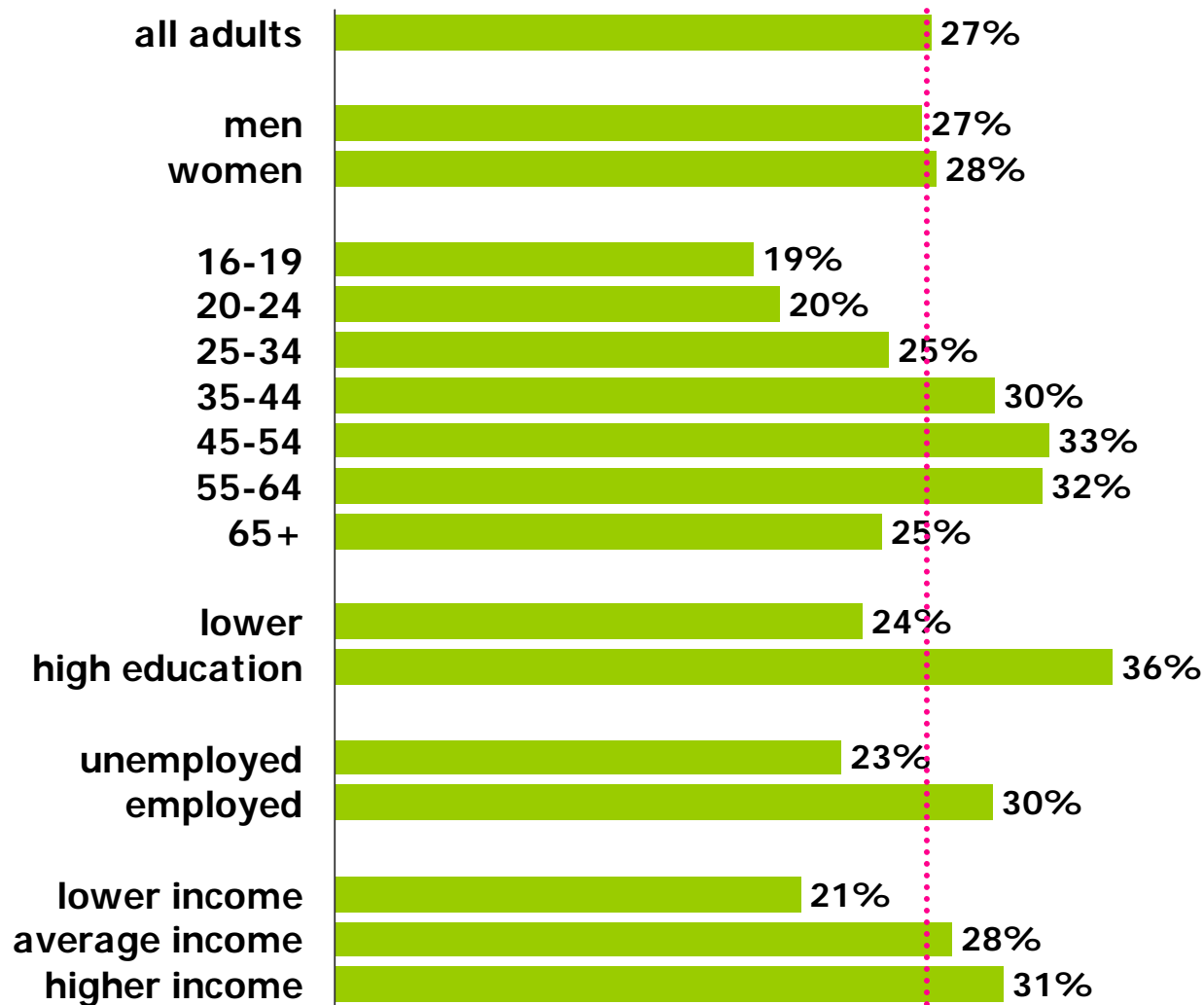
- All titles \approx 90% in urban Russia
- Daily newspapers \approx 20%
- Weekly newspapers \approx 30%

Leading Daily Newspapers in 10 biggest cities (Readership % of each city adult population)



Federal newspapers: readers' demographics

(Readership % in each group)



Readership of daily newspapers

	Russia		Moscow		Issued since
	'000	%	'000	%	
Komsomolskaya Pravda (KP)	2171.2	3.8	433.9	4.8	1925
Moskovsky Komsomolets (MK)	1338.5	2.3	822.0	9.1	1919
Sport-Express	650.7	1.1	317.2	3.5	1991
Sovetsky Sport	547.5	1.0	207.8	2.3	1924
Izvestia	439.3	0.8	136.2	1.5	1917
Rossiyskaya Gazeta	312.5	0.5	76.1	0.8	1991
Trud	289.0	0.5	72.7	0.8	1921
Kommersant	288.4	0.5	158.8	1.8	1997
Zhizn	-	-	349.5	3.9	1997
Metro	-	-	280.4	3.1	1997
Vedomosti	-	-	114.7	1.3	1999
Nezavisimaya Gazeta	-	-	79.9	0.9	1990
The Moscow Times	-	-	47.2	0.5	1992
Gazeta	-	-	45.8	0.5	2001
Vremya Novostey	-	-	32.5	0.4	2000
Business	-	-	31.2	0.3	2004

Readership of weekly newspapers

	Russia		Moscow		Issued since
	'000	%	'000	%	
Argumenty i Facty	8034.8	14.1	1638.2	18.1	1978
KP - "Tolstushka"	6177.2	10.8	745.5	8.3	1993
MK-Voskresenie	940.5	1.6	691.7	7.7	1919
Mir Novostei	-	-	547.8	6.1	1993
Moskovskie Novosti	-	-	207.8	2.3	1980
Sobesednik	522.8	0.9	126.5	1.4	1984
Ekonomika i Zhizn	444.3	0.8	117.6	1.3	1918
Zhizn	2248.0	3.9	-	-	1997

Panel discussion

Panelists:

- **Ms. Marina Pereverzeva**
 - Head of Media Department, «PromSvyazCapital Group»
- **Mr. Evgeny Abov**
 - Vice-President, Guild of Press Publishers
 - Deputy CEO, «Prof-Media» Holding
- **Mr. Pavel Filenkov**
 - COO, «Kommersant» publishing house

Topics for discussion:

- **Publishing business in Russia**
- **Newspapers printing as business**
- **Regional development**
- **What's in the future?**



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