

Russia

July | August 2014

**DBCI**



Digital Signage & DoOH  
Business Climate Index

The pulse of the Digital Signage  
and DoOH industry



**invidis**  
CONSULTING

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2014 RU 400

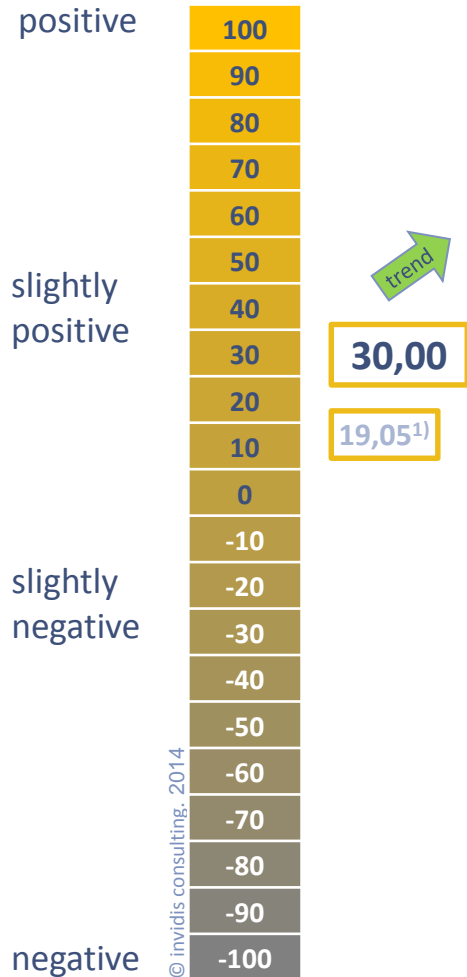


## DBCI - Introduction

- The OVAB Europe **D**igital **S**ignage **B**usiness **C**limate **I**ndex (DBCI) is the leading European indicator of the economic development of the Digital Signage and Digital-out-of-Home industry
- It is compiled every two months by invidis consulting in cooperation with OVAB Europe
- Questions:
  - Current business situation: “good”, “satisfactory” or “poor”
  - Expectations for the next six months: “more favorable”, “unchanged” or “more unfavorable”
- **Russia** – second poll July/August 2014:
  - Russia is the 7th largest market in Europe for Digital Signage (in units of public displays)
  - DBCI Russia: **30,00 base points**
  - **88%** rate their current business situation as **good** or **satisfactory**
  - **Only 12%** have a **negative outlook** for the industry within the next six months



## Digital Signage market withstands political situation



- The digital Signage Business Climate Index Russia has been polled for the second time in 2014. Since the last survey in May, the index has increased by 10,95 base points to 30,00 base points
- The positive trend of the DBCI reflects the slightly positive business sentiment of the Digital Signage industry in Russia
- Contrary to the politically induced negative general economic trend in Russia the Digital Signage industry has a more positive outlook for the future. Market participants expecting a 'more favourable' business situation within the next six months have increased by almost 70%
- In the Russian Digital Signage industry most projects - particularly the government funded projects - have fixed deadlines at the end of the calendar-year. This leads to tenders being awarded before September to be implemented till the end of the year. Therefore the market records a high confidence for good business in the second half of the year

### Survey facts

- Participants: n=25
- Region: Russia
- Time frame: 2014 calendar weeks 27 & 28

Fig. 1: DBCI Russia July/August 2014, n=25  
1) DBCI RU Mai/June 2014



## General positive and solid current business situation

**Question:** How do you rate the current business situation for your products / services in the field of Digital Signage?

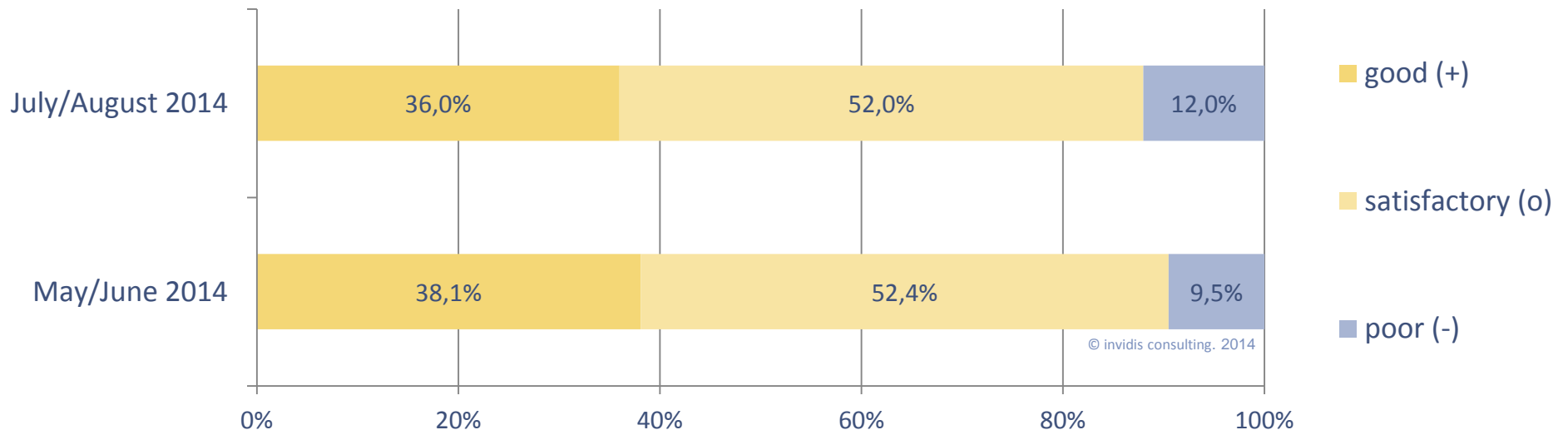


Fig. 2: DBCI Russia July/August 2014 "business situation", n=25



## Positive outlook for the next six months

**Question:** What are your expectations for the next six months?

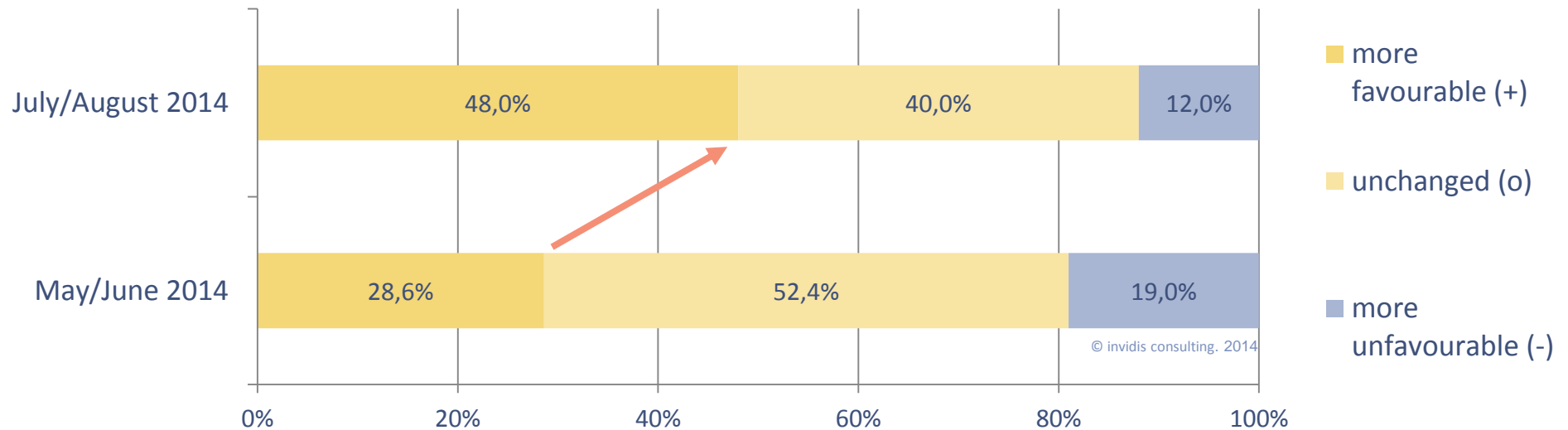
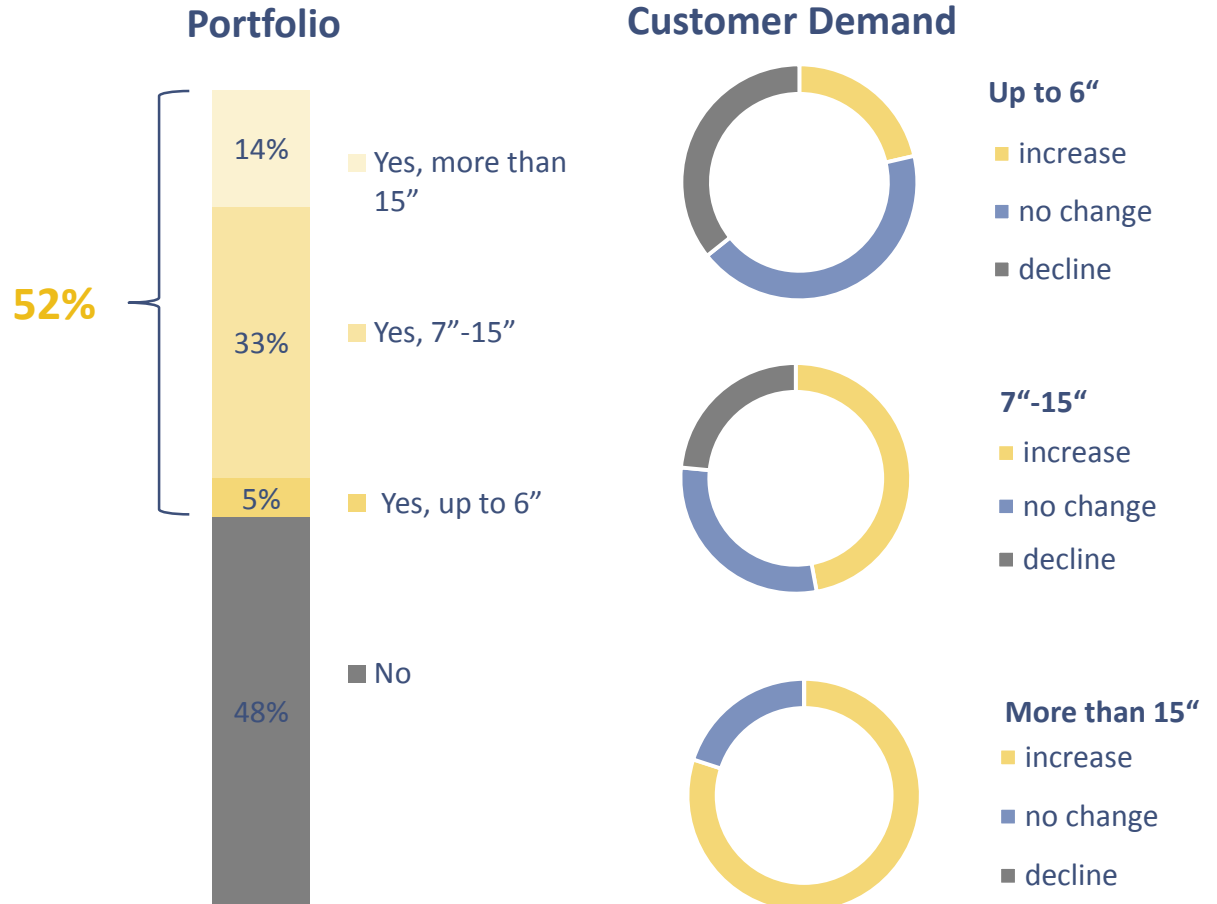


Fig. 3: DBCI Russia July/August 2014 "business expectations", n=25



## Additional Research | High demand for Small Signage

- More than **50%** of all polled companies have already installed displays with sizes smaller than 32" in Digital Signage solutions. Particularly the 'tablet' sizes between 7" and 15" are widely in use
- The market participants also predict a strong increase in customer demand for Small Signage within the next 12 months. For the sizes 7"-15" almost **50%** see a rising demand with this number growing to **80%** concerning the sizes bigger than 15". Here mostly office displays are in use
- Only for displays smaller 7" the demand will be low. The reason here is certainly the small number of use cases.



Question: „Did you sell or install small professional Displays (smaller 32") in Digital Signage installations?“

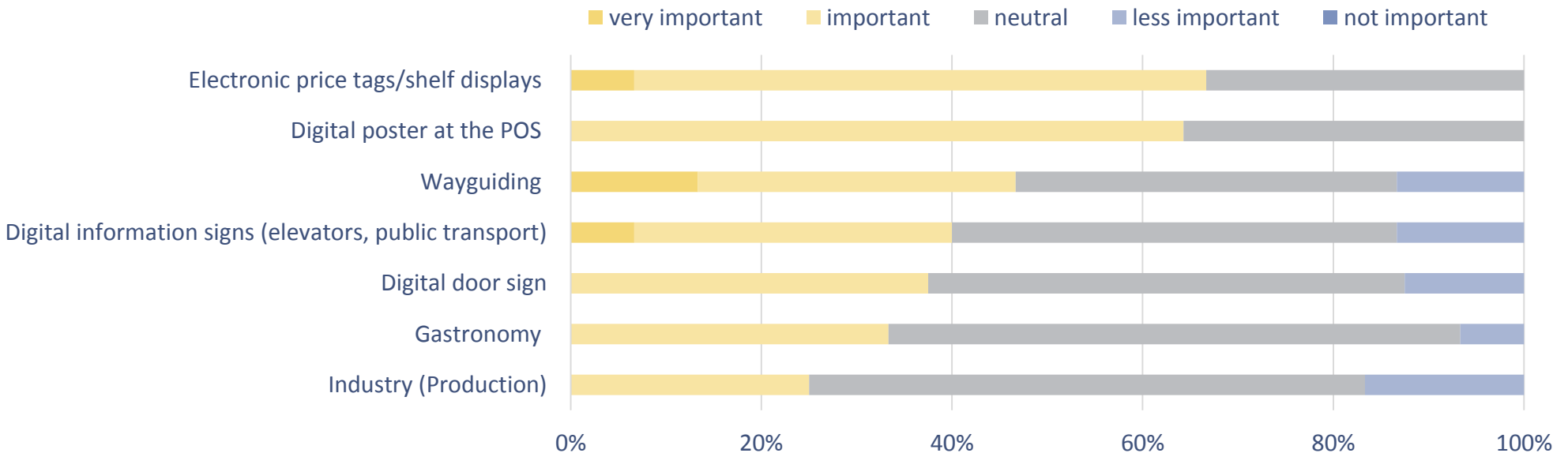
Question: „How do you think will the customer demand for displays smaller 32" in Digital Signage related projects evolve over the next 12 months?“

Fig. 4: DBCI July | August 2014 „Portfolio & Demand – Small Signage" n=21



## Additional Research | High potential for Small Signage in retail

- Approx. **65%** of all surveyed companies see the highest potential for Small Signage (professional displays smaller 32") in the retail sector at the Point of Sale. Electronic price tags as well as e-posters mounted on the shelves or integrated in the shop furniture will have a lions-share of the revenues generated
- However between **40%** and **50%** of the market participants also see a high potential for other use-cases. Particularly electronic signs in public and semi-public locations like elevators, door signs and wayguiding installations will become interesting scenarios for the implementation of Digital Signage within the next 12 to 18 months



Question: „Where do you see the most important use cases for displays smaller 32“?“

Fig. 5: DBCI July | August 2014 „Use cases for Small Signage“, n=16



## Additional Research | Creativity is still a challenge in DooH

Concerning the creative process in DooH

**8 out of 10** market participants see a **high or very high** challenge in the **available Budgets** & the primary **conception phase** (adjustment to the media )

Still **40% to 50%** of the polled companies see high challenges in the consideration of the different **viewing situations** (e.g. passage-/waitingsituation) and the different **media** and **picture formats**

**63%** provide no or only irregularly **workshops** to educate the customers on the different possibilities in the creative process of a DooH campaign

- The creative process in DooH campaigns has to manage many difficult challenges. Particularly the restricted budgets in the below-the-line media have the most noticeable impact for the creative freedom. Also the primary conception phase, where one adapts campaigns from other media formats to perfectly fit the DooH characteristics, is seen as a very high hurdle
- The market participants may not rate them so high, but they still see big challenges for DooH campaigns in the consideration of the diverse viewing situations respectively dwell times of the different networks. The storyline for spots in a passage situation have to be much more condensed and pronounced than in a waiting situation.
- In spite of these results only few of the companies currently involved in the DooH market in Russia offer workshops to familiarize their customers with the distinct characteristics of the media

**Question 1:** „Please rate how high the challenges in the creative process of a Digital-out-of-Home campaign are“ n=10

**Question 2:** „Are you currently providing regular workshops for customers, to educate them on the different possibilities in the creative process of a Digital-out-of-Home campaign?“ n=10





## Roadmap 2014 & Contact

- The next survey will take place in calendar weeks 34 & 35 of 2014.
- The next planned publication date will be the 18<sup>th</sup> September 2014.
- The DBCI is polled by invidis consulting and published in cooperation with OVAB Europe.
- If you are not yet part of the DBCI survey please contact us for further information.
- The DBCI will be extended to other markets in 2014. For further information please contact Daniel Russell.

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2014	
January	
February	
March	
April	
Mai	
Jun	
July	
August	
September	← <b>Sep./Oct.   18.09.</b>
October	
November	← <b>Nov./Dec.   10.11.</b>
December	

**Save the Date!**  
**17. - 18. September**  
**2014**



# digital signage

## 8th MUNICH CONFERENCE

17 – 18 September 2014  
Kempinski Hotel Airport Munich

