

Russia

September | October 2014

DBCI



Digital Signage & DoOH
Business Climate Index

The pulse of the Digital Signage
and DoOH industry

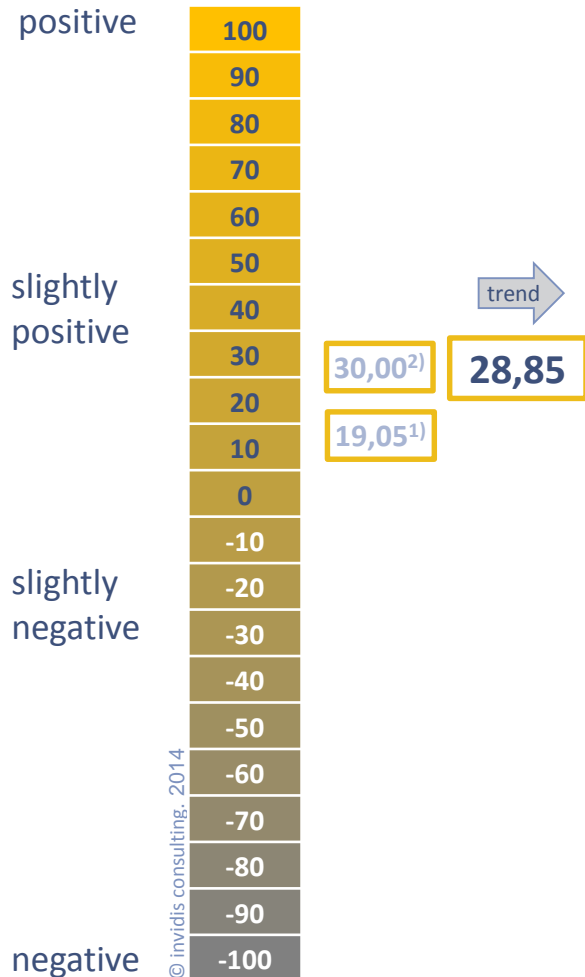


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2014 RU 500



Digital Signage market remains skeptical of growth potential



- The digital Signage Business Climate Index Russia has been polled for the third time in 2014. Since the last survey in July, the index has remained flat with a marginal decrease of 1,15 base points to 28,85 base points
- The current business situation is still good, with the unchanged expectations for the next six months increasing by 10%
- Amid the current volatile political situation and its possible economic consequences the Digital Signage market in Russia remains skeptical of further growth potential for the industry

Further research:

- 80% of the Digital Signage market in Russia has registered a growth in revenues in the first six months of 2014 compared to the same period in the previous year
- However, the rest of the year will be very volatile for the industry, as 26% of the market participants are expecting declining revenues compared to the previous full year

Survey facts

- Participants: n=26
- Region: Russia
- Time frame: 2014 calendar weeks 35-36

Fig. 1: DBCI Russia September/October 2014, n=26

1) DBCI RU Mai/June 2014

2) DBCI RU July/August 2014



Increase of the positive current business sentiment

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

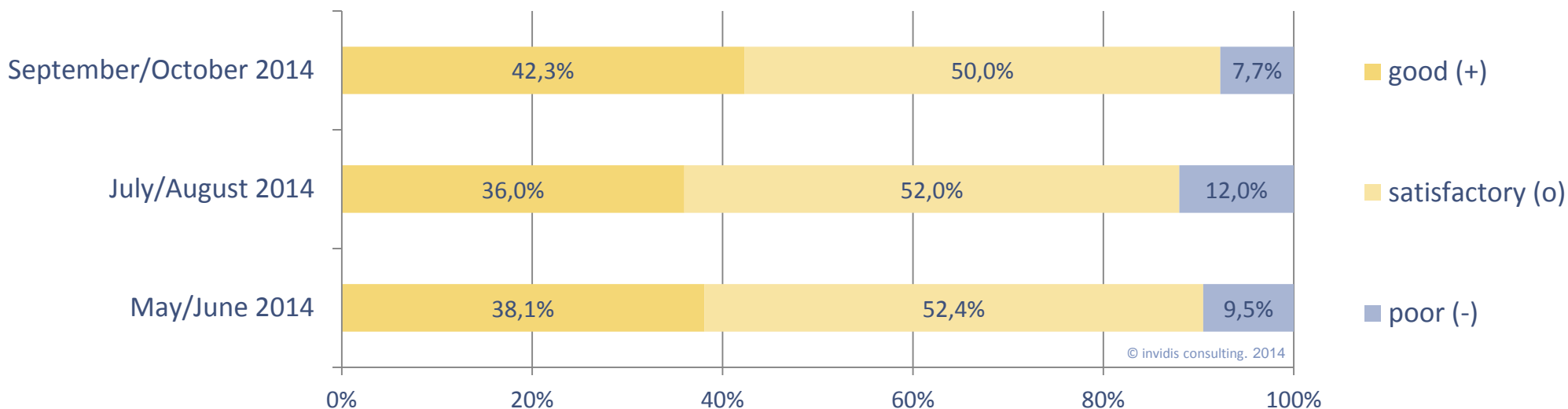


Fig. 2: DBCI Russia September/October 2014 "business situation", n=26



Slightly more conservative outlook for the next six months

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

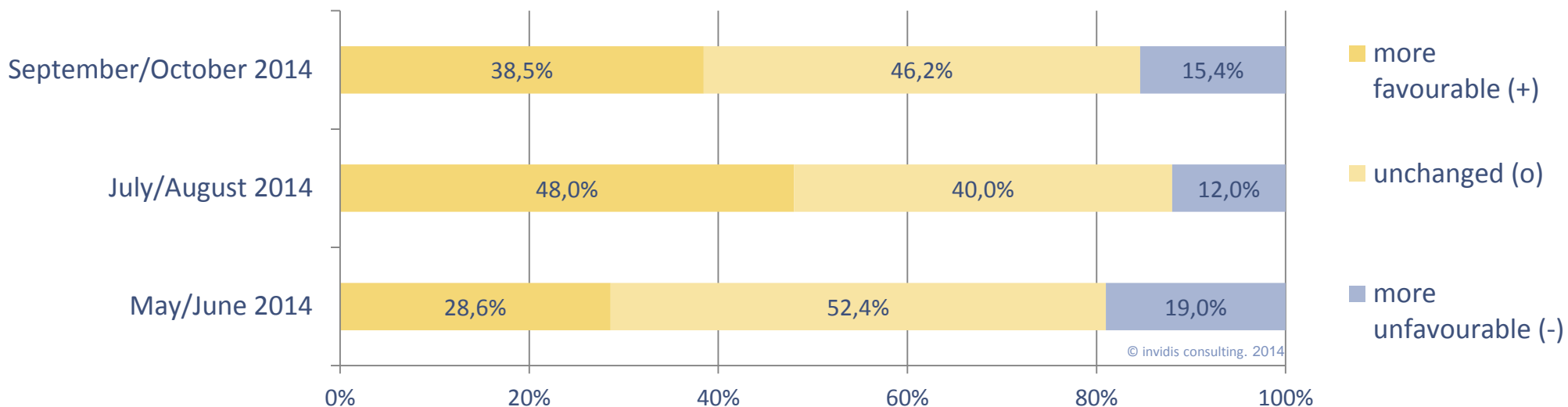


Fig. 3: DBCI Russia September/October 2014 "business expectations", n=26



Positive business sentiment dominates in all markets across Europe

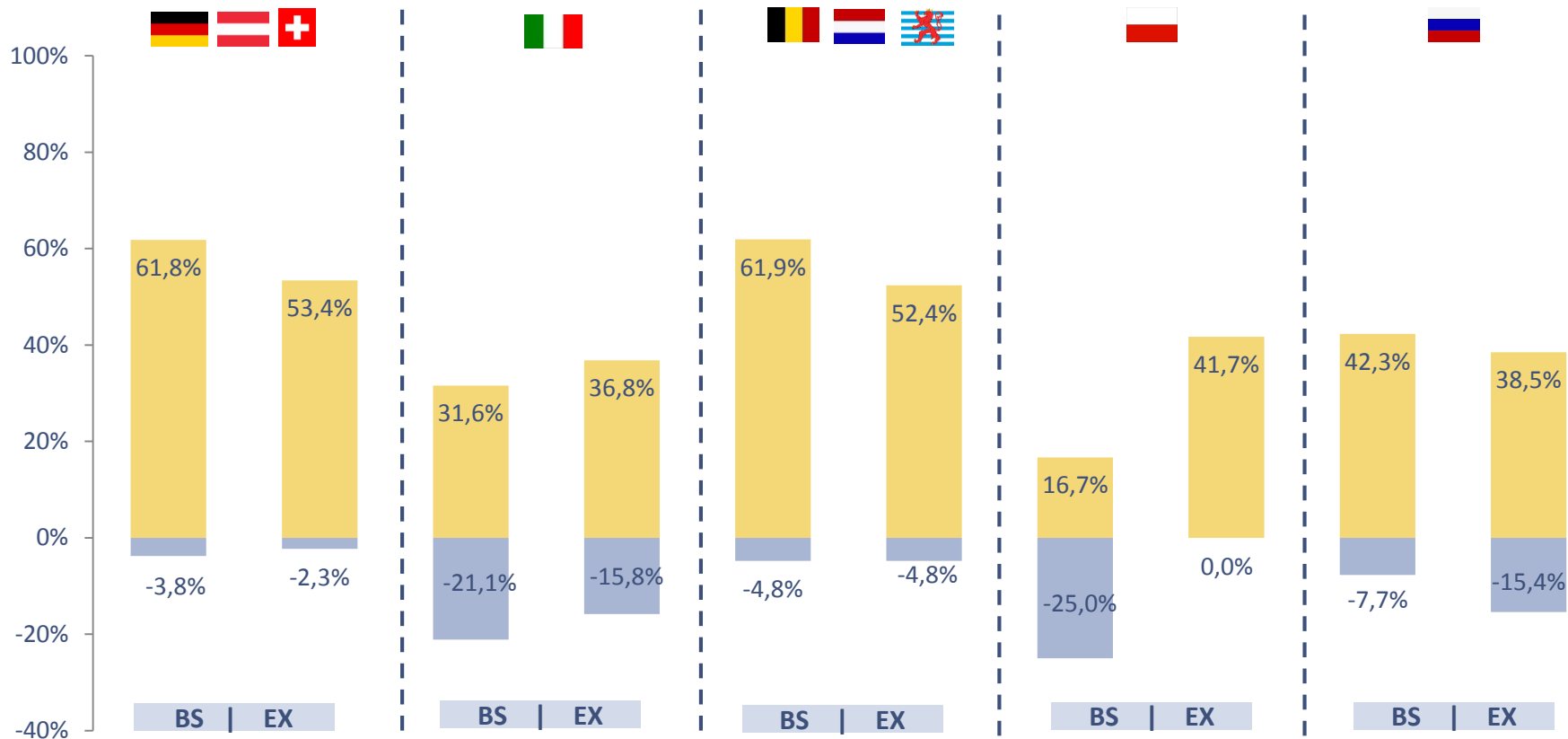


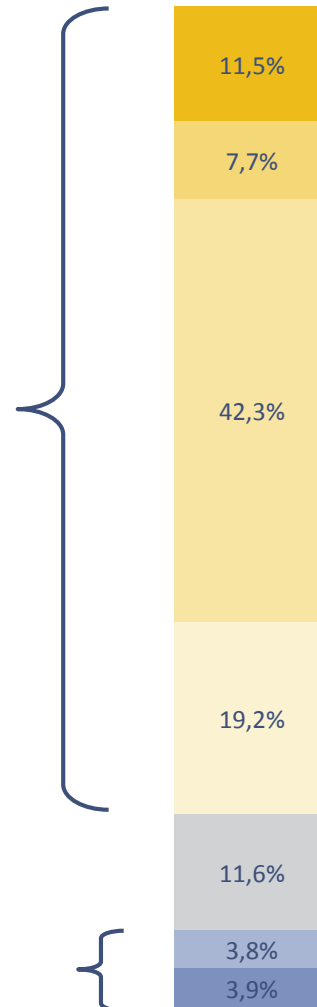
Fig. 4: DBCI September | October 2014 „Business Situation and Expectations Europe“
*) BS: Business Situation; EX: Expectations

 The revenues in the first semester 2014 were considerably higher than in 2013

“The revenues in the first half year 2014 have ... in comparison to the revenues of the same period in the previous year.”

80,7% of all polled companies could generate in parts a clear **increase** in **revenues** in the first half year term in 2014 compared to the same period in the previous year

Only 7,7% of all polled companies had to accept a **decrease** in **revenues** compared to the previous year



Legend










-  grown very strong (more than +20%)
-  grown strong (+10% to +19%)
-  grown moderately (+5% to +9%)
-  grown slightly (+1% to +4%)
-  unchanged (+/-0%)
-  decreased slightly (-1% to -4%)
-  decreased moderately (-5% to -9%)
-  decreased strong (-10% to -19%)
-  decreased very strong (more than -20%)

Fig. 5: DBCI September/October 2014 “revenues H1 2013-2014”, n=26



¼ of the market will see a decline in revenues for the full year 2014

“The revenues in 2014 will ... compared to the revenues in 2013.”

59,2% of all polled companies are expecting a healthy **growth** in **revenues** for the year 2014 compared with the previous year

Only 26,0% of all polled companies expect a **decrease** in **revenues** compared to the pervious year

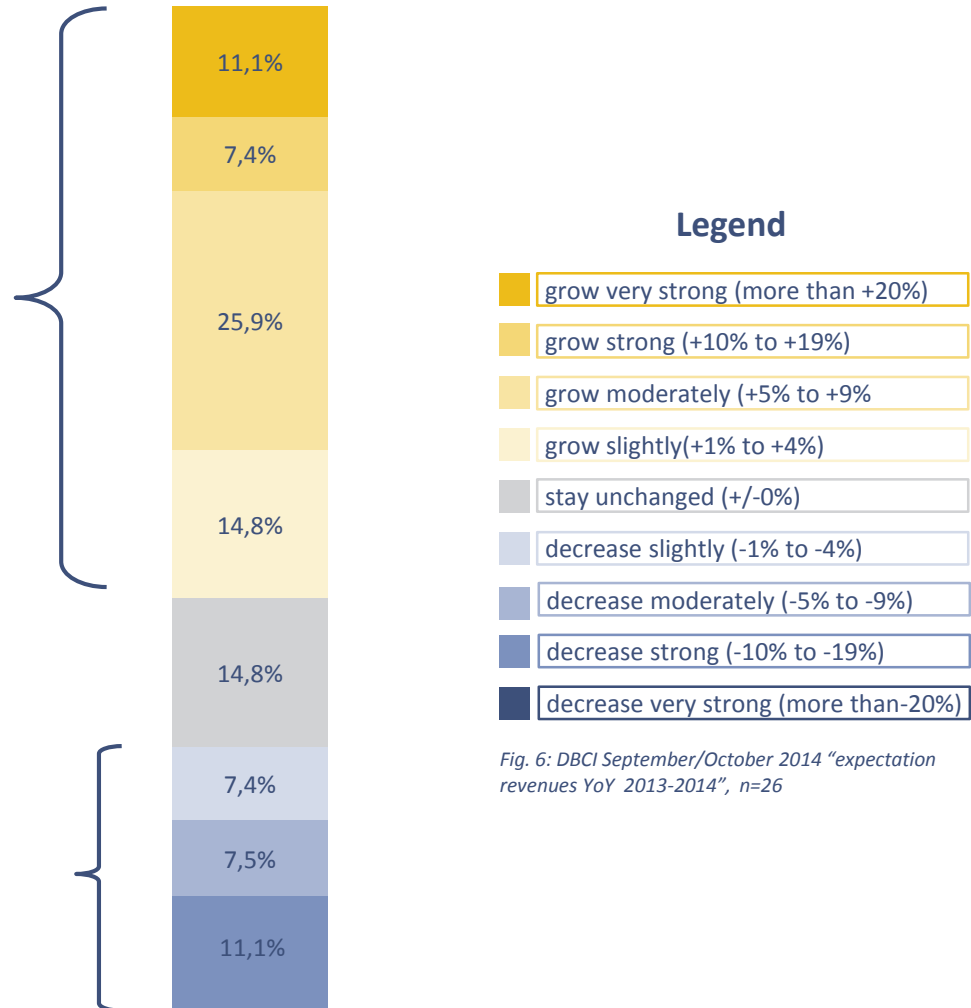
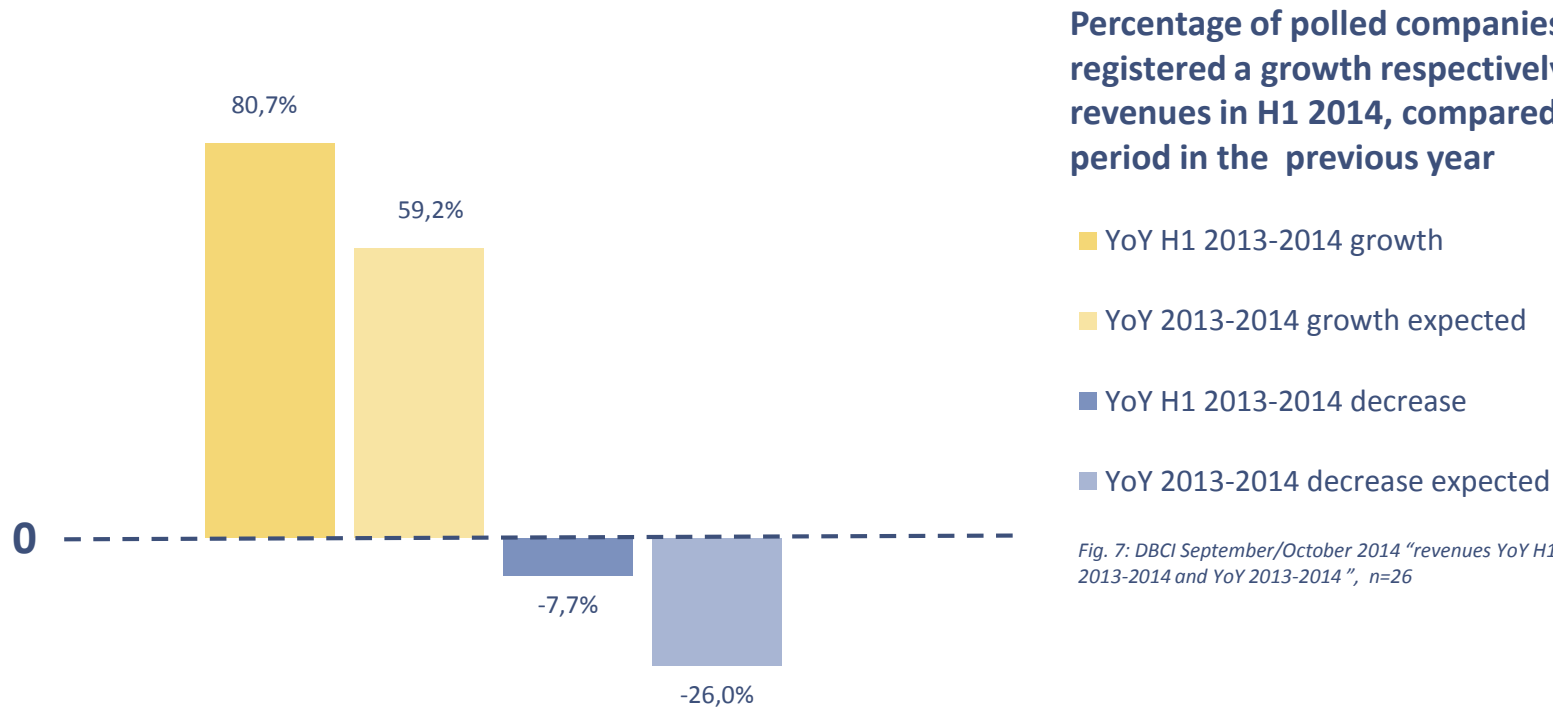


Fig. 6: DBCI September/October 2014 “expectation revenues YoY 2013-2014”, n=26



Good revenue growth in H1, but worsening outlook for the full year



Percentage of polled companies which have registered a growth respectively a decline in revenues in H1 2014, compared to the same period in the previous year

- YoY H1 2013-2014 growth
- YoY 2013-2014 growth expected
- YoY H1 2013-2014 decrease
- YoY 2013-2014 decrease expected

Fig. 7: DBCI September/October 2014 "revenues YoY H1 2013-2014 and YoY 2013-2014", n=26

- 80% of the polled companies in Russia expect to have a growth in revenues in 2014 compared to 2013
- However 7,7% of all polled companies had to accept a decline in revenues in the first six months of 2014. This situation will further worsen towards the end of the year as this figure will grow to 26%.



Growth in H1 revenues and full year expected revenues in Europe

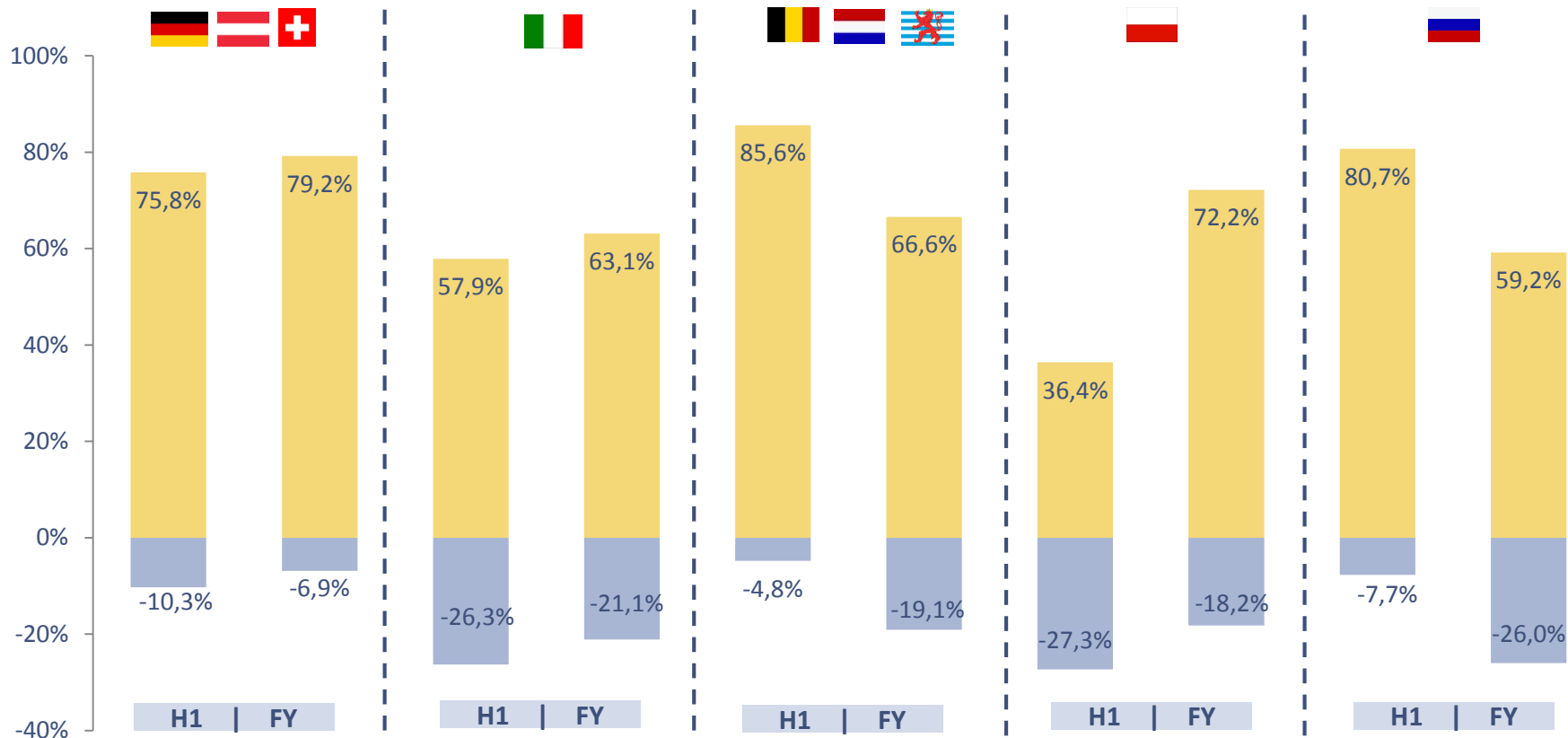


Fig. 8: DBCI September | October 2014 „Revenues H1 & FY Europe“
*) H1: First semester/half year period; FY: Full year



Roadmap 2014 & Contact

- The next survey will take place in calendar weeks 43-44 of 2014.
- The next planned publication date will be the 18th 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
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← **Nov./Dec. | 10.11.**