CIS: Azerbaijan, Armenia, Georgia

Sergey Rogovsky

2015
Azerbaijan
1 | Market overview

Total Advertising Expenditures 2009-2015

- Azerbaijan economy shows growth during previous 3 years 1-5% yearly. Media market is growing step by step.
- TV media inflation 2014 according to agency estimations was 0-10% depending on TV channel
- Digital media is the most rapidly developing: Internet penetration exceeded 70% of HH in cities with 40k+ population. 80% of users use internet regularly
- Forecast for 2015 is stagnation of media market except Internet advertising

*Source: There are not appropriate market researches at the market by “net” marketing spends therefore we apply agency estimation.*
1 | Market overview

CPT Comparison by Media:

• OOH is effective as additional support media which increases brand awareness and generates reminding brief messages. CPT of bus branding and bus stops are the most cost effective way of OOH advertising.

• Internet is effective as additional media support for young and smart audience for promotion of innovative and expensive products. Internet occupies the 3rd place after TV and OOH in terms of media consumption.

• Print is effective media for education of new product, message delivery to target audience – woman. CPT for press editions is given based on gross price lists.

*Source: There is not appropriate market researches at the market by “net” marketing spends therefore we apply agency estimation.

CPT for all Media is given for TA 18+
History of media measurement research systems

SIAR media research

January, 1999  SIAR diary panel appeared (TV measurement system established by BMRB) - among Azerbaijan advertising agencies AA&M Advertising Media Department became first subscriber. Since January 2006 SIAR launched own TV viewing measurement system together with CESP and MARKDATA

January, 2000  SIAR starts to measure Radio (diary panel), Press monitoring

January, 2007  SIAR starts monitoring of OOH

AGB

January, 2005  AGB people metric panel appeared at the market. AA&M Media Department became one of the first subscribers

March, 2012  AGB starts Radio monitoring

Note: OMG Azerbaijan has the durable monitoring and TV viewing data base at Azerbaijan advertising market
Important developments on TV market:

Switching to digital TV

• Switching to Digital TV in Azerbaijan is process which is going on during 2014 year. Together with digital airing analog airing will take place during 1-2 years. Therefore transition will be gradual and people should get accustomed to new airing technology.

Limitations on content.

• Azerbaijan committee of television and radio limits TV channels’ programming. We still face ban on foreign series broadcasting, limitation on some talk shows and entertainment projects. More strict regulation of advertising content also take place. For example it’s not possible to use in TVC such wording as 1-st place, the most popular without statistic and research proofs.

Important developments in monitoring panel

• AGB Azerbaijan plans to remove old people meters (TVM2) with new model (TVM5) due to change in airing system in Azerbaijan. As a result new panel will be up to date with last adjusting research and will conform with structure of penetration of non-terrestrial TV (satellite and cable).

• In September 2014 only 17% of HH in the panel had access to cable or satellite.

• AGB planned the following steps in order to renew panel: presentation of strategy of development; research execution; launch of new panel 120 PPM (1-st part) only in Baku; then launch of 2-nd part of new panel 120 PPM in regions.

• As a result AGB planned to have new panel of full value including 400 HH in Azerbaijan

• Satellite and cable TV cover about 70-80% of HH according to agency estimation

• Penetration of Russian advertising is less as compared with Turkish (as there is language barrier) but it takes place for Russian speaking people
State of TV market

TV sales structure

Teleport
31% of ad revenue
30% WRP inventory

ANS COMMERS
20% of ad revenue
20% WRP inventory

VIA
5% of ad revenue
6% WRP inventory

SPACE
14% of ad revenue
16% WRP inventory

XEZER
27% of ad revenue
25% WRP inventory

Ictimai TV
3% of ad revenue
3% WRP inventory

AzTV1

All national channels: AATV, ANS, Space, Lider, ITV, Xazar sell both minutes and GRPs
Other National and Region channels are not monitored or have too low profit share

Source: AGB Azerbaijan, All 18+

2014: Top 20 advertisers

Thou. GRP 30" 18+

PROCTER & GAMBLE
BAKCELL
MARS & WIGLEY
AZERFON
MARS & WIGLEY
SCHWARZKOPF & HENKEL
KRAFT FOODS
COCA-COLA
LOREAL/NESTLE
HAYAT QRPUS
COLGATE-PALMOLIVE
PEPSI-COLA
ETI
SOLITON
GSK
UNILEVER
DELL’ORO
BERLIN-CHEMIE

Top 20 advertisers make 51% of all media market

Position GRP30" in 2013 and growth trend 2014 vs 2013

Mobile operators

Source: AGB; TA – 18+

*all channels with sponsorship but without TV banners
Radio - Media #1 for announcements

Radio Stations (number increasing)
- High flexibility and immediacy
- Audience selectivity, mobility
- Quick coverage building up to 80% (on local level)
- High frequency
- Quick recall
Main Radio Stations Outlines

ANS CM 102 FM – highly structured programming with accent on news, targeted programs for housewives, drivers, youths; entertainment. The leading radio station by “Total Audience”

Burc FM – general programming, mainly Turkish and Azeri music. Interactivity with audience. Advantage is popularity among taxi and bus drivers. One of the leaders by “Total Audience” among Azeri speaking audience


106 FM – mainly entertainment and music oriented station,

Media FM — radio station offers various music of different styles, news blocks every hour, and entertainment programs.

• Lider Radio — airing in new jazz format. It’s the only station for jazz lovers.

• Sales, Promotions – retail and service categories.
• Seasonal fluctuations – pre-holiday, summer holidays – discos, tours; perfumery, gifts – New Year, 8 of March, etc
• Announcements – medical centers, new offices, new stores, concerts

*Source: There is not appropriate market researches at the market in Radio segment therefore we apply agency estimation.
2014: Top 10 categories (investment in AZN)

Total radio market 2014:
39 902 801 AZN total budget (+21%)
539 761 insertions and (+11%)
12 280 112 seconds duration (+10%)

Source: AGB
OOH Media #1 for localization

Quick contact frequency accumulation
A wide variety of formats
Own format creation possibility
Constant presence arrangement

1. Powerful image pressure
2. Distinct localization
Market overview

**OOH market (top suppliers list)**

1. ART Media - 400
2. RMM Groupe - 150
3. Poster – 200
4. Impeks - 50
5. AB Global - 60
6. AzReklam - 100
7. Q.Qelem - 30
8. Project - 20
9. Zodiak – 20
10. JC Decaux - 20

!Booking possibilities are limited due to non established OOH sale system. Most of locations are sold by immediate order
Market overview

OOH formats

Billboards – standard construction 3x6.

Trivision – standard size 3x6. Three advertising places change each other during intervals 15-30 sec. Often is breaking

Lightbox – new format of advertising in Baku. Premium format size 3x4. Three advertising places change each other during intervals 15-30 sec.

Non standard wall constructions

Non standard roof constructions

Street Light box 1.2x1.8
Market overview

OOH Subway

Subway advertising over train

Subway advertising inside train constructions

Subway advertising wall constructions
Internet - Media #1 in the future? NOW!

WHY?

• Flexibility
• Interactivity
• Targeting, exact tuning corresponding with consumer’s interests
• Huge informational descriptiveness
• Content creating unlimited possibilities
• Comparatively low cost of production
• Different means for efficiency measurement and control
Market overview

Digital trends

I-net subscribers in percent from population

Number of internet users

Source: Internet world statistic and Wikipedia
Market overview

Digital Trends
Top Internet sites

- Due to absence of independent monitoring in Internet we use agency estimations in this report
- Mail.ru is the most popular mail server
- Day.az, 1News, Lent.az, Oxu.az, Trend.az, Milli.az, APA.az are popular news portals
- Facebook.com and Odnoklassniki are the most popular social networks
- Video.az, Open.az, Big.az and Enter.az are popular entertainment resources
- Navigator is online Yellow Pages in Azerbaijan
- Turbo.az is most popular auto site

- Video content is possible to place in google partners network
- Also we have several popular azeri video portals: Video.az, Myvideo.az, Enter.az (preroll placement)
- Video banners also possible place on most of local entertainment and informative resources

Source: Google analytics, Live Internet; Mail.ru Group; Face bakers
Market development

Azerbaijan: Non-TV development

Print

- Print is # 5 media in terms of investments, is in stagnation for the last years
- International and local editions are presented in Azerbaijan. Image/advertorial/insertions are available formats for placing in local editions. Insertions only are available for international magazines.
- ‘OK’ is still the most popular magazine in Azerbaijan with high circulation and sell-out coefficient. It’s most relevant for cosmetic brands audience.

<table>
<thead>
<tr>
<th>Magazine</th>
<th>Type of placement</th>
<th>Price per unit per month AZN</th>
<th>Coverage</th>
<th>Sale coefficient</th>
<th>CPT forecasted</th>
</tr>
</thead>
<tbody>
<tr>
<td>OK</td>
<td>Full page inside</td>
<td>1500</td>
<td>7000</td>
<td>90%</td>
<td>40</td>
</tr>
<tr>
<td>Boutique</td>
<td>Full page inside</td>
<td>2380</td>
<td>5000</td>
<td>50%</td>
<td>159</td>
</tr>
<tr>
<td>Nargiz</td>
<td>Full page inside</td>
<td>2500</td>
<td>5000</td>
<td>70%</td>
<td>119</td>
</tr>
<tr>
<td>L'Officiel</td>
<td>Full page inside</td>
<td>3500</td>
<td>5000</td>
<td>50%</td>
<td>233</td>
</tr>
<tr>
<td>Azerbaijan woman</td>
<td>Full page inside</td>
<td>4000</td>
<td>10000</td>
<td>30%</td>
<td>222</td>
</tr>
<tr>
<td>Baku</td>
<td>Full page inside</td>
<td>8000</td>
<td>50000</td>
<td>60%</td>
<td>44</td>
</tr>
<tr>
<td>Aysel</td>
<td>Full page inside</td>
<td>891</td>
<td>5000</td>
<td>50%</td>
<td>59</td>
</tr>
<tr>
<td>AATV Magazin</td>
<td>Full page inside</td>
<td>779</td>
<td>8000</td>
<td>30%</td>
<td>54</td>
</tr>
<tr>
<td>Cosmopoliten</td>
<td>Full page inside</td>
<td>1600</td>
<td>7000</td>
<td>20%</td>
<td>190</td>
</tr>
<tr>
<td>Insertion into local Mag</td>
<td>Full page inside</td>
<td>0.15</td>
<td></td>
<td></td>
<td>25</td>
</tr>
<tr>
<td>Insertion into foreign Mag</td>
<td>Full page inside</td>
<td>0.15</td>
<td></td>
<td></td>
<td>25</td>
</tr>
</tbody>
</table>

Print can be considered as additional support to providing image and educative support
Options in premium female editions

Recommended option are Boutique, Nargiz, OK because these editions have the most clear situation with circulation and less number non sold copies according to agency estimations among local female magazines.
Foreign and magazines by subscription

As additional option. More than 150 foreign editions for women with more than 20 000 subscribers can be used for insertions.

Price per 1 insertion – 0,15 EUR

<table>
<thead>
<tr>
<th>Name of magazine</th>
<th>Number of subscribers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Лиза</td>
<td>2500</td>
</tr>
<tr>
<td>Bizim matbəx</td>
<td>2000</td>
</tr>
<tr>
<td>Çox yaşa</td>
<td>2000</td>
</tr>
<tr>
<td>Бурда/Burda Moden</td>
<td>1800</td>
</tr>
<tr>
<td>Cosmopolitan</td>
<td>1750</td>
</tr>
<tr>
<td>Vogue</td>
<td>1650</td>
</tr>
<tr>
<td>Отдохни</td>
<td>1500</td>
</tr>
<tr>
<td>Marie Claire</td>
<td>1450</td>
</tr>
<tr>
<td>Womens Health</td>
<td>1220</td>
</tr>
<tr>
<td>Elle</td>
<td>1200</td>
</tr>
<tr>
<td>Лиза. Гороскоп</td>
<td>1000</td>
</tr>
<tr>
<td>Glamour</td>
<td>820</td>
</tr>
<tr>
<td>Семь дней</td>
<td>800</td>
</tr>
<tr>
<td>Караван историй</td>
<td>750</td>
</tr>
<tr>
<td>Mini. Burda</td>
<td>700</td>
</tr>
<tr>
<td>Даша</td>
<td>600</td>
</tr>
<tr>
<td>Cosmo Beuty</td>
<td>520</td>
</tr>
<tr>
<td>Harper's bazaar</td>
<td>500</td>
</tr>
<tr>
<td>Hello</td>
<td>500</td>
</tr>
<tr>
<td>Женское здоровье</td>
<td>450</td>
</tr>
</tbody>
</table>
Armenia
Armenia People

- **Total Population (2014):** 3,015,400
- **Urban / Rural population (2011):** 64.1% / 35.9%
- **Male/Female:** 48.5%/51.5%
- **Median age:** 34 years
- **Ethnic groups:**
  - Armenian 98.1%
  - Yezidi (Kurd) 1.2%
  - Others 0.7%
- **Religions:**
  - Christian 94.8%
  - Yazidism 0.8%
  - Other 0.4%
  - No response 4%
- **Languages:**
  - Armenian 97.7%
  - Kurdish 1%
  - Russian 0.9%
  - Other 0.4%
  - The population density is 101.38 person per sq.km

Source: National Statistic Service of Armenia
Yerevan is the most populated city in Armenia, with 79% of the population of working and solvency age. The most populated city in Armenia is Yerevan (~79%) (vs. 9% - Gyumri, 6% - Vanadzor, 3% - Kapan, 3% - Abovyan).

Source: National Statistic Service of Armenia
Current Law on Advertising in Armenia TV, Print, OOH and Radio

Advertising of tobacco and breast feeding substitutes is strictly banned in all media except print (tobacco is allowed on print).

Ban on Strong Alcohol advertisement called off in Aug’14

- Only TVCs in Armenian language.
- Local language or subtitles in local language. If necessary the statement of advertising at the discretion of the advertiser can be duplicated also in other languages in relatively small letters (subtitles).
- Any language of publications
Armenia

Media Market growth 2014 FC: +17.4% in USD and +6% in 2015

- FC 2015 Media Market growth is 10%, mostly due to the New active category on TV advertising (Alcohol will allow to advertise on TV since 2015). Digital advertising is forecasted to have a significant raise vs. 2014.
- TV estimated growth by 10%; Est. inflation by rate cards 5%. (market growth is based on alcohol activity in 2015)
- OOH media #2, Print FC will keep the same level
- No inflation FC on Radio
- Digital FC increase by 20-25%. Est. Inflation by rate cards 20%.

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CPT by media (USD)

**CPT estimation**

- **TV**: $2.52
- **OOH**: $2.04
- **Internet**: $0.49
- **Radio**: $2.31
- **Print**: $40.72

- Print is the most expensive media in terms of CPT, because it has the lowest coverage and OTS.
- Internet is cheaper in terms of CPT because the low prices on advertisement and high level of coverage.
- CPT are calculated based on agency estimation for 2014 prices.
Main Media trends and facts

**TV**
- The only measured media
- Buying by GRPs from April 2013 in 4 channels of 1 Sales House (MIS)
- H1 national channel – **direct advertising ban** from Jan 2014
- **New channel in Sales House structure** (Erkir Media which has almost 2.5-3% TV viewing share). It will cause some changes in the discount systems for sales house (exclusivity discount, package discount)
- **Strong alcoholic beverages** (vodka) are allowed on TV from Aug 2014
- **TV viewing decrease** can be resulted by the following factors:
  1. changes in the audience mode of life;
  2. growth of digital;
  3. increase of cable TV
- **High clutter** resulted lack of qualitative inventory and sold-out factor by the end of the year
- **Long-term planning benefits** allows to get better conditions and more qualitative placement

**OOH**
- Shift from large formats to **city-formats** (seniors, light boxes and etc.)
- Reduction of standard BB formats
- High clutter in the capital and weak presence in the regions.
- More non-standard formats
- Development of transport advertising

**Radio**
- Radio has started to be **monitored** by Aug 2014
- More Integrated non-standard placement
- Currently has a small coverage only in Yerevan and some surroundings, FC coverage increase in the regions
- Budgets are declining => giving up to Internet.

*Source: Agency evaluation*
Main Media trends and facts

**Internet**
- 70% of coverage in the country
- Sharp growth of the ad. Budget
- Mobile internet usage development

**Print**
- Budgets are declining => giving up to Internet
- Product Placement is used in the Category of “Hygienic Care Products”.
- More PR and announces rather than modules.
- Distribution oriented rather than selling (Magazines)
TV Sales Houses structure

<table>
<thead>
<tr>
<th>Media International Service (The Only SH)</th>
<th>Independent</th>
<th>National channel with only sponsorship</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1" alt="Armenia TV Company" /> <img src="image2" alt="afv.am" /> <img src="image3" alt="Armnews" /> <img src="image4" alt="Shant TV" /> <img src="image5" alt="ATV" /></td>
<td><img src="image6" alt="h2" /> <img src="image7" alt="Luma" /> <img src="image8" alt="Sun" /> <img src="image9" alt="21" /></td>
<td><img src="image10" alt="Gi" /></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TV Market Share (wGRPs 18-65), 2014 1-12’ vs. 2013 1-12’</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>83% vs. 66%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TV Viewing Share, 2014 1-13’ vs. 2013 1-12’</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>61% vs. 57%</strong></td>
</tr>
</tbody>
</table>

- New sales house “Media International Service” started working since April’2013 and includes Armenia TV, Shant TV, ATV & Armnews.
- From 2015 the Sales House will include also the channel Yerkir Media (small channel with 2.5-3% of TV viewing share)
- Since January 2014, all commercial advertisement has been removed from state TV channel H1

Source: GFK Armenia, All 18+
TV Share, Armenia

All years Armenia TV remains most viewed: Armenia TV is getting its share from Shant TV & H1

Source: GFK Armenia 2014  TA All18+, Direct placement
TV Market. Key summary

- There is only one sales house, and naturally, it is driving the market and is coming up with the selling standards.
- In 2015 we are not expecting any price inflation but we forecast increase in investments due to the new category – Strong spirits – entering the TV scene. However, Spirits will buy airtime significantly more expensive;
- There is no much competition between channel – three coverage builders (Armenia TV, Shant and H1); and on one of them (H1) the direct advertisement is banned.
- New small channel joins the Sales House family (Yerkir Media).
  - most probably will take the role of cost optimizator.
  - We also can expect some incremental reach;
- Increased demand at the end of the year has resulted in high clutter, lack of qualitative inventory and sold-out effect ~40% of Armenian population has an access to cable; Penetration of Cable and Satellite TV is growing year by year
OOH market

- OOH is not measured & monitored in Armenia.
- The high clutter in the capital and weak presence in the regions.
- Reduction of billboards in the city center (regulation by the Mayor), development of non standard outdoor and development of the transport advertizing (especially on bus).
- More non-standard placement.
- Budget are forecasted to grow constantly.

Source: Agency Estimation
Print market

Print is very small growth in the market, resulting in a very high price.

- Print media is stable in Armenia. But is losing the share in the total media budget. It’s giving up mainly to the digital placement.
- Monthly Glossy Magazines have the biggest share of press budget
- Most of magazines are open for ad banners, PR materials placement and any other non-standard way of co-operation.
- Only 20-25% of all magazines are being sold the other part is distributed in HoReCa and offices.

Source: Agency estimation
Print Sales Houses

**EL HOLDING**

- EL Style
- Elite Life

**MEDIA PARTNERS**

- Cosmopolitan
- ITAN
- Forbes

**INDEPENDENT PUBLISHERS**

- Business Concept
- Luxury
- newmag
- Prestige
Radio Market

Radio News:

- Radio started monitoring in Armenia since August 2013.
- Small coverage only in Yerevan and some surroundings.
- More integrated non-standard placement (Online airing, out of home reality).
- The budget is currently decreasing. We forecast that the level will remain the same (even can be a small lift up) because of monitoring.
- Radio is mainly used by small local brands as the alternative of TV in terms of small budget, or it’s used as a supportive channel (by finance category or mobile operators).

Source: Agency estimation
Radio Sales structure

Radio Sales House

FM Times (23%)
Alfa (27%)
Panarmenian Media (13%)
Independent 37%

Source: Agency est.
Digital penetration in Armenia is growing from year to year

- Yerevan and Lori regions have the highest penetration level

Source: World Bank
Internet Market

- 70% of coverage in the country
- Sharp growth of the ad. Budget
- Mobile internet usage development

Source: Agency estimation
Georgia
Georgia: General information

- President - Giorgi Margvelashvili
- Prime Minister – Irakli Gharibashvili
- Official language – Georgian
- Population – 4.9 mln
- **Main Regional Cities (population):** Kutaisi – 196,800; Batumi – 125,800; Rustavi – 122,500; Zugdidi - 75,700; Gori – 54,900; Telavi – 47,500

- Main Source of Income: Services, Trade, Tourism, Food and beverage production
- GDP Per Capita: 3,596.6 USD (2013)
- Nominal GDP - 15.984 billion USD (2012)
- Nominal GDP growth: +7% in 2012, +3% in 2013
- CPI (Annual Average to the Annual Average ): 2013 – 99.5
- Unemployment rate – 15% (2012)
- Average monthly nominal salary ~ 420 USD (2012)
- GEO exchange rate : 1 USD – 1.7690 Gel (April 07, 2014)

- Main priorities for country economic development:
  - Business de-politization
  - Restore agriculture and local manufacture
  - Tourism
  - Export of energetic recourses

Source: Department of Statistics of Georgia; 2013
## Research Tools

<table>
<thead>
<tr>
<th>Medium</th>
<th>Monitoring by (institute)</th>
<th>Statistics</th>
<th>Data</th>
<th>Panel representative for</th>
</tr>
</thead>
<tbody>
<tr>
<td>National and Cable TV</td>
<td>AGB Nilsen Georgia</td>
<td>Budget, GRP, Insertions, Affinity, Reach, Share, Contacts number</td>
<td>Period, Channel, program, Advertiser, Category, Brand, TVC name, TVC length, TVC position</td>
<td>Georgia</td>
</tr>
<tr>
<td>Digital</td>
<td></td>
<td>no monitoring</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Radio</td>
<td>IPM Monitoring / IPM Adex</td>
<td>Budget, Insertions</td>
<td>Period, Station, Program, Advertiser, Brand, Jingle name, Length, Position</td>
<td>Big cities</td>
</tr>
<tr>
<td>Outdoor</td>
<td>IPM Monitoring / IPM Adex</td>
<td>Budget, GRP, OTS, Reach</td>
<td>Period, Location, advertiser, Category, Brand, Format</td>
<td>Tbilisi</td>
</tr>
</tbody>
</table>

- Regular monitoring is available for TV, other media is provided on request base and for additional cost.
- In 2013, TNS Georgia with USAID and IREX support launched radio audience research.
  - Study is divided in 2 parts: face-to-face interviews and Telephone interviews.
  - Methodology to be used: DAR (Day-After-Recall)
Market growth is forecast in 2014

- TV Market growth is forecasted basically at the cost of price inflation
- OOH price inflation and growth and demand on inventory leads to the media market development
- Radio market growth is expected due to measurement system installation
- Digital developing due to increased demand on digital Adv.; Print stagnates

<table>
<thead>
<tr>
<th>Year</th>
<th>Media market growth</th>
<th>TV market growth</th>
<th>TV price Average inflation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>15%</td>
<td>15%</td>
<td>0%</td>
</tr>
<tr>
<td>2011</td>
<td>3%</td>
<td>1%</td>
<td>0%</td>
</tr>
<tr>
<td>2012</td>
<td>2%</td>
<td>1%</td>
<td>12%</td>
</tr>
<tr>
<td>2013</td>
<td>4%</td>
<td>1.5%</td>
<td></td>
</tr>
<tr>
<td>2014F</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: IREX 2011 and 2013 survey; Agency estimation.
### Sales structure in 2014

<table>
<thead>
<tr>
<th>Independent Sellers</th>
<th>Sales House Inter Media</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kavkasia</td>
<td>Rustavi 2</td>
</tr>
<tr>
<td>Imedi</td>
<td></td>
</tr>
<tr>
<td>Maestro</td>
<td>Tabula TV</td>
</tr>
<tr>
<td>Public TV</td>
<td>Comedy Channel</td>
</tr>
<tr>
<td>GDS</td>
<td></td>
</tr>
<tr>
<td>Music Box</td>
<td></td>
</tr>
<tr>
<td>TV3</td>
<td></td>
</tr>
</tbody>
</table>

**TV Market Share 2013 (wGRPs 18-65)**

- 45%
- 55%

- The structure is done only for monitored 11 TV Channels in 2014;
- Buying based on minutes basically for all players;
- GRPs buying is possible on channels of Inter Media, Imedi, Maestro, GDS for 18-65 and Music Box for specific TA s of Tbilisi;
- TV Imedi sells GRPs for any player, got price lists for GRP buying;
- Inter Media and other channels sells GRPs basically for International players with big annual budget; GRP price lists doesn’t exist.

*Source: Sales House; TV Channels; Agency estimation*
Advertising Law: TV

- Advertising time must not exceed 20% of broadcasting time
- Advertisement must be in the state language - Georgian;
- Foreign trade mark must be transliterated in Georgian
- In an advertisement of the product that needs certify, should be written “certified”
- Restricted placement of commercial advertisements on Public TV; the law doesn’t extend to sport events, international festivals, contests (placement in before, inside and after the programs advertising breaks); In this case, commercial advertisements and TV-shopping time shouldn’t exceed 10% of hour (6 mins)
- Restricted advertising of Tobacco on TV, on the front pages of newspapers and magazines covers;
- Advertising of strong alcoholic beverage is allowed only from 20:00; the permission is in force until 2015;
- Advertisements of Tobacco and alcoholic beverage must not create an impression that these products improve one’s physical and mental health, helps in getting success and etc; Banners of the products should not be places at/in Children’s, Health, Educative, Sport, Culture institutions;
- Should be kept special rules for advertising medications
OOH MARKET REVIEW

- OOH is #2 Media in Georgia. Takes about 11% of the whole advertising market;
- Forecast growth by 18% in 2014;
- Approximately 94% of OOH market is divided between two big companies and other 6% is owned by smaller ones;
- Basically it includes traditional types of advertising – standard banners;
- OOH constructions: Accordingly to IPM Monitoring, two main types of outdoor advertising: Backlit and Billboard are most popular in Tbilisi. Standard Billboards size is 6X3; They are mainly placed on the crossroads of heavy traffic motorways and banks.
- Transportation: Full, Partially packing of buses, vans; inside Monitors;
- Subway: banners, monitors, posters and stickers in the different locations – carriages, vestibules, platforms, escalator tunnels

- NEW: advertising on pavements
PRINT MEDIA

Newspapers: There are about 200 privately owned newspapers.
• Among newspapers the most popular and the best seller is weekly publishing Kviris Palitra with digest format
  – Asaval dasavali (political-social);
  – Alia (political-social);
  – 24 saati (diverse thematic)

Magazines as usual divided in two: yellow and glossy; Generally:
• Yellow magazines – weekly; with almost similar thematic; bigger circulation and lower cost than glossy magazines; Its cost is more affordable for people with low income;

• Glossy magazines basically are monthly; In Georgia no much variety of thematic publishing; Cost of magazines is more acceptable for people with average and high income

Source: Agency estimation. | p. 47
About 39 Radio Stations in Georgia

- 15 of them cover the biggest territory of the country
- Basic language of broadcasting is Georgian, but there are some broadcasters on foreign languages
- Combination of high reach, high target ability and lower cost is main reason to consider radio as popular media in Georgia;
- Radio offers direct advertising or sponsorship of programs and rubrics, some promo-actions (e.g. radio-quiz)
Internet

- Increasing number of people spend more time in front of their computers instead of other media. Number of active online users in Georgia is growing day by day;
- In 2012 users number is estimated as 46%, in 2013 – 52%
- Internet is #2 preferred media source for getting news, following TV;
- There is possibility to get rating of web-sites, measure their popularity by number of unique users and average number of users per day by www.top.ge;

**TOP 10 Georgian web-sites by top.ge**

- myVIDEO.ge: Video portal
- adjarabet: Web casino Portal
- sasagan.ge: News portal
- MyHit.GE: Movies portal
- Palitra TV-Radio
- amindi.ge: Web site portal
- droni.ge: Weather portal
- Intermedia
- Information portal
- Mcvane.GE Web sites recourse

*Source: eparticipationge.wordpress.com; agency estimation | p. 49*
Thank you!