

Russian Tourism Market Report: Trends, Analysis & Statistics.

How to impress Russian tourists and attract them to your country



Introduction

RMAA Travel team has done our own research of the Russian tourism market and written this book for tourism ministries, foreign companies engaged in the travel industry, airlines, hotels and foreign advertising agencies which deal with promotion of tourism and travel-related services in Russia.

Why is this book unique? Most tourism market researches cover only one of the aspects. For example, they are studying the behavior of tourists and eTravel market tendencies. We've tried to cover everything: from overall review to key players, from behavior of tourists to the marketing strategies of entering the Russian market.

In our book you will find answers to these questions:

- How attractive is the tourist market of the largest country?
- Where do Russians prefer to rest?
- How much money do they spend on a trip?
- How do they plan travels?
- What players operate in the Russian market?
- Where is it worth and where is it not worth to advertise?
- What an advertising campaign should be to win the heart of a Russian tourist?
- How will be the Russian outbound tourism market developing?

In our book you will find the latest studies of the Russian tourism market, interviews with tourists and travel industry representatives, and even answer to the question how much money other countries and Russian major tour operators invest in advertising.



Vadim Tylik, the President of the Russian Marketing and Advertising Agency (RMAA Travel)

About the author

Vadim Tylik is a Russian entrepreneur and Chief Executive Officer of RMAA Group — Russian full-service marketing and advertising agency.

For nearly 10 years under Vadim's leadership, the RMAA Group has helped global brands and advertising agencies (its clients) to build their marketing & advertising programs in Russia and the CIS region.

By Vadim's initiative, RMAA Travel, a travel marketing agency, has become one of the key division agencies of the RMAA Group. RMAA Travel offers enlightened travel solutions for tourism and hospitality organizations.



About the company

RMAA Travel is a Travel Marketing agency whose mission is to make it easy for global travel and tourism brands to access the Russian outbound travel market. We help destinations, tourism boards, airlines and hotels to reach Russian travelers.

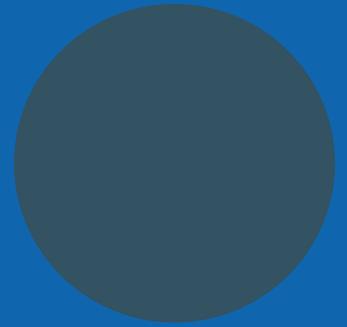
We are experts in travel communications and marketing in Russia and the CIS. RMAA Travel enables Russian advertising, media, marketing and PR services to build its clients' brands, drive sales, and increase brand share in one of the largest outbound travel markets. As an integrated travel marketing agency, we provide whatever service is needed to deliver the right solution — whether it is brand development for the Russian tourist, consumer research, destination marketing through to social media campaigns, influencer campaigns, digital advertising, traditional ads like TV, Out of Home and media buying.

We work with world-class travel brands like Indonesia, Philippines, Malaysia, Morocco and China, and many others to advise, build and execute travel marketing strategies.

**RMAA TRAVEL**
Marketing to Russian Traveller

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Overview of the Russian outbound tourism market

In this section we will give key information about the Russian tourism market. We will tell you what place Russia occupies in the world for outbound tourism, what countries Russians prefer to visit depending on the region of their residence and what season is considered as the peak tourist trip time.

Russia in the world

According to the International Monetary Fund, Russia's economy is in the sixth place in the world and is growing faster than the economies of France and the UK.

TOP 10 countries by their gross domestic product based on the purchasing power parity (GDP based on PPP)

| Country | 2016, billion \$ | 2017, billion \$ | 2017, in % |
|-----------|------------------|------------------|------------|
| China | 21,290 | 23,159 | 18.23 |
| USA | 18,624 | 19,391 | 15.26 |
| India | 8,705 | 9,459 | 7.45 |
| Japan | 5,243 | 5,429 | 4.27 |
| Germany | 3,997 | 4,171 | 3.28 |
| Russia | 3,877 | 4,008 | 3.16 |
| Indonesia | 3,032 | 3,243 | 2.55 |
| Brazil | 3,152 | 3,240 | 2.55 |
| UK | 2,812 | 2,914 | 2.29 |
| France | 2,735 | 2,836 | 2.23 |

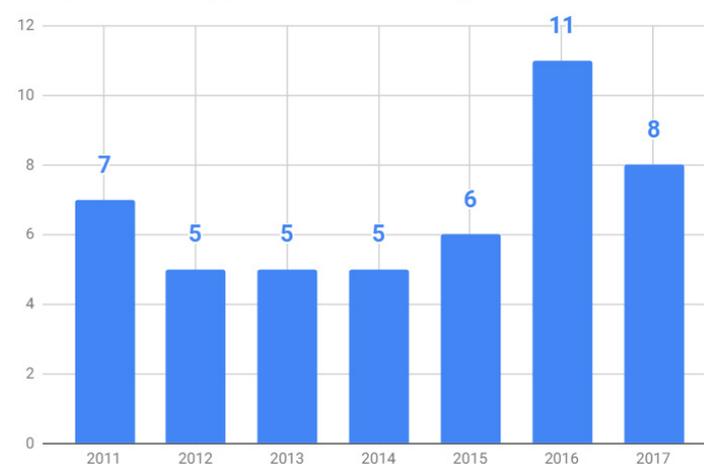
8 place
in the world in the
world tourism

Source: IMF, 2018

Russia plays a significant part in the world tourism. In 2012 Russians spent for holidays abroad 43 billion US dollars enabling Russia to be included in TOP 5 countries in terms of expenditures of their citizens on holidays and travel abroad. In 2013-2014 Russia held the 5th place, but in 2015-2016 it disappeared from the TOP 10 countries due to the currency crisis. In 2017 (+13%) Russia raised from 11th to 8th place and get into TOP 10 again. The rising international tourism expenditures shows the economic upsurge.

Russia in the World Tourism

Place by the amount of expenditures of citizens on holidays and travel abroad

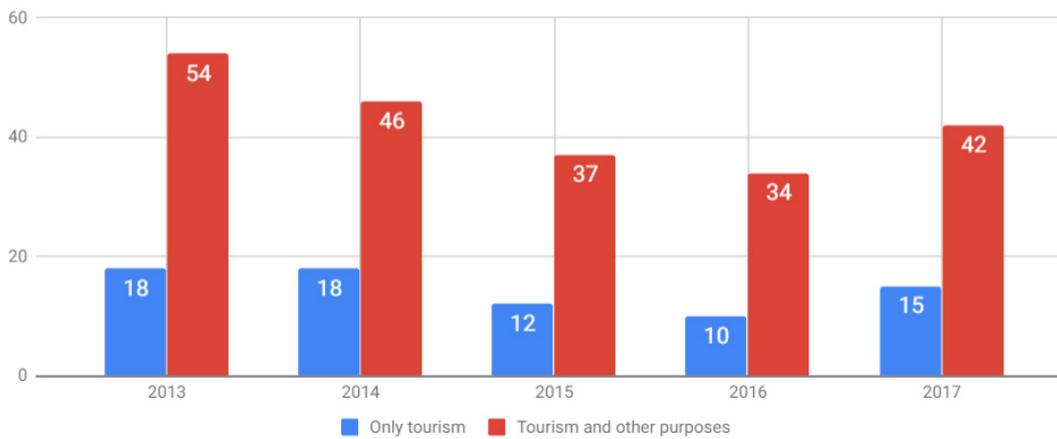


Source: UNWTO, 2011-2018

Overview of the Russian outbound tourism market

In 2014-2015 Russia passed through the currency crisis, which occurred due to the drop of oil prices and also economic sanctions over the conflict with Ukraine. As a result, the ruble went down against other currencies, and the economic climate deteriorated, which adversely affected the tourism market. However, in 2017, the market began to grow. According to the government statistics 42 million people left abroad in 2017, including 15 million – for tourism purposes.

Exit of Russians from the Russian Federation, million people

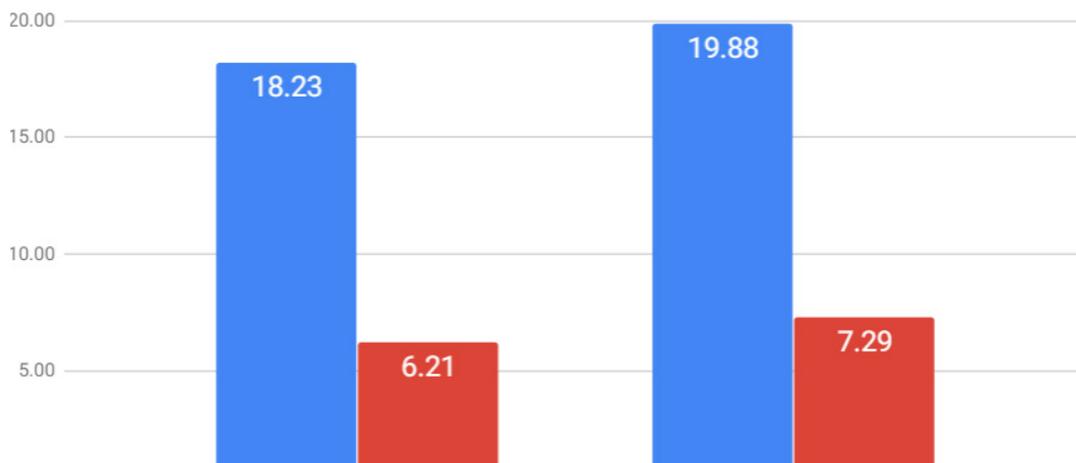


Source: Unified Interdepartmental Statistical Information System (UISIS), 2018

The upward trend is continuing. If we compare data, 430,000 tourists more left for Q1 2018 than in Q1 2017.

Leaving of Russians abroad, million people

H1 2017 in comparison with H1 2018



Source: Unified Interdepartmental Statistical Information System (UISIS), 2018

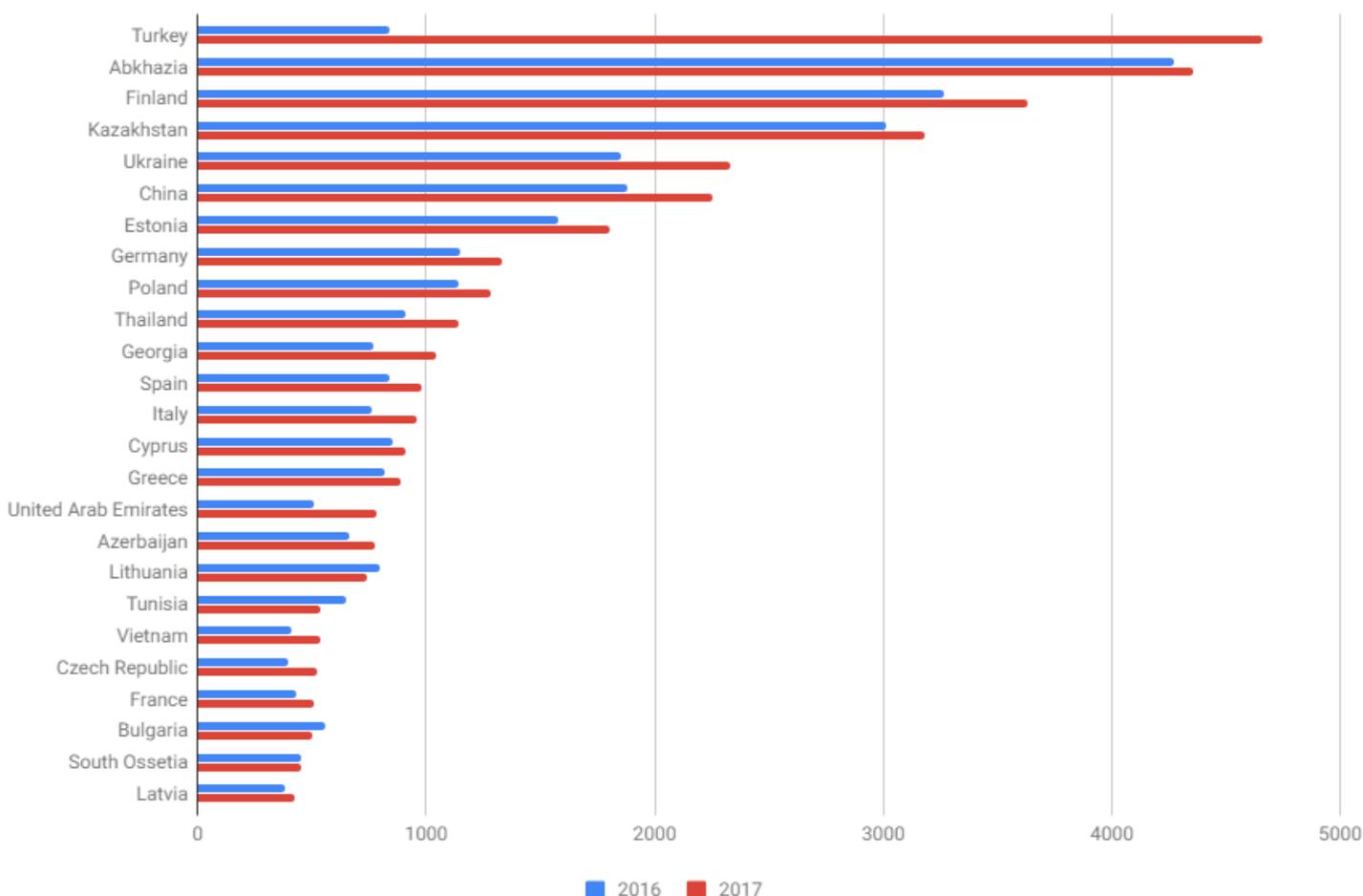
What countries Russians prefer to visit

In 2016-2017 most of Russians went to Turkey, Abkhazia, Finland, Kazakhstan, Ukraine and China. These data include not only tourist trips, but all trips in general.

Russians often go to the countries bordering with Russia such as Finland, China, Poland on business trips, and they also go to the countries of the former USSR (Kazakhstan, Ukraine, Georgia) to visit their relatives and friends.

TOP 25 countries in terms of leaving Russians abroad, thousands of people

Tourism and other purposes



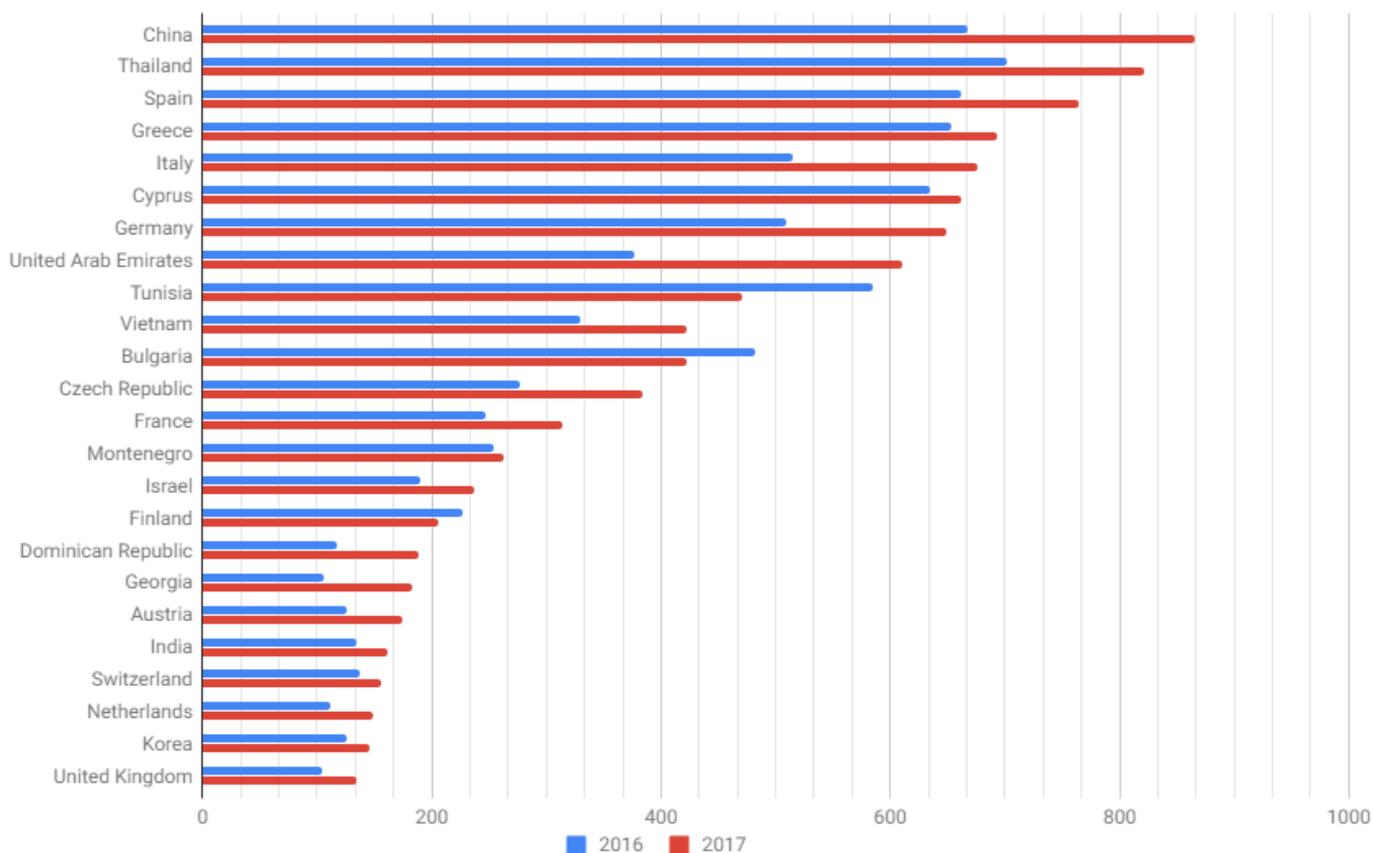
Источник: ЕМИСС, 2018

However, if to take only tourist flow, TOP countries will change. All CIS countries will lose their leading positions where people go for work and communication with relatives, and Turkey will be in the first place by a significant margin. 3,367 thousand Russian tourists visited it in 2017. Besides Turkey, the most popular countries among Russian tourists are: China, Thailand, Spain, Greece, Italy, Cyprus, Germany, UAE, Tunisia.

3,367,000
*russian tourists visited
Turkey in 2017*

TOP 25 countries in terms of leaving Russians abroad, excluding Turkey, thousand people

Tourism



Источник: ЕМИСС, 2018

The impact of international relations on the tourist flow

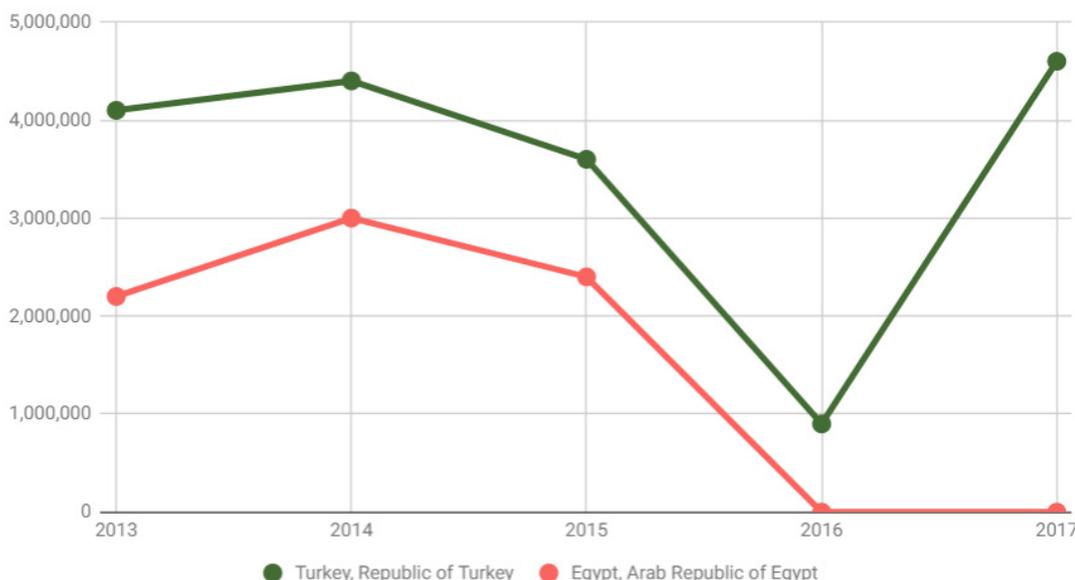
International relations can have a great impact on the tourist flow. The Russian SU-25 was shot at the border of Syria and Turkey on November 24, 2015 causing deterioration in relations between Russia and Turkey. From November 25, 2015, the Ministry of External Affairs and the Federal Agency for Tourism recommended Russian tour operators to suspend the sale of the package tours to Turkey, and from January 1, 2016 the visa-free travels to Turkey were suspended.

After June 2016, when the President of Turkey expressed regret at the incident and place emphasis on the readiness to do his best for restoration of the traditionally friendly relations between countries, the relations between Russia and Turkey began to improve. In May 2017, at the meeting of both Presidents V. Putin stated that “the relations between two countries are acquiring a special status and has fully recovered”, that had an immediate impact on the tourism market.

Turkey is popular with Russian tourists, because it’s a cheap place to rest. Starting from 2016, the rate of lira (Turkish currency) has fallen against the dollar; therefore the prices for Russians are favorable.

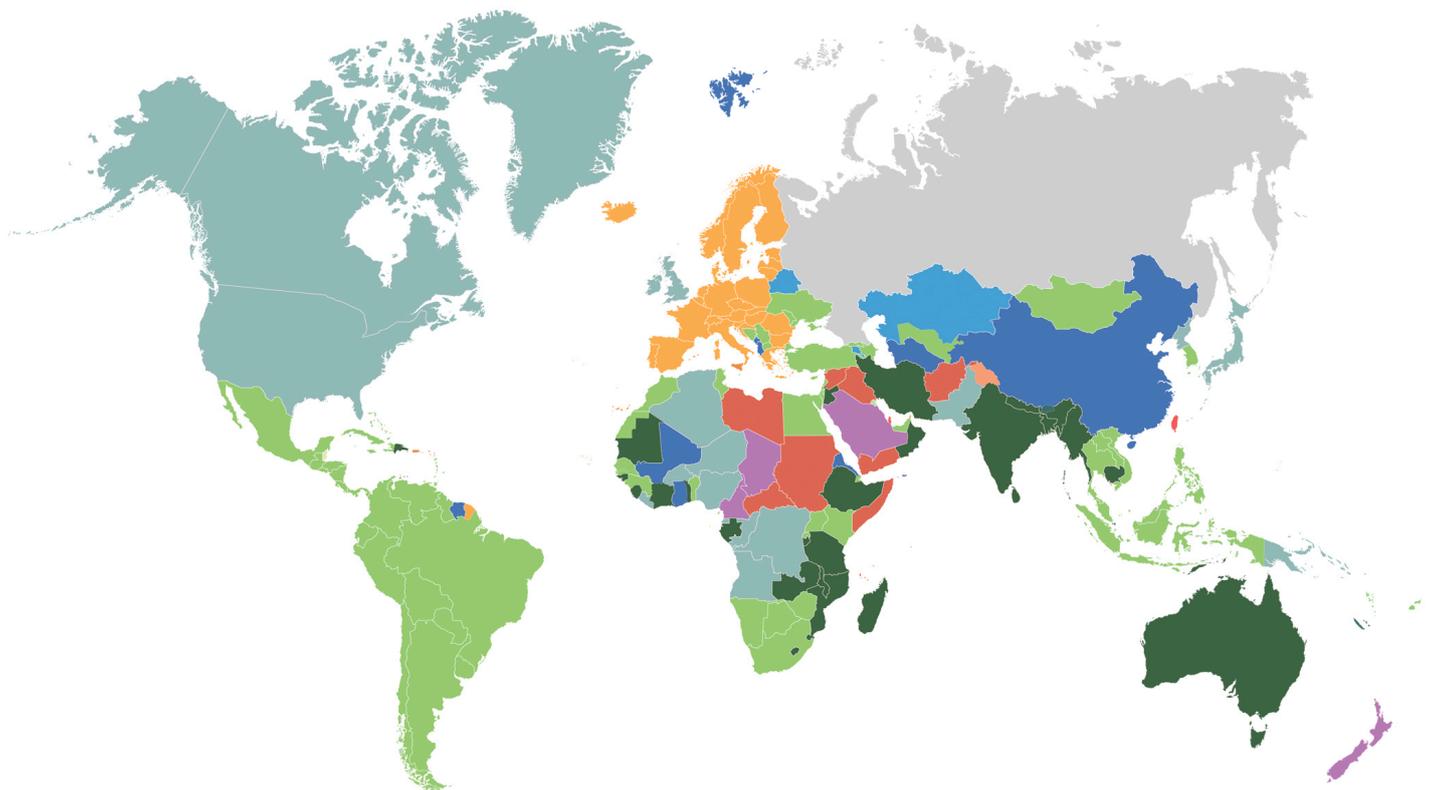
Source: Unified Interdepartmental Statistical Information System (UISIS), 2018

The change of the tourist flow in Egypt and Turkey



But Egypt, which used to be a very popular destination, still hasn't restored its position. The Russian authorities ceased airline services to Egypt on October 31, 2015 - after the terrorist attack on board of Kogalymavia aircraft. The liner traveled from Sharm El Sheikh to Saint Petersburg and crashed due to the explosion on board. 217 Russian tourists and 7 crew members were killed in this air crash. After Egypt enhanced security at airports, flights were resumed, but they are far from the previous level. If 652 thousand Russian tourists flew to Egypt in Q2 2015, then only 2.5 thousand Russian tourist flew there in Q2 2018.

Visa requirements for Russian citizens. Source: wikipedia.org, 2017



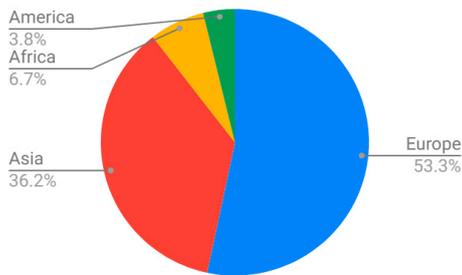
- Countries where you can obtain a visa on arrival or e-visa by paying a fee for it
- Visa-free countries for Russia. You can enter there having only a passport for travelling abroad but without a visa or having received e-visa or a visa on arrival
- Countries where without a visa it's allowed to pass the border control for transit or just leave the airport area for some time
- Other countries where it's required to obtain a visa according to the standard procedure for entering into
- Countries and territories with ongoing armed conflicts and outbreaks of mass violence as well as territories the actual control over which (or over their parts) often shifts from one group to another
- Schengen Member states and where you can enter with a Schengen visa of either type
- Countries where you can enter without a visa having a passport for traveling abroad or internal Russian passport
- Other entry and stay regime

What countries are visited from what regions

Russia is a huge country. It occupies 1/9 of the Earth's land and its length from West to East is about 10,000 km. The immense distances affect the tourist market, which is heterogeneous and varies from region to region. From the Far East tourists travel mainly to the countries of the Asia Pacific Region, and from St. Petersburg they mainly go to European countries. Otherwise, it's long and expensive to travel there.

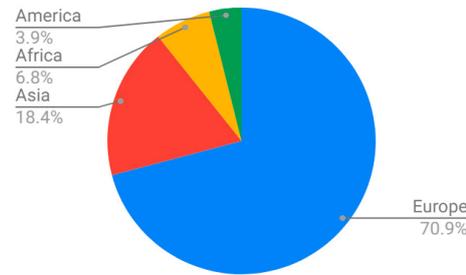
Different regions – different destinations

Tourism from Moscow



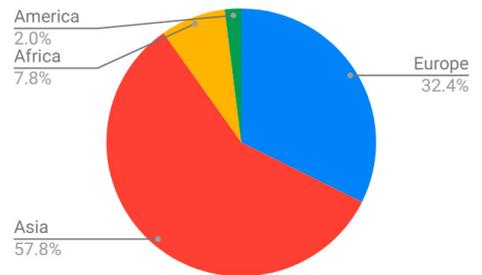
- | | |
|---------------|---------------|
| Europe | Asia |
| Greece | Turkey |
| Italy | Thailand |
| Bulgaria | |
| Spain | Africa |
| Germany | Tunisia |

Tourism from St. Petersburg



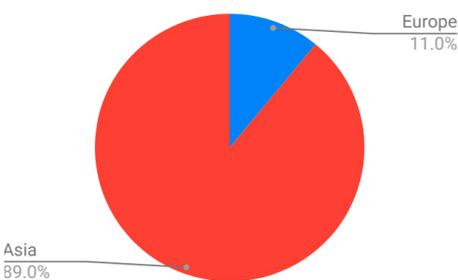
- | | |
|-------------------|---------------|
| Europe | Asia |
| Finland | Turkey |
| The Baltic States | Thailand |
| Greece | |
| Spain | Africa |
| Germany | Tunisia |
| Bulgaria | |

Tourism from the Volga, Ural, Siberian Federal Districts



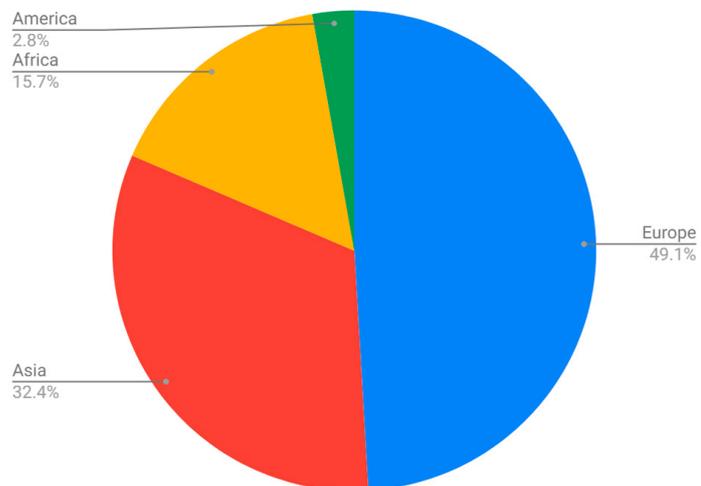
- | | |
|---------------|---------------|
| Europe | Asia |
| Greece | Turkey |
| Spain | Thailand |
| Germany | |
| | Africa |
| | Египет |
| | Tunisia |

Tourism from the Far Eastern Federal District



- | | |
|---------------|-------------|
| Europe | Asia |
| Italy | China |
| | Thailand |
| | Turkey |

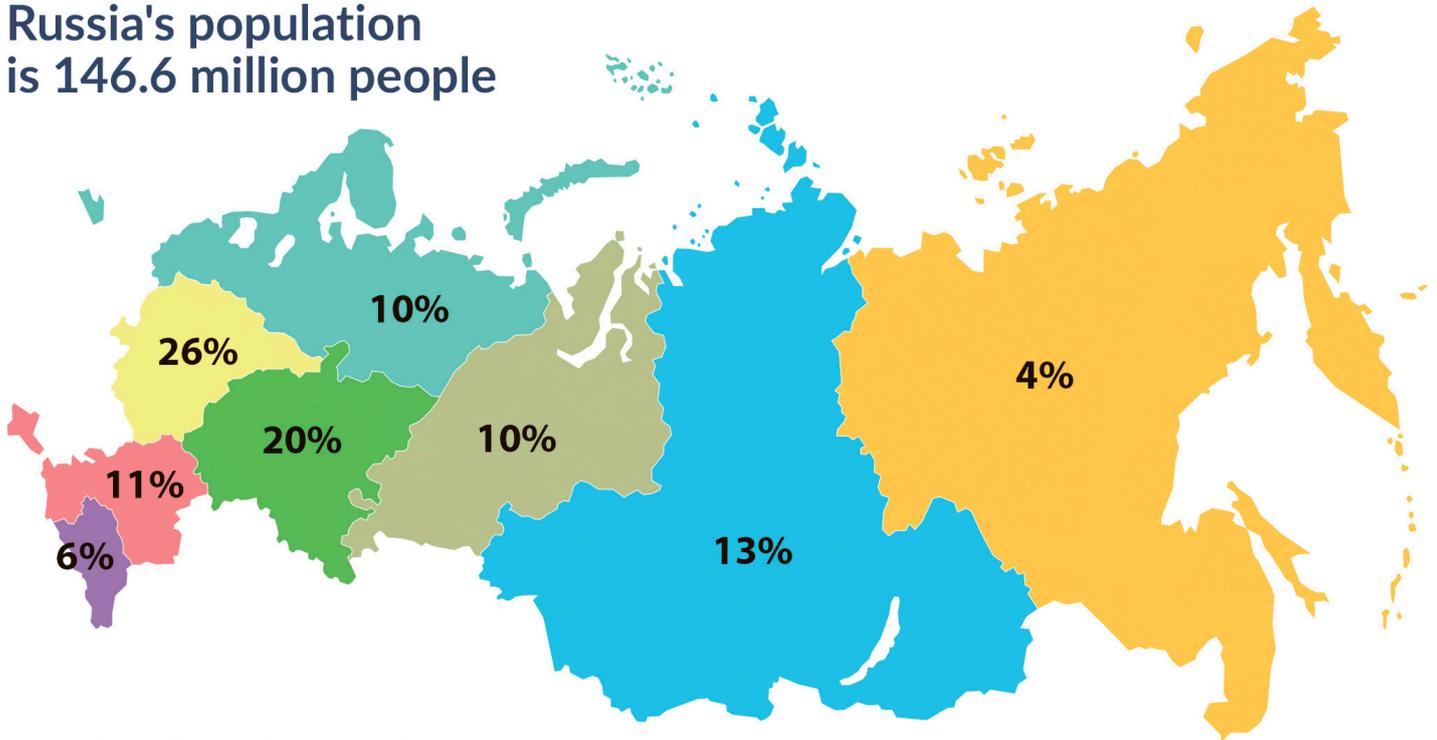
Tourist destinations from Russia



Source: Ipsos, Comcon. Resindex , 2017. Base: Russians 16+ traveling abroad (all types except for business trips, studying, shop tours) N=3635

Russia's population is distributed unevenly. For example, 26% of the population live in the Central District where Moscow is located, and only 4% live in the Far East.

Russia's population is 146.6 million people

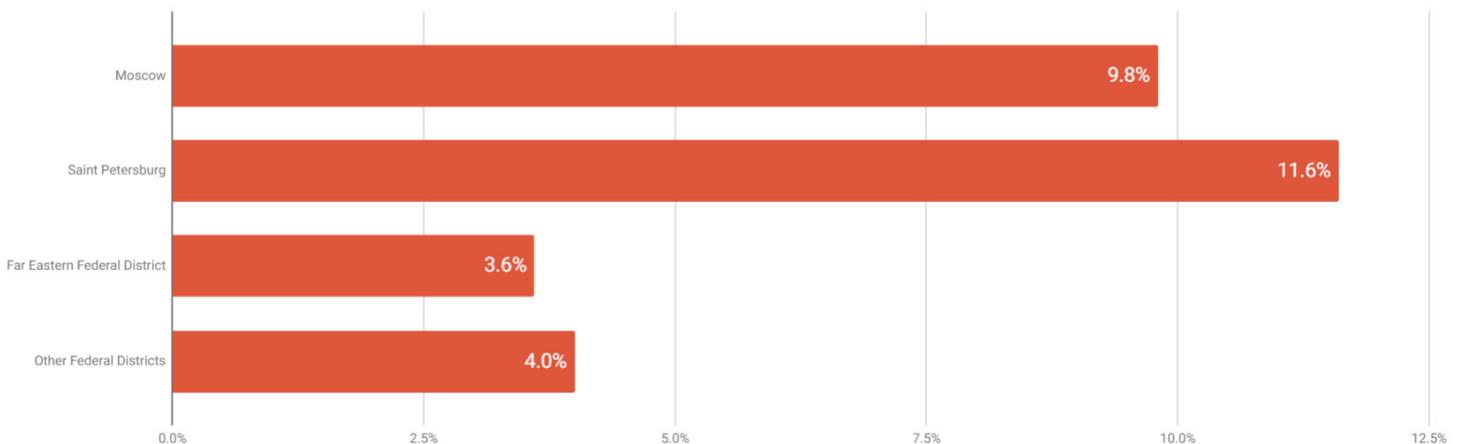


Source: The population of the Russian Federation by municipalities as of January 1, 2018, GfK

The studies show that the residents of Moscow and St. Petersburg are traveling more readily than the residents of other cities of Russia. 10% of Moscow residents and only 4% of residents of other Federal Districts travel abroad.

Moscow and St. Petersburg residents travel more than other residents of Russia

The percentage of Russians from cities 100 thousand+, who have traveled abroad within the last 12 months for leisure, %



Source: Ipsos, RosIndex, 2017

When Russians go on tourist trips

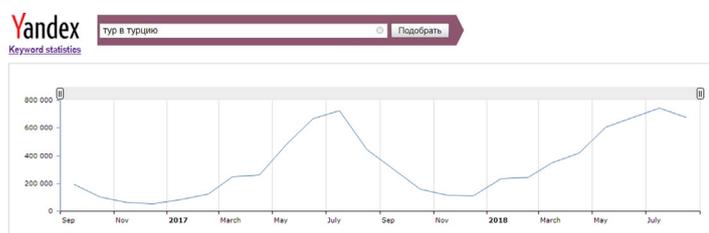
The demand for tourist trips depends on the season. It's at the lowest point in November – early December. Then it begins to grow. Many people go abroad for the New Year holidays which last from January 1 to January 10 in Russia. In February the demand is getting steady or slightly falls, and it starts to grow from the spring reaching its peak in July.

310,428
times in August 2018
Russian people were
searching for tours
in Yandex.

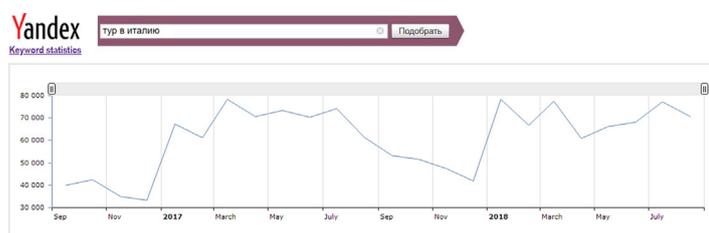
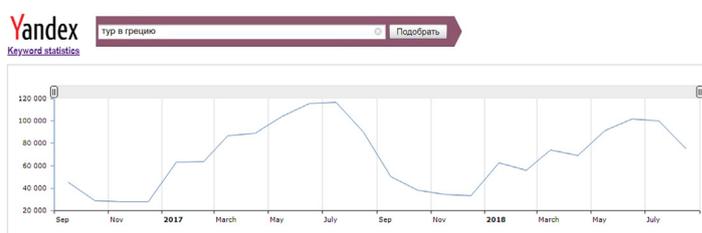


History of impressions for the phrase "Buy a tour"

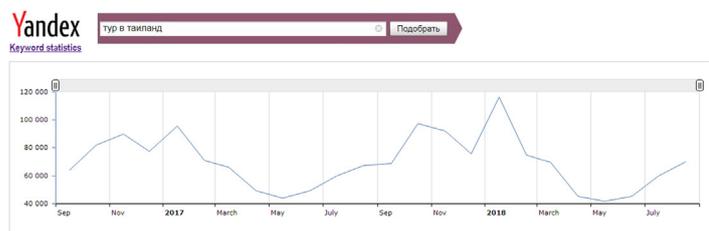
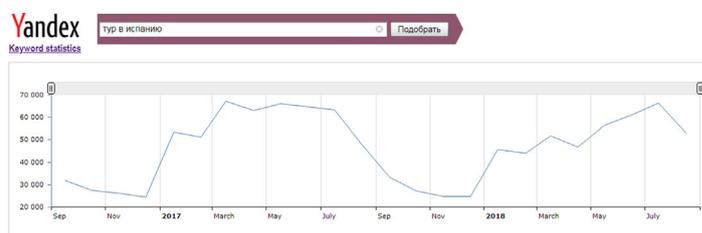
This is the overall picture for all countries. But since the tourist season in different countries falls on different times, the seasonality of demand will be individual for each country. For example, in Mediterranean counties the season falls on spring and summer.



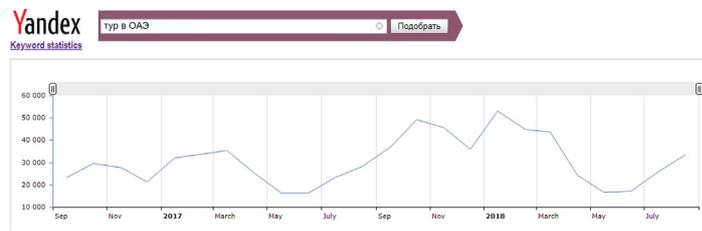
The summer demand is more prominent in Turkey and Greece



And in Italy and Spain trips are popular not only in the summer but also in the spring



People go to Thailand and United Arab Emirates, on the contrary, in the autumn and winter





Cultural Specifics of the Russian Nation

Churchill said about Russia: "Russia is a riddle wrapped in a mystery inside an enigma". What does a Russian person represent?

Cultural Specifics of the Russian Nation

The following stereotypes about Russian people are commonly popular: Russian soul is mysterious and nature is generous. Russians are inconsistent, kind, lazy, patient, brave, hospitable, submissive, suspicious, and pessimistic, like sufferings and like conquests. There are also common images inextricably associated with Russians: vodka, shapka-ushanka (Russian furry hat), mud, snow, frost, bears, caviar, samovar. How are they consistent with reality? Here's what the research say.

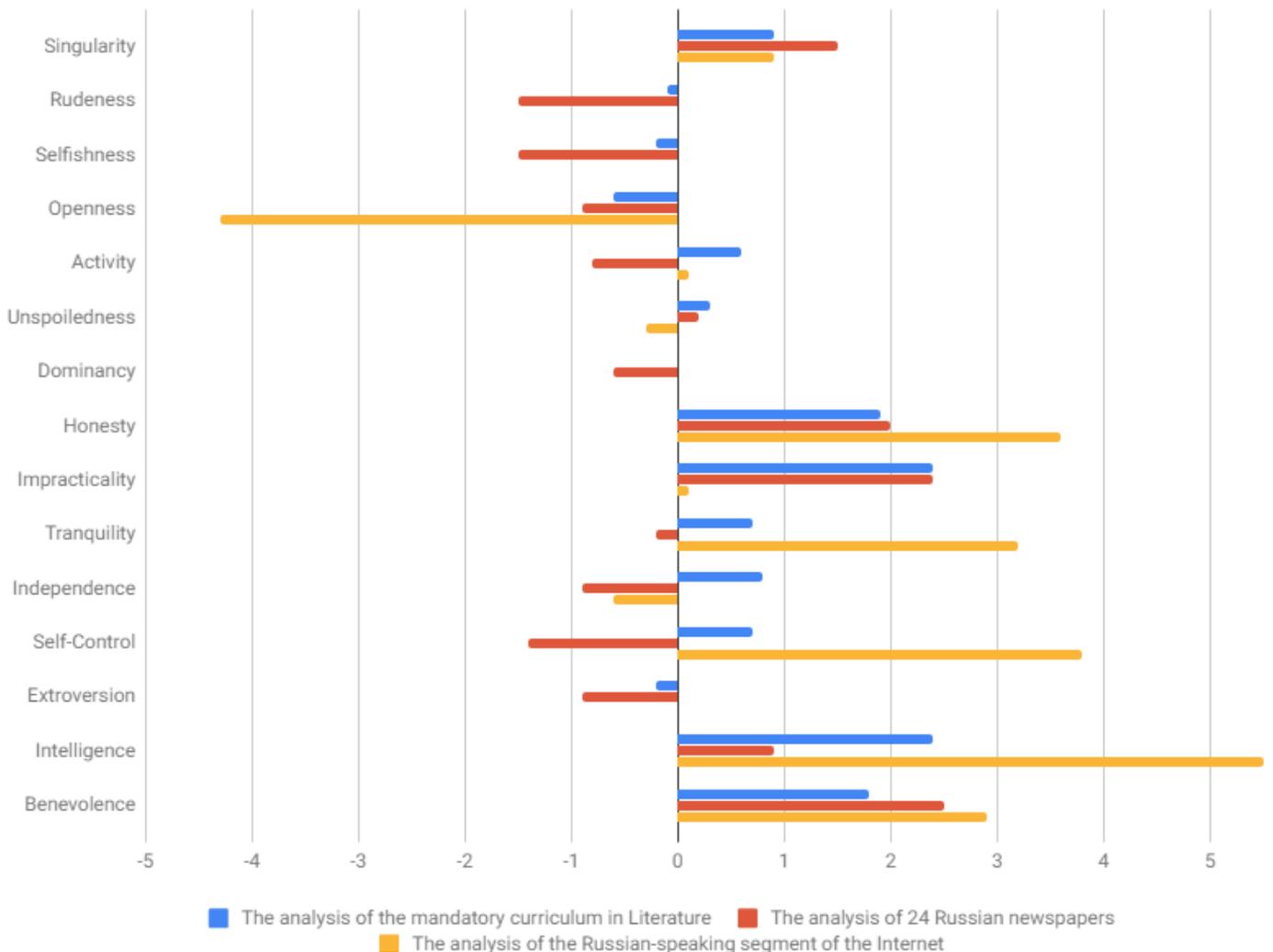
Vladimir Shalak, Doctor of Philosophical Sciences, analyzed three groups of texts to identify what features attributed to Russians.

The first group of texts is the books from the mandatory curriculum in Literature for students entering the Universities. The second group is the Russian newspapers. The third group is the texts of the Russian-speaking segment of the Internet.

Despite some differences, the content analysis showed that the following features are peculiar for Russian people: singularity, politeness, selflessness, restraint, unspoiledness, honesty, impracticality, introversion, intelligence and benevolence.

Russians: The analysis of the mandatory curriculum in Literature

Source: V. Shalak. *National character stereotypes. 2000 — 2006*



Another research conducted by the Novosibirsk State Pedagogical University in 2013 identified key features of the Russian character according to the Russian people who live in Russia, Russian people who live abroad and foreigners.

What is the main trait of Russians?

(the first 5 traits highlighted by the respondents in each group)

| Russians in Russia | Russians abroad | Foreigners |
|--------------------|------------------|--------------|
| warm-heartedness | warm-heartedness | patriotism |
| kindness | kindness | kindness |
| patience | collectivism | practicality |
| simple-heartedness | patriotism | diligence |
| collectivism | cheerfulness | collectivism |

Source: *Russians: character, mentality, behavior stereotypes*, E. A. Kostina, A.V. Egorychev, A. Rieger

In the paper “Russian mentality: Criticism of the most constructive concepts” of N. Rozov, Doctor of Philosophical Sciences, listed negative features of the Russian people: “Typically, the lack of unity, low self-discipline and inability to self-organization without subjugation and compulsion, legal nihilism, paternalism and patrial culture, maximalism, and going from one extreme to another.”



The topic of communication. “A heart-to-heart conversation is prioritized for a Russian person. It’s very difficult to explain to a foreigner what it is. Russian people like to bear the soul, even “spill guts” to a companion, they feel free to do it, they feel free to tell you about their innermost; they can bear the soul to a stranger, a passenger on the train”.

“Russian cultural and linguistic community is characterized by a negative attitude to secular communication. The expression “secular communication” usually has some disparaging sense in Russian language use — which means “unreal”, official, contrived, insincere”.

Extract from the book by Yu. Prokhorov, I. Sternin “Russians. Communicative behavior” about behavioral peculiarities of Russians



Facial expression. A smile is not a mandatory attribute of politeness for a Russian. Russian smile is a sign of personal affection for another person, which does not apply to everyone. If a person smiles insincerely, it causes rejection. "There is a unique proverb in the Russian language which doesn't exist in other languages "Laugh without reason is the sign of stupidity".

"Russian facial expression reflects an actual state of a person". There is no requirement to "keep a face", "preserve dignity". This also applies to the topic of conversation — Russians easily talk about their problems, ask the other person about it, and when asked "How are you?" it is not forbidden to answer "Bad".



Gestures. "In general, the Russian gestures have a little bit larger amplitude than the Western European ones... The Russian gestures are significantly beyond the personal space of the gesticulating person, often intruding into the space of the other person".

"In the Russian communication only five non-verbal signals of unfriendliness are used and more than 20 non-verbal signals of friendliness".

"If Finns make 1 gesture per hour, Italians – 80, French – 120, Mexicans – 180, so Russians – 40. Thus, contrary to the conventional image of Russians as a strongly gesticulating nation, Russian people gesticulate moderately enough, but their gestures are wider in amplitude and more emotional".



Distance. "A short distance is common for the Russia communication which is considered as ultrashort from the perspective of the European standards". "Russians, asking the way, can come to a stranger very close, closer than 25 cm".

"The category of privacy is feebly-marked – Russian communicative thinking affords the invasion into the communicative space of another person on a wide scale –both physically (distance, touch, physical contact) and thematically (deeply personal matters can be touched upon in communication). It can be said that the concept of limited communicative sovereignty is natural to the Russian communicative consciousness — you can make remarks to strangers, reconcile strangers, interfere in someone else's conversation, ask questions to talking people, "hang your problems" on others, etc."



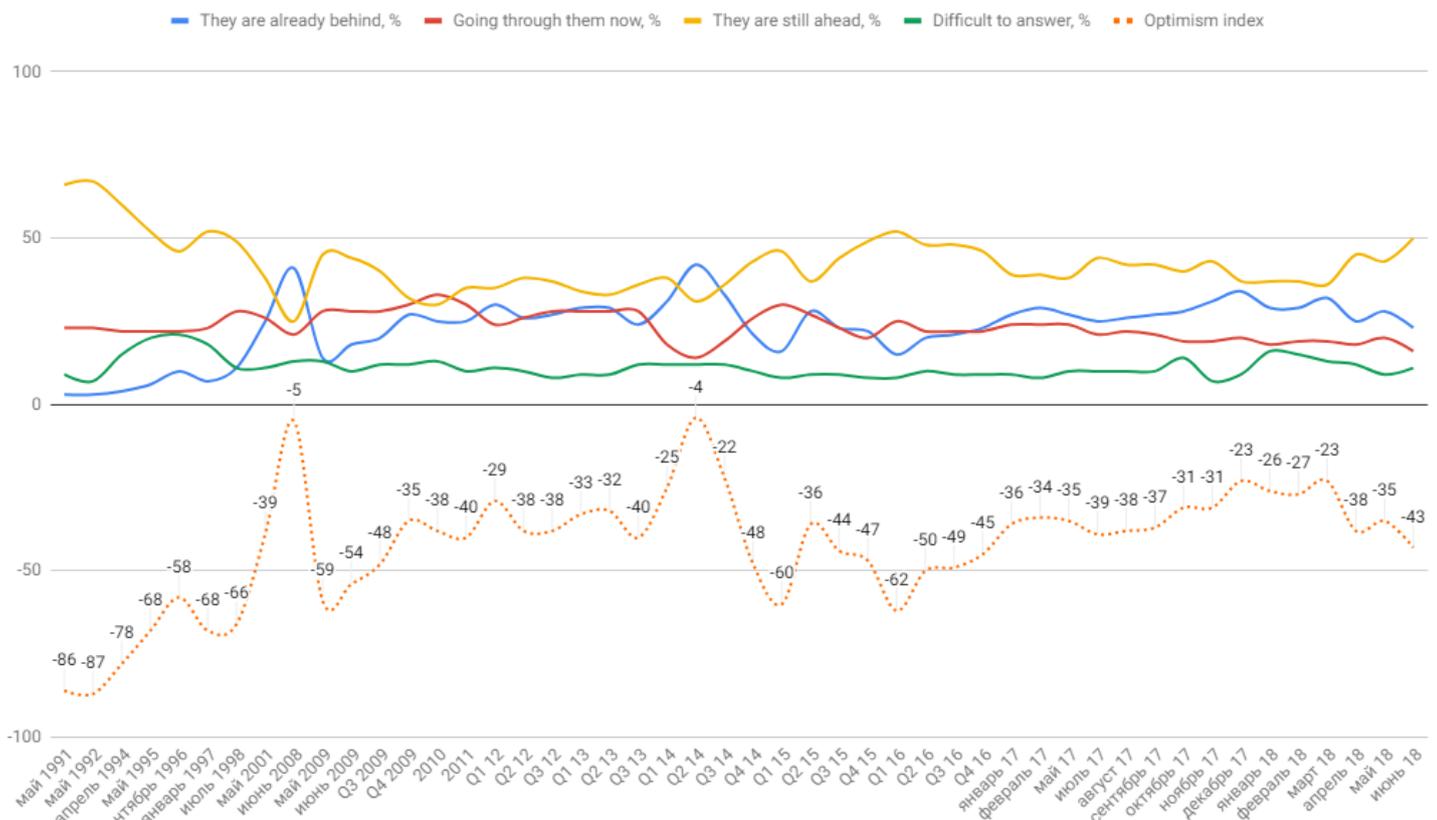
Propensity towards conflict. "Disputes traditionally hold a considerable place in the Russian communication. Russian people loves to dispute about all kinds of matters both private and general ones. Love to the disputes about the global, philosophical matters is a striking trait of the Russian communicative behavior".

"Russian people are often interested in a dispute not as the source of the establishment of the truth, but as a mental exercise, as a form of emotional, sincere communication with each other. This is precisely why the persons in dispute so often lose the thread of the dispute and easily move away from the original topic in the Russian communicative culture".

The attitude towards the future. On the whole, Russians are pessimistic and do not believe in a glittering future. From 1991 to 2018 the index of social expectations, which shows how optimistically Russians evaluate the country's future, never showed positive values.

The indicator is calculated as the difference between the answer "hard times are over" and the sum of the answers "going through them now" and "they are still ahead". The index can have values from -100 to +100 points.

There are different points of view about the economic crisis in our country. What do you think, we are now going through the most difficult times, or are they behind or ahead?



Source: The All-Russian Public Opinion Research Center (VTSIOM), 2017

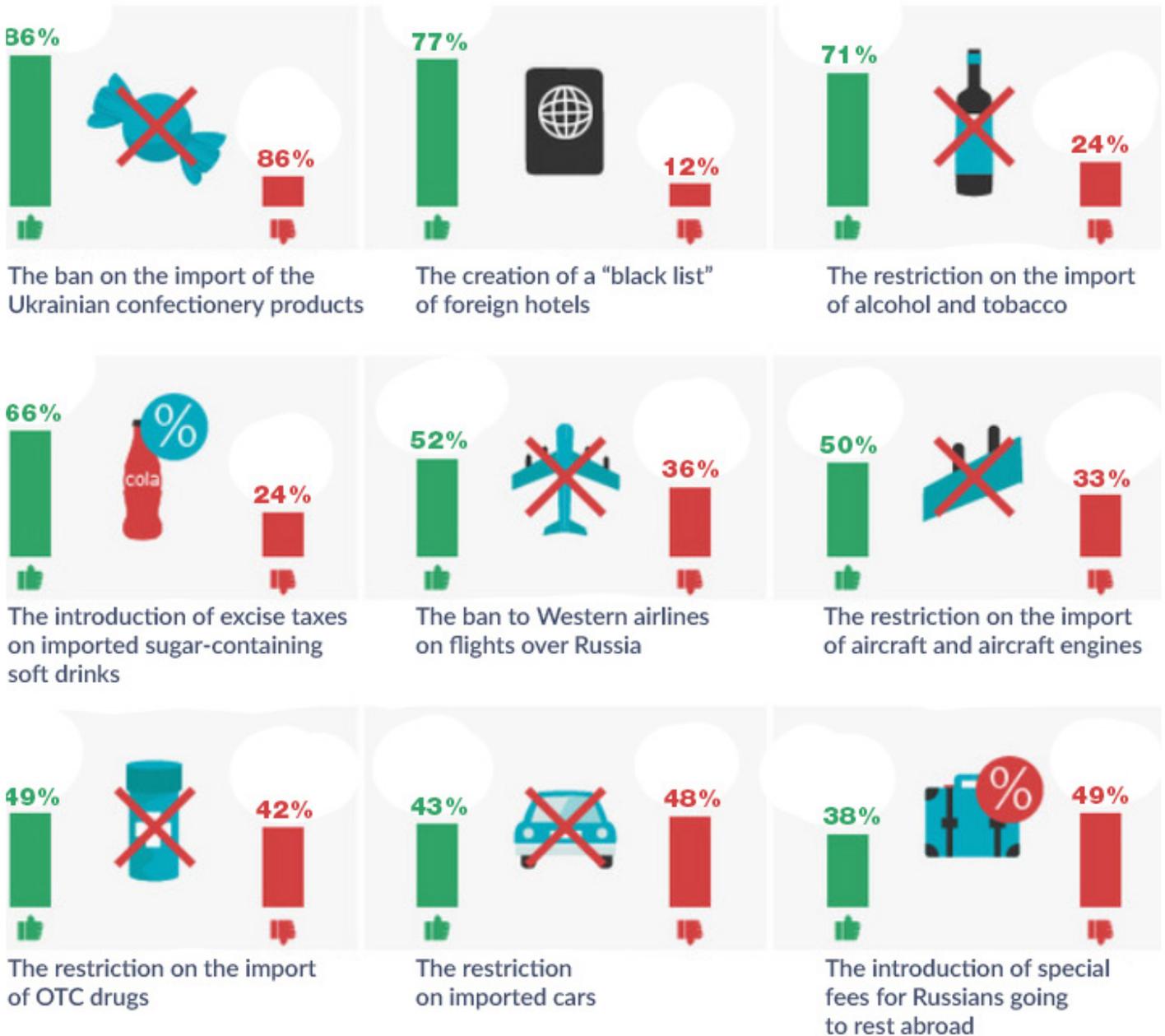
Consumer patriotism. The polls show that Russians are rather patriotic in support of the Russian manufacturer on the most items (food, medicine, etc.), but most of them are not ready to stop using foreign cars and refuse from leisure abroad. Agree, this is great news.

Source: The All-Russian Public Opinion Research Center (VTSIOM), 2014

Nowadays, new different measures are being discussed by the Russian leadership in response to the Western sanctions. What's your attitude towards the following ideas? (closed question, one answer for each item)

 Rather support

 Rather don't support



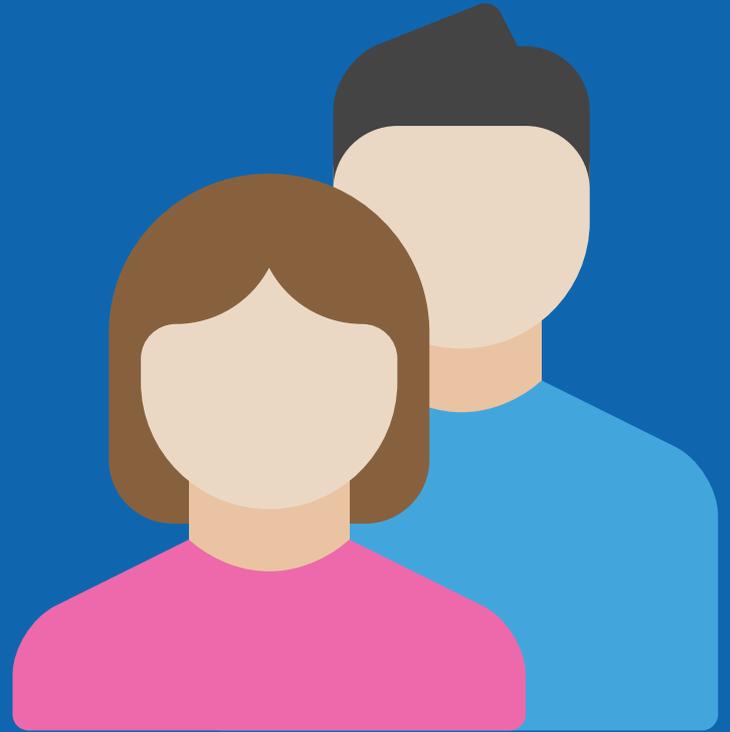
Social status. Social status is important for Russians. The polls show that there is a tension between the rich and the poor, leaders and subordinates, employers and employees.

Russian people pay attention to how someone is dressed, what car he or she rides, what position he or she holds. But it often happens that the more successful people are not perceived as a role model, but as a reason to feel envy.

Now when you have the common understanding of the cultural peculiarities of Russian people, let's proceed to the description of the portraits of Russian tourists.

Source: The All-Russian Public Opinion Research Center (VTSIOM), 2016





Portrait of a Russian tourist: behavior and preferences

In this section we will describe a portrait of a Russian tourist: how much he (she) spends on a trip, which hotels he (she) prefers, what kind of rest he (she) likes, how he (she) plans a journey, what stereotypes about foreigners he (she) has and how the preferences of Russian tourists will change in the near future. This knowledge will help you build an accurate and personalized communication with Russian tourists and create quality advertising campaigns.

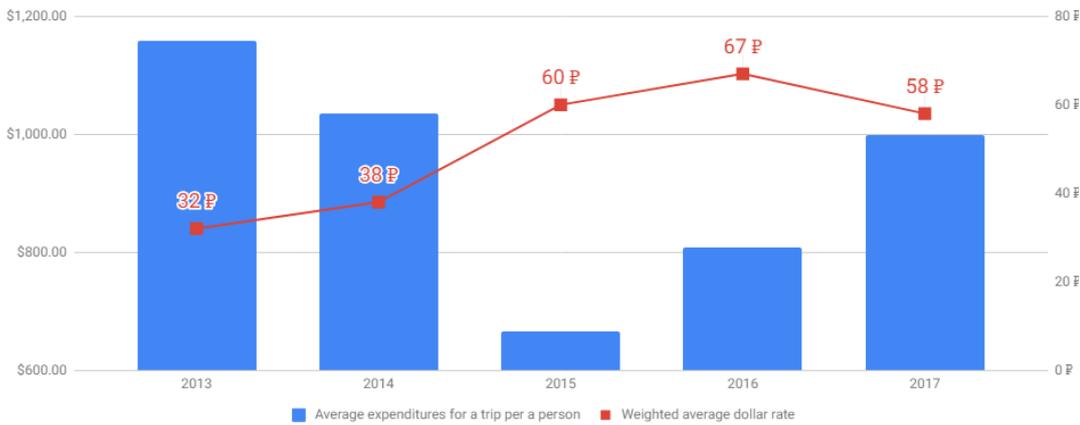
How much tourists from Russia are ready to pay for a trip

Due to the currency crisis 2014–2015, the average expenditures in rubles for travels abroad have grown.

Average expenditures per a person on the last trip

Source: Ipsos, RosIndex, 2017

Average expenditures in rubles per a person on the last trip in 2017 increased by 7% in comparison with 2016

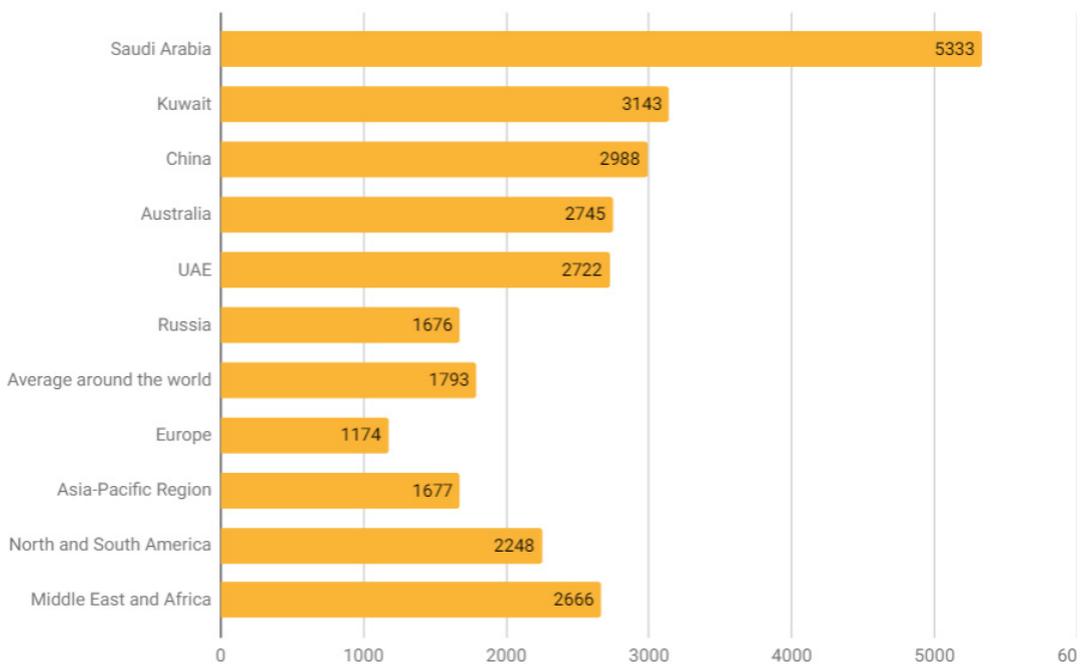


Visa, the international payment company, made Visa Global Travel Intentions Study and revealed how much money people from different countries spend on one trip. According to 2016-2017, travelers from Russia spent \$1,676 per one trip. At the same time, 51% of the budget is spent before the trip, and 49% – at the place of destination. 70% of Russians use bank cards when they plan their travel trips.

\$1676
Russians spent for one trip per a person in 2016-2017

The expenditures for one trip in the world (2016-2017, \$)

Source: Visa Global Travel Intentions Study



Visa data look more optimistic than polled data. Partly because people intend to do one thing, but actually act differently. Partly due to the difference samplings, since Visa Study covered only those who really travels, use a bank card and spend money on travel trips, but the polls included those who never traveled and just planning to do it.

According to the polls, one-third of Russians plan to go on vacation abroad in 2018 (33%). Residents of Moscow and St. Petersburg more often than others report it (52% against 24% among rural residents), and also 18-34 years old young people (44-46% against 15-35% in other age groups). The average amount which travelers are ready to pay outside Russia (including for transport and accommodation etc.) is \$1,050 per a person which is less than Visa data.

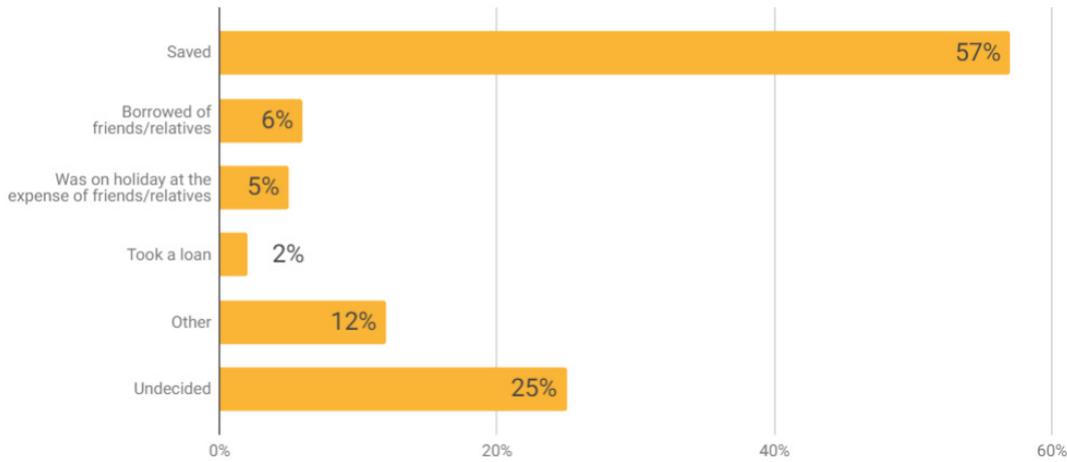
Expenditures for overseas tourist trips

If you consider the possibility to go on vacation abroad in the coming year, what maximum amount are you ready to pay for such travel trip including payment for transport, accommodation and all other expenses? Indicate the amount per one person. In % of all respondents.

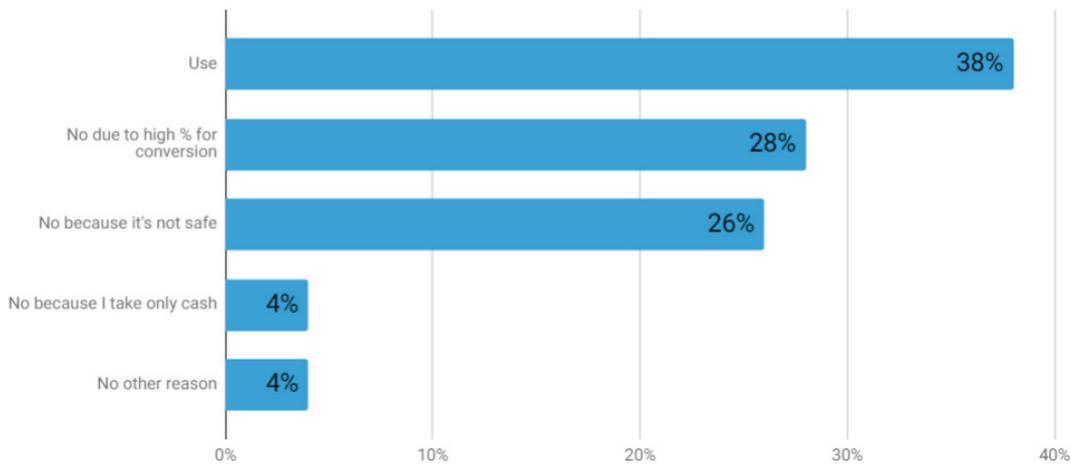
| | All respondents | Moscow and St. Petersburg | A city with 950 thousand people and more | A city with 500-950 thousand people | A city with 100-500 thousand people | A city with 50-100 thousand people | A city up to 50 thousand people and small town | Village |
|--|-----------------|---------------------------|--|-------------------------------------|-------------------------------------|------------------------------------|--|---------|
| Up to \$670 | 10 | 8 | 12 | 15 | 10 | 22 | 7 | 6 |
| \$670— 860 | 4 | 5 | 10 | 4 | 4 | 4 | 2 | 3 |
| \$860— 1,030 | 2 | 3 | 5 | 2 | 2 | 2 | 1 | 1 |
| \$ 1,030 and more | 7 | 10 | 11 | 2 | 9 | 4 | 7 | 5 |
| Do not consider the possibility to go on vacation abroad | 67 | 48 | 56 | 69 | 70 | 61 | 73 | 76 |
| Difficult to answer | 10 | 26 | 6 | 8 | 5 | 7 | 10 | 9 |

Source: Analytical center National Agency for Financial Studies (NAFI), 2017

“Where did you get money for holiday?”, %

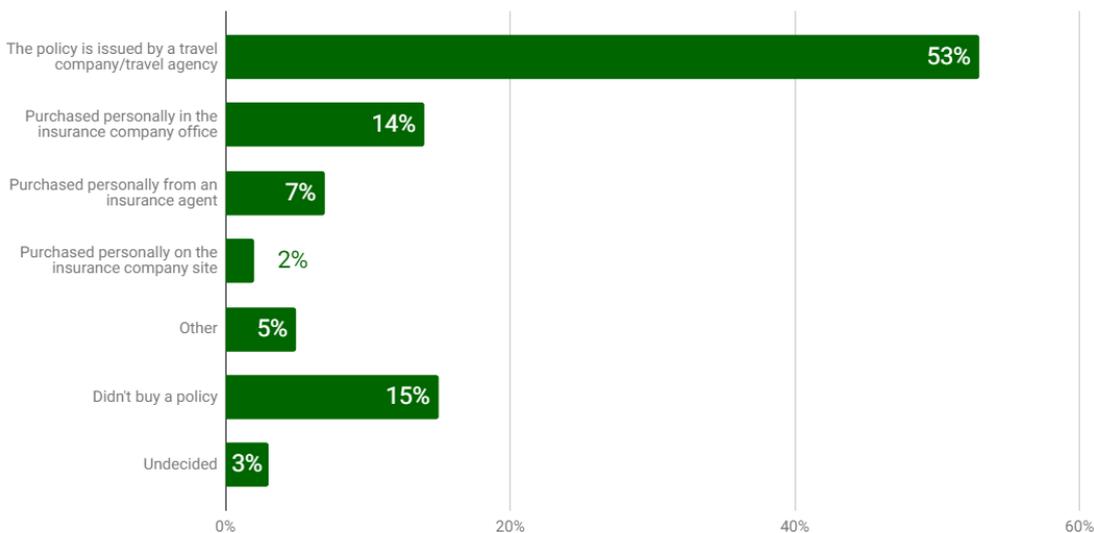


“Do you use a bank card when traveling abroad?”, %



2/3
of Russians do not use bank cards abroad, because they think that it's not safe and expensive.
Only 7% of Russians use ATMs during the trip, but along with this Russians withdraw large sums.

“Where did you acquire a policy for traveling abroad for the last trip?”, %



Source: Analytical center National Agency for Financial Studies (NAFI), 2016 — 2017.

Purchase of travel services via the Internet

In 2016, PayPal and Data Insight Russian Research Agency studied how Russian people buy tourist services via the Internet. Internet users were questioned how they last booked hotels and bought tickets, via the Internet or offline. Via Internet 51% of the users ordered airline tickets and 60% of them reserved a hotel.

Russians called the opportunity to choose the best price and thereby save (36%) and the opportunity to plan a trip on their own (20%) as the primary advantages of the ordering via the Internet.

The behavior of the buyers has the most changed in terms of payment for air tickets. In 2015, 11% of the users responded that they were searching for tickets via the Internet but paid offline. In 2016, only 4% continued to pay for tickets offline.

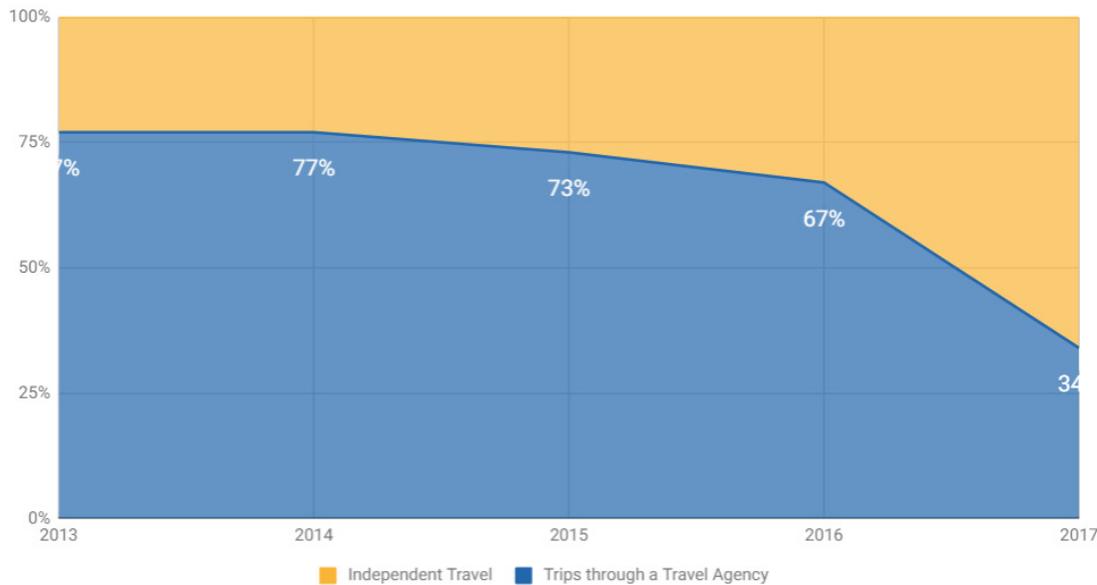
The only travel services, where the Internet is used primarily for selection and not for payment of services, remain tours. Thus, 39% of users choose tours via the Internet, but pay for them offline.

39%
*of users choose tours
via the Internet, but
pay for them offline*

Independent Travels vs Organized Tours

More and more Russians are choosing independent travel. Across the board in the market, the proportion of the independent travelers increased up to 34%.

Through a Travel Agency or independently



34%
of Russian tourists
travelling inde-
pendently

Source: Ipsos, RosIndex, 2017

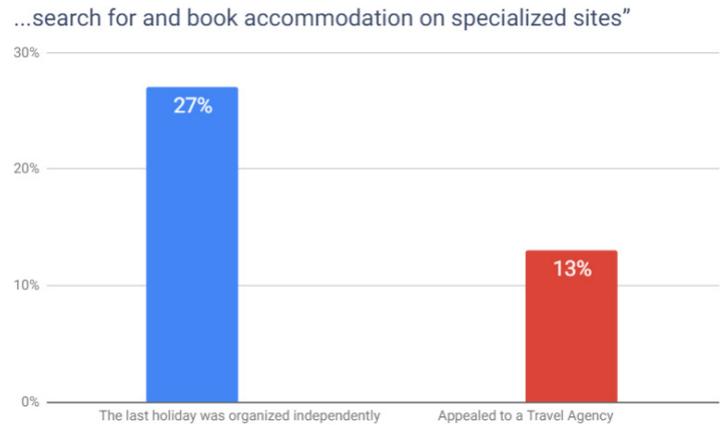
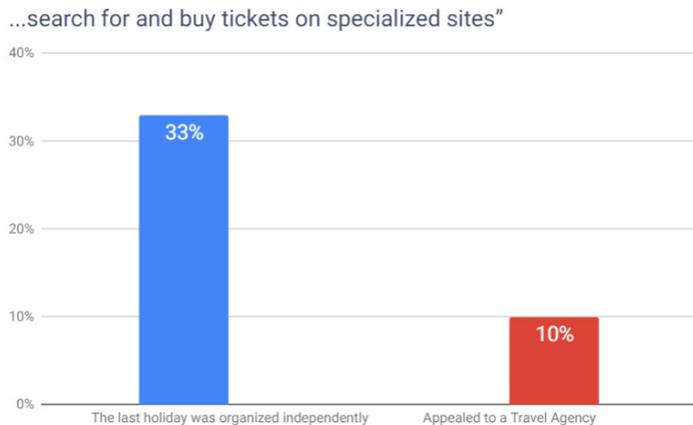
It follows from the report of the Google Moscow office that the proportion of people who prefer independent tourism is even more among the Russian Internet audience. Thus, 55% of the Russian Internet audience selects the independent tourism, and only 45% – tours.

National Agency for Financial Studies (NAFI), an analytical center conducted a poll, which confirmed that if people independently arranged their last holiday, next time they will more likely (33%) look for and buy tickets on specialized sites than those who contacted a tour operator (the probability that they will buy the tickets themselves was only 10%).

According to PayPal and Data Insight Study 2016, the sharing services such as Airbnb and BlaBlaCar are becoming popular in Russia. 8% of the respondents answered that they used online services for short term rent of the room or apartment. 11% of the respondents indicated that they used online services to search for travel companions.

Independent vs. Organizational Tourism: the attractiveness and popularity. The first step to “independent tourism” is to buy a ticket and book accommodation via the Internet.

“Speaking about your upcoming vacation, how likely is it that you will independently...



Source: Analytical center National Agency for Financial Studies (NAFI), 2016 — 2017.

A portrait of users of services like Airbnb

| | | |
|---------------|---|--|
| Age | More than 55% up to 35 | Young people predominate |
| Sex | Men 51%, women 49% | Men predominate. In general, only 44% are men among users of online travel services |
| Income | 9% has family income which is more than \$ 2,550 per months | People with high income predominate. In general, such family income was only 6% among all who use the Internet for the purchase of any travel products |

A portrait of users of services like BlaBlaCar. The proportion of men in this category is even higher (56%), while 37% of respondents live in small cities (population less than 100 thousand people), and 35% of low-income families (\$515 per month).

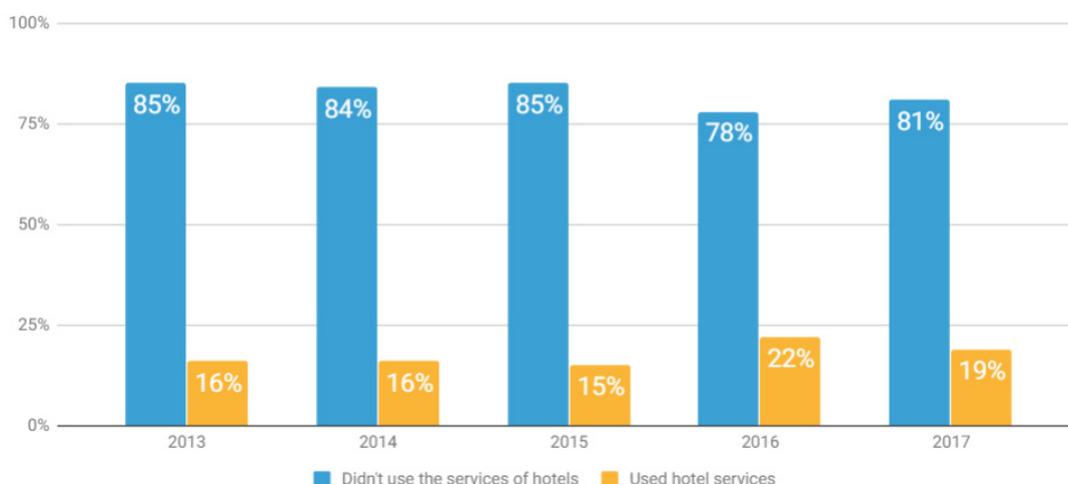
Travel duration and choice of accommodation

According to Visa Global Travel Intentions Study, Russians travel longer than a typical tourist — at average for 10 days, one day shorter compared to 2015.

Similar data are given by Ipsos. According to research 2017, 52% tourists from Russia traveled for 1.5 — 2 weeks. At this, the proportion of those who travels is increased by 6 percentage points and those who travel more than two weeks decreased by 5 percentage points.

Travel duration and hotels

Source: Ipsos, Comcon, Resindex, 2013-2017. Selection — Russians who travel abroad



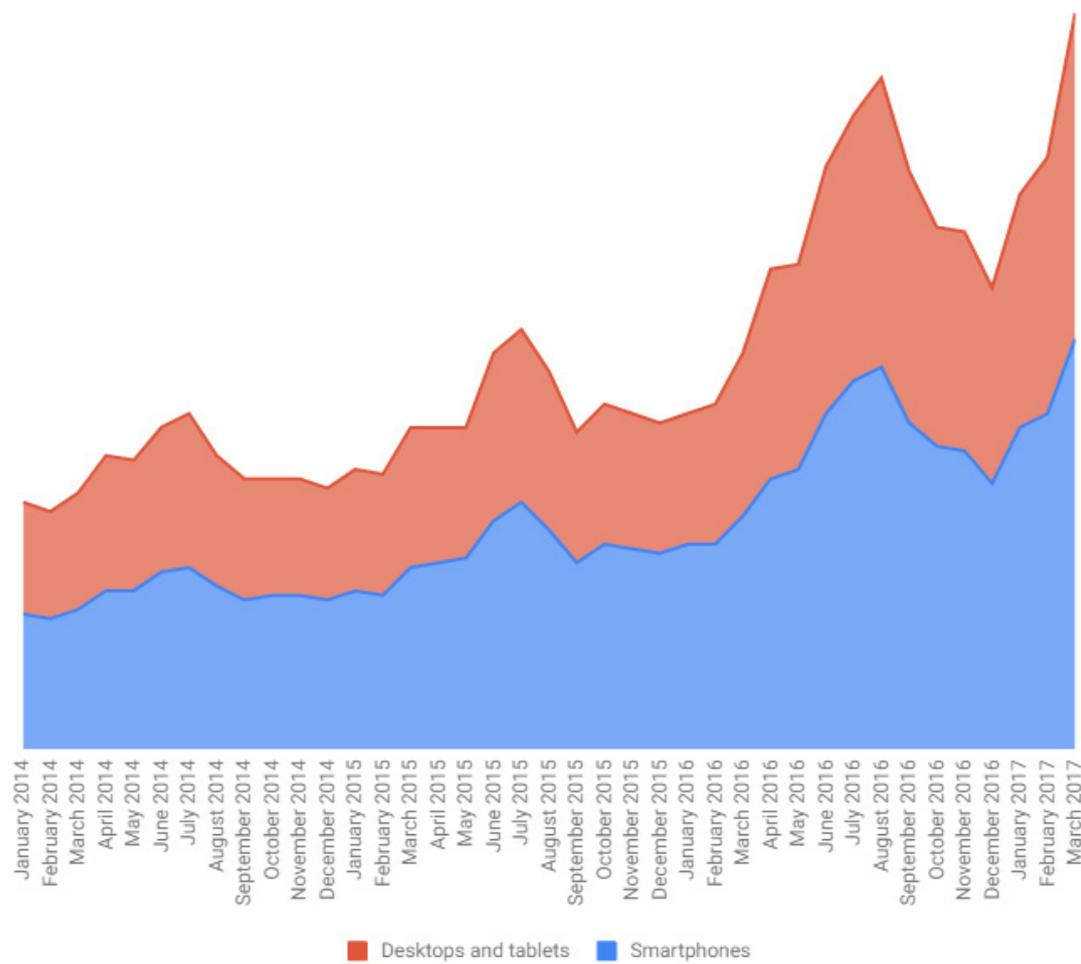
Source: Ipsos, RosIndex, 2017

4-star hotels are the most popular among tourists from Russia. In 2017 the proportion of users of 4-star hotels increased by 2 percentage points and 3-star hotels decreased by 3 percentage points. The use of 5-star, 2 star hotels and hostels hasn't changed.

81%
of Russian tourists
stayed in hotels in
2017

Information search on the Internet

It follows from the report of the Google Moscow office that people actively seeking information on the Internet. Number of travel queries increased by 50% in 2016 and by more than 73% in Q1 2017.

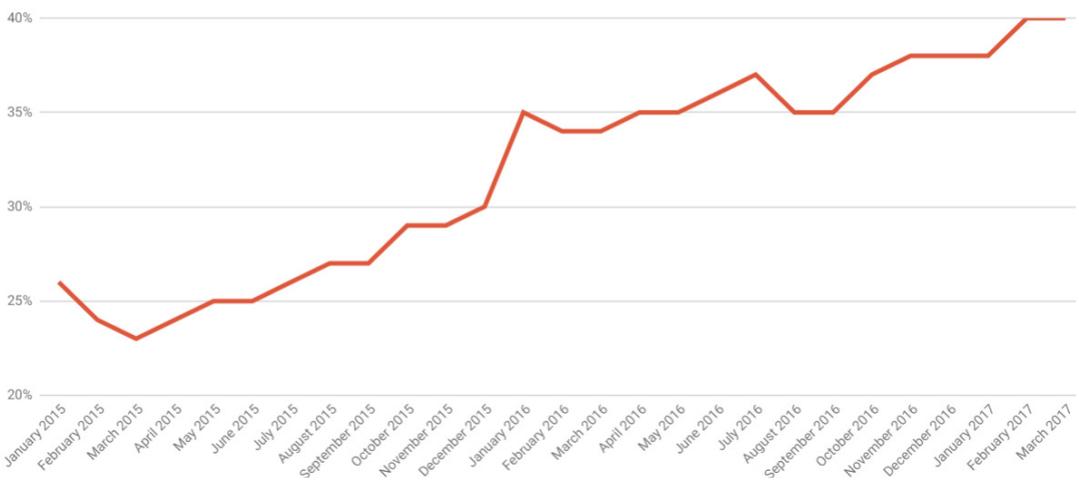


The number of queries with the division by types of devices used: 50.5% in 2016, 73.3% in Q1 2017

Source: the report "Special aspects of the overseas tourism 2016 — Q1 2017. Traces of travellers in the Russian digital", Google

The proportion of mobile phone use when searching for a tour grows when specifying queries. For example, when seeking general information, the proportion of mobile queries is 23%, when selecting tour category it is 40%, and it reaches 56% for tours in a particular country.

The proportion of mobile phones is growing



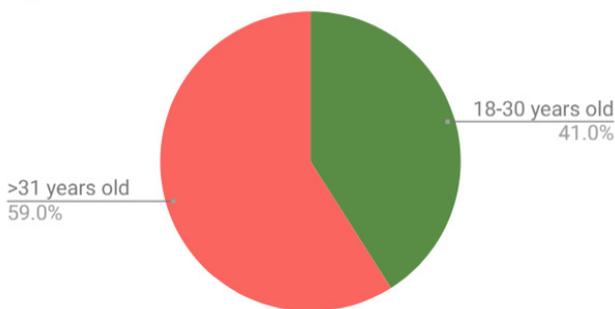
The proportion of queries from mobile devices is

40%

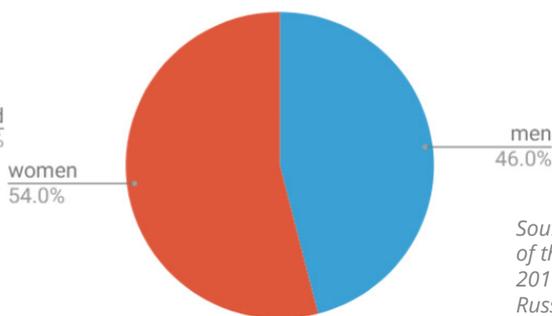
Source: the report "Special aspects of the overseas tourism 2016 — Q1 2017. Traces of travellers in the Russian digital", Google

The audience of users who plan travels via the Internet is divided by sex and age as follows:

Age



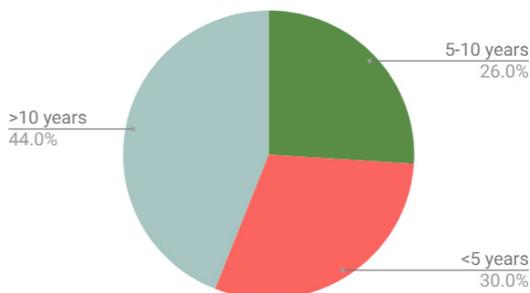
Gender



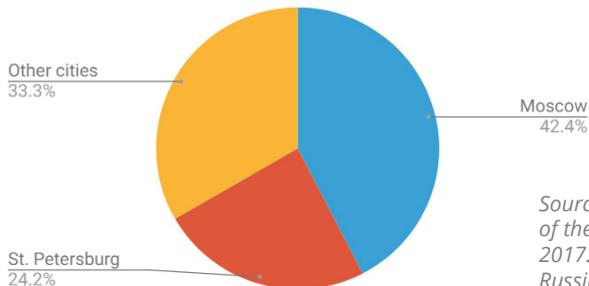
Source: the report "Special aspects of the overseas tourism 2016 — Q1 2017. Traces of travellers in the Russian digital", Google

The place of residence of those who travel abroad – Moscow 42%, St. Petersburg 24% and the rest of Russia 33%. The length of holding of a passport for traveling abroad: more than 10 years 44%, 5-10 years 26% and less than 5 years 30%

Passport for traveling abroad



Geography

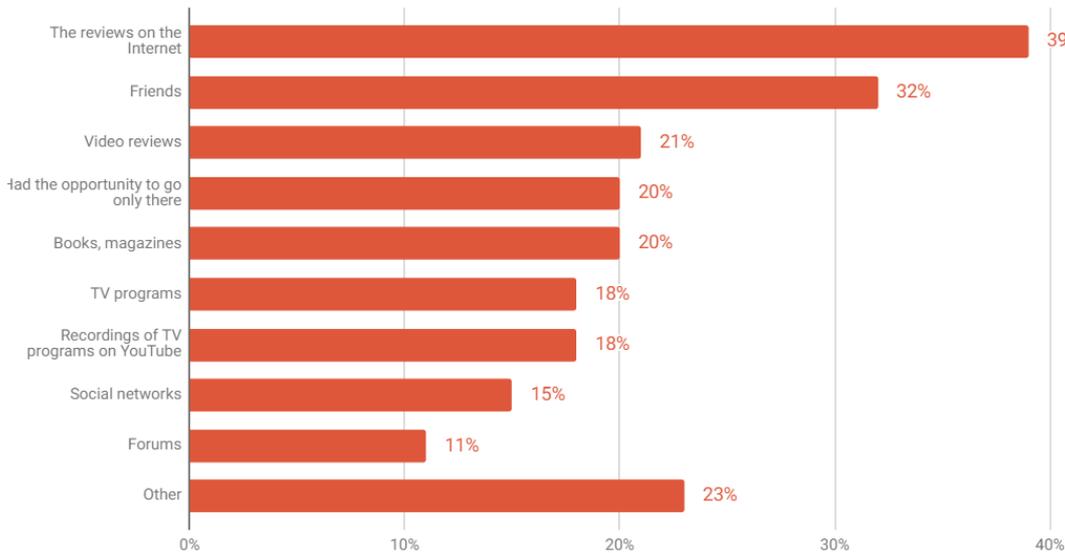


Source: the report "Special aspects of the overseas tourism 2016 — Q1 2017. Traces of travelers in the Russian digital", Google

Mobile phones are used more often than tablets. 39% use a mobile phone and 25-30% use a tablet at the stage of search of air tickets and hotels. About half of those who carry out a search from a mobile phone or tablet, book from this device after.

The main sources of information affecting the choice of the country of travel: online reviews are 39% and friends are 32%

How they choose a country

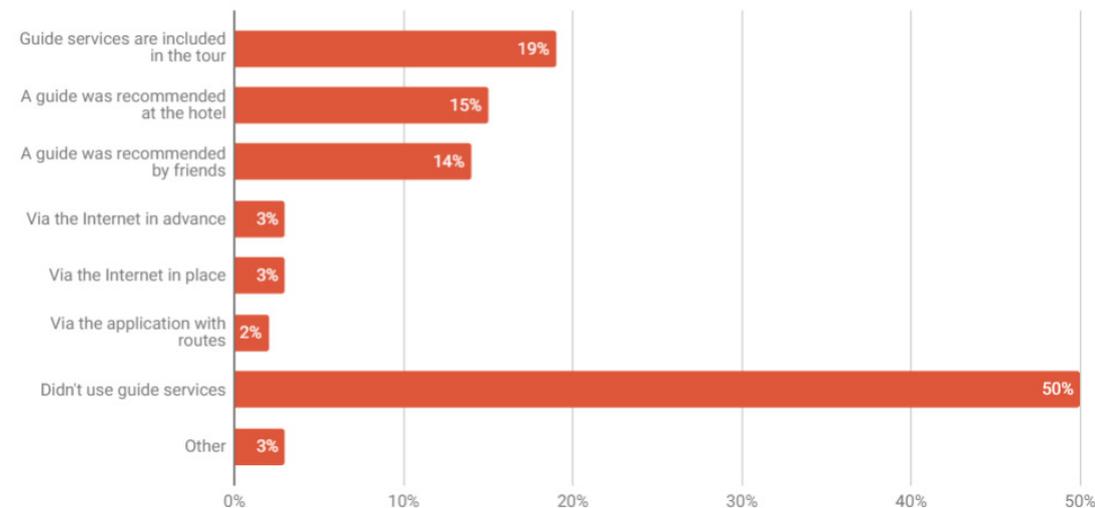


39%
of Russian tourists are guided by reviews on the Internet when choosing a country to travel

Source: the report "Special aspects of the overseas tourism 2016 — Q1 2017. Traces of travellers in the Russian digital", Google

50% of travelers don't use guide services, 19% use excursions included in the tour, 15% use a guide suggested at a hotel and 14% use a guide recommended by friends.

Guide services



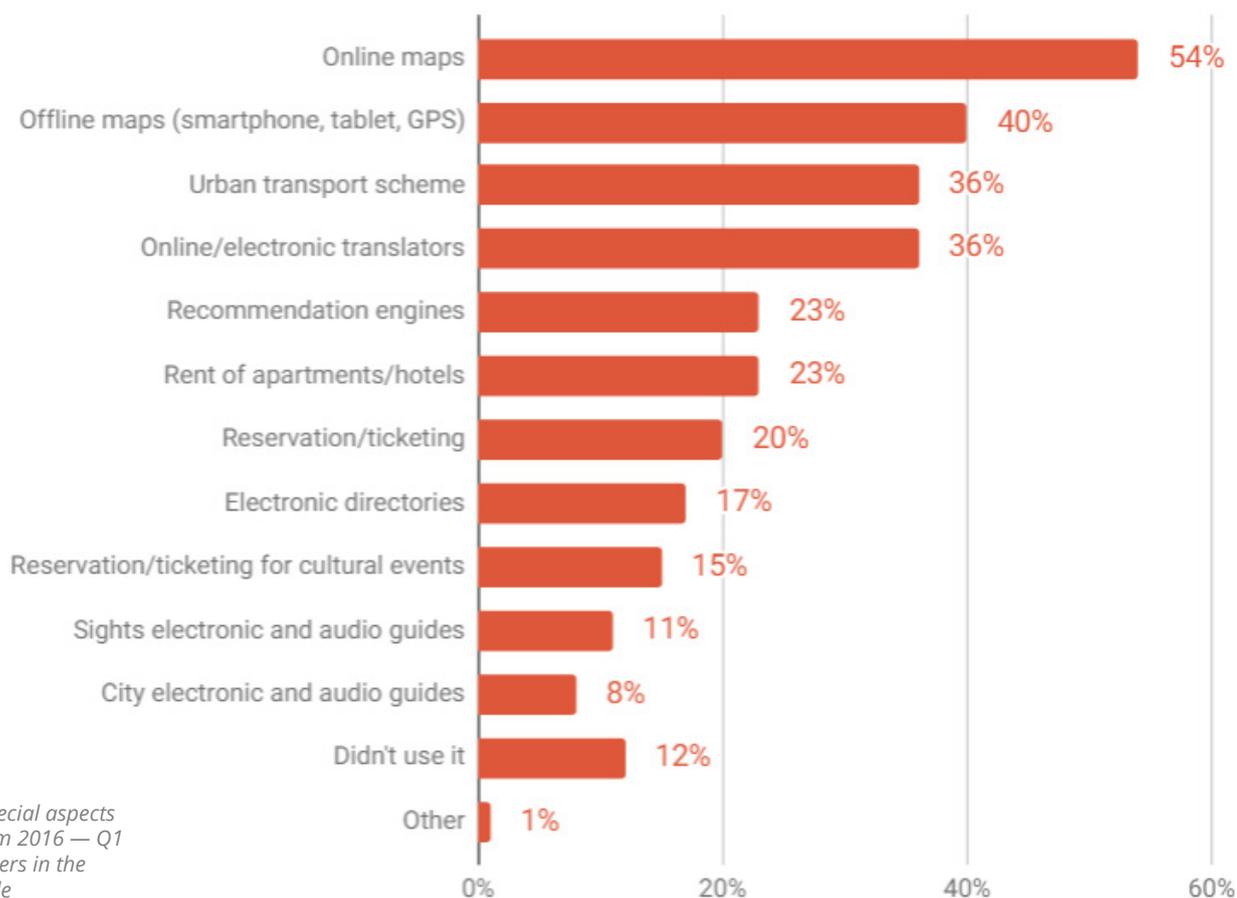
Source: the report "Special aspects of the overseas tourism 2016 — Q1 2017. Traces of travelers in the Russian digital", Google

More than half of the travelers use online maps during the trip — 54%, offline maps — 40%, urban transport schemes and interpreters — 36%.

36% of travelers use a taxi cab at the airport/at the station, 26% of travelers use public transport and 12% use taxi cab providing services. In the visited country 39% of travelers use public transport and 23% of travelers rent a car.

According to Visa Global Travel Intentions Study, 9 of 10 (91%) of Russians use mobile devices to access to the Internet abroad – this is more than in Europe (78%) and across the world as a whole in the world (88%).

Services used during a travel trip



Source: the report "Special aspects of the overseas tourism 2016 — Q1 2017. Traces of travellers in the Russian digital", Google

Portraits of tourists

We conducted in-depth interviews with Russian travelers to understand better their needs and peculiarities of behavior. In the interview people tell about what is important for them during traveling, why they choose an organized tour or independent travel.

A good understanding of the target audience allows you to build more meaningful, personalized communication with them, get clear insight into the needs of travelers and conduct affective advertising campaigns.

Independent, individual travel

A man, 27 years old. He lives in the Russian Far East. He travels independently. He actively goes into sports. He prefers ski resorts. In 2017 he visited Nagano Ski Resort (Japan). Below there are answers to the questions.

— *Why do you like snowboarding?*

I like snowboarding because it really clears my mind. Up on the mountain no thoughts about work come. There everything is clear - if you are scared little bit, lose the balance, you fall off the track. For me, snowboarding gives me the opportunity to stay alone with myself. There is me, the mountain and there is a concentration, stress which brings enjoyment. Every time it's kind of overcoming. If you withstood the pressure and fear, you can pass some curve extremely well, jump super cool. But you need to overcome yourself every time. I like it. I wish it never ended. I would roll, roll and roll.

— *How did you choose a ski resort?*

My father's friends told me that they went to Nagano, Japan for skiing. And when I didn't get to the ski resort Sheregesh near Novosibirsk, I decided to go to Nagano. The flight from Khabarovsk was even cheaper.

— *How do you plan your travel?*

My planning is very funny: I plan the route from the airport to the hotel. My task is to reach Wi-Fi at a hotel. After I'll get everything arranged on the way. There is no sense to think about something else. I am a geek, that's why I download maps. I often upload them offline, there is such a mode in Google Maps. I sometimes even print out a piece of a map, the very "last mile" from the bus stop, where I get off, to the hotel. Because I know that I will be on my way at 10 o'clock and my phone can run out of charge by that time. I always make a booking in two languages. If we go to Japan, I print out a booking in English and Japanese to show it to a Japanese person and ask: "Where is it?"



Note: Thanks to the interview with travelers you can understand what inspires them and what their passions are. For what impressions he is ready to rush to the end of the world. It helps create really strong creative ideas, which don't leave those for whom it's intended indifferent.

Note: Russians often ask their friends and acquaintances for recommendations. The more people who will speak well of your country, the more likely that you will be visited by their friends.

Note: You can collect of experienced travelers that will help other travelers not to get lost in a foreign country and enjoy the leisure time. So you will take maximum care of tourists and create the image of the country welcoming even in small things.

— *What did you like at the ski resort in Nagano?*

In contrast to our ski centers I liked that you can go without equipment to Nagano. There you can rent a jacket, helmet, gloves, whatever. It's cool! The equipment is divided into three classes there. There are a Baby class, Middle-class, a High performance Class for the pros. This is the first. Second is that there are different ranges of complexity starting for beginners and higher-higher-higher. There are trails for free ride and mogul skiing – just for crazy people. Third is the climate. I've gone skiing at 15 °C above zero for the first time. In Russia I go skiing at 28 °C below zero, but there you sit and drink coffee outside — it's an amazing experience. Fourth is a lot of snow, about three meters, and it's probably soft. Over the last few years we have problems with snow - it's hard and it's not enough. To fall is very painful and you can easily damage a board with stones. And it's so beautiful there. Views are spectacular when you are climbing to the top. What a spectrum! You think: "Somebody made it up!!!" It is very beautiful and the scale is exciting. The mind doesn't get used to it. It's really cool.

Note: Tourists tells what they like best in your country and for which they are willing to pay money. Just use their arguments in advertising. Let those who are crazy about your country, and advertise it to others.

Independent journey together

There is a married couple. The husband is 35 years old. The wife is 32 years old. They live in the Central Russia. They travel independently. They prefer educational tourism. They visited Japan in 2017. They visited Georgia in 2018. Below there are answers to the questions.



— *How do you prefer to travel on a package tour or independently?*

The husband: We like to travel ourselves. We buy tickets on the airline website, book through booking.com and airbnb.ru. We rent a car if we need.

The wife: To travel independently is more interesting. To schedule a tour to the country where you haven't been yet is a real creative work. I choose an airline myself, book a hotel myself and decide myself what cities I want to see. You need to read forums for it, think through everything. It is a good brain exercise; I check the limits of my possibilities, my own courage. It's more frightening than to go on a package tour, but it's more interesting. I create our travel ourselves. The tour becomes a product of my creativity, my brainchild, my creation, and I am proud of it.

Note: Tourists, referring to their experiences, snatch the strongest impressions and burst out ready slogans for advertising campaigns. "Create your travel" — isn't it a slogan? Take and use it.

— *Why don't you like organized tours?*

The husband: I like when we go ourselves because in this way we are independent and move at our own pace. I don't like excursions due to it. I want to scrutinize something but everyone run already further. Or you have to wait for someone, or someone's children are screaming. When you are on your own, you organize your pace and space. We get up in the morning, spontaneously make a decision to go somewhere, get into a rented car and go. It's very convenient.

The wife: And I don't like organized tours because I understand what everyone is saying. I leave my country and want to immerse myself in another culture. And the presence of tourists who speak my native language, takes me back home, it's annoying. During traveling I like to communicate with locals, learn about their lives, culture, how they live, what they think. I have more impressions about other people rather than places.

— *What else do you like in the independent travel?*

The husband: I like to taste local cuisine. We specifically chose the authentic places. In Japan, for example, we tasted business lunches in eateries where there was no English menu. So, besides sightseeing attractions we are interested in alien life, how other people live.

The wife: And also another point. We have nothing to say about beach package holiday. But you can write almost every day in social media about independent travel: where we move, what we do, who we talk with. I filled up all Facebook with photos during my travel.

Organized tour, travel together

There is a married couple. The husband is 40 years old. The wife is 37 years old. They live in the Far East of Russia. They travel through the travel agency. They prefer a beach holiday. They visited Thailand in 2018. Below there are answers to the questions.

— *How do you prefer to travel on a package tour or independently?*

The husband: We have the trusted travel agency through which we travel. We know that we'll fly on time and know that we'll fly back.

The wife: You feel more confident traveling through a travel agency, when you go abroad for the first time. My husband was anxious - he bought a book about Thailand, read about sightseeing attractions, about how to behave to lower a degree of uncertainty.

— *How do you prefer to rest?*

The husband: I like going sightseeing, doing shopping to buy gifts, exercising in a gym. I don't like swimming, to hang out at the beach is too boring. I like local cuisine; I begin to miss it in Russia.

The wife: In Thailand we like people, their benevolence and kind-heartedness. We like the weather, the sun and the sea. We like food, fruits, and drinks. We relax there and mentally calm down. I like the beach, relax, massage.

— *What is important for a good holiday?*

The wife: To enjoy my rest, it's important for to feel comfortable in a hotel room. The comfort for me is a view of the sea from the window, large soft

Note: Tourists not only tell you why they choose independent travel, they explain why they reject organized tours. Sometimes their insights allow investing a new product which is without drawbacks.

Note: For modern tourists it's not enough to have a good rest, they need to discuss their impressions with their friends and share them in social media. The more interesting holiday will be, the more people will learn about your offer.



Note: Any tourist product has its advantages. If independent travel is associated with creativity and adventure, the travel through a travel agency is associated with safety and reliability.

Note: Tourists tell the criteria why they choose your country. It's enough just to mention these criteria in the advertisement and they will attract new tourists.

bed, good shower from which water flows under normal pressure, hair dryer. It's also important that Chinese don't live in a hotel. They are too noisy, and they litter a lot. And also there shouldn't be violent Russians. I like when it's quiet, when nobody disturbs anyone, everyone is polite and respect other people's sleep and rest.

If we go through a travel agency and we are settled in a room, which for some reason we don't like it, we always change it. My husband always says: "Look at the room, are you satisfied?" If not, for example, with the view of a Chinese eatery, my husband goes to the reception and asks to change the room. This are responsive —they never denied to us.

Note: Good rest is not only beach and delicious food but also hundreds of little things like a hair dryer in a room and quiet neighbors. If you know these small things, you can create a personalized offer and win the hearts of Russian tourists.

The way of a tourist: from the intention to the review of the trip

The center of power and control over information has shifted in favor of the consumer. Now, it's ever more crucial to understand the path to a purchase and track the impressions at every point of contact with the audience.

In order you to visualize how tourists from Russia plan their travels, we reproduced the way of a tourist from the moment he or she felt need to travel until he or she came back and shares his or her impressions.

We showed where people seek information, how they make decisions, what emotions they feel, by the example of two portraits:

- a married couple traveling on a package tour;
- a single man travelling alone



We placed out CJM into the separate PDF-file for you to consider it carefully

Download



If you want to enter the tourist market of Russia, we will help you analyze the demand, evaluate the audience and their needs. We create marketing strategies that help ministries and companies to successfully sell their services in Russia.

Vadim Tylik, the President of the RMAA Travel

Stereotypes of Russians about other people

The stereotypes can contribute to tourism, and can create obstacles and give rise to concerns about certain nations and countries. If you know about the stereotypes, you can use them in advertising to the best effect and represent your country in a favorable light.

We conducted an online survey on a sample of 730 people to show how other nations look in the eyes of an average Russian. Studying these data, please, make allowance for the fact that this is a set of stereotypes that strongly simplifies the reality. Our task was to explore the “social unconscious”, so in the survey the people were included who have never been to the countries under judgement.

Thais through the eyes of Russians

- They are kind and always smiling
- They are slow and lazy. They almost never work, rest most of the time
- They eat grasshoppers, larvae and cockroaches
- They eat only spicy food.
- They try to cheat tourists.
- They don't like foreigners.
- All the Thais are very slim.
- There are a lot of transvestites among Thais

Source: RMAA, 2018



– Are you a man or a woman?
– Whatever you say goes!
M. Baird (c)

Turks through the eyes of Russians

- Turks do not like Russians
- All the Turks have moustaches
- Turks are really nice-looking
- Turks are very loving
- They are very hospitable
- Turks like soap operas
- All the Turkish women wear burqa
- Turks can have many wives

Source: RMAA, 2018



– Younger, slimmer, prettier and with the happy ending
– Agreed

Greeks through the eyes of Russians

- They don't like to work (lazy)
- They do not pay taxes
- They think the world revolves around them
- All the Greeks dance Sirtaki
- They drink a lot of ouzo and retsina
- They are very hairy
- They are hyper-consumers
- They talk very loudly - almost shouting

Source: RMAA, 2018



E. Cran (C)

- Are there debts, inflation, default in Greece?
- There are everything in Greece

Spaniards through the eyes of Russians

- They are honest
- They are unhasting in business
- They are passionate towards women
- They respect and care about family
- They like art, dancing, they are very musical
- They like corrida
- They talk very loudly - almost shouting

Источник: RMAA Group, 2018



A. Popov (C)

Americans through the eyes of Russians

And here are the results of the study of the stereotypes in respect of Americans.

And here are the results of the study of the stereotypes in respect of Americans.

They are friendly; hospitable; calculating; optimistic; business-minded; arrogant; confident in their own rightness; ambitious; independent; energetic; hardworking; patriotic.

Americans look: fat; smiling, but not sincere; cheerful; independent; neat; prosperous; healthy; stupid; self-confident; businesslike; monotonous.

Americans like: coke; junk food; their country; popcorn; chewing gum; work; hot dogs; money; family; sports; entertainment; its President; psychoanalysts.

Americans always: smile; say "hello"; meddle in other people's business; wear t-shirts; planning their future; think only of themselves; make a noise; brag; ask stupid questions; work a lot; care about their rights and personal space.

Americans never: cry, dream, think, forgive, complain, waste time, keep their promises, eat soup, get out of their cars, wash the dishes, get drunk, understand Russians.

Source: Korolev A. A. Ethic mentality: the essence, structure, formation problems: Scientific monograph



Shot from the animated series The Simpsons



Haven't you found stereotypes about your country?" Contact our agency RMAA Travel, we will give you full information support.

Vadim Tylik, the President of RMAA Travel

Trends and tendencies

In 2016 GfK researched trends peculiar for the Russian market.

One of the main trends actively being formed is a transition of focus from “what I have” to “what I have done”. People quit distinguishing themselves through the possession of material things (apartments, cars) but define themselves through what they have done - where they have been, what impressions they have got, what experience they have gained.

For 1/3 of Russians the acquiring new impressions is more important than the possession of things. Vacation is a source of impressions and new experiences, 3/4 of Russians say so: during the vacation they try to see new places and try something new.

Despite the fact that in Russia, as in other countries, there is a bias towards relaxing leisure, 40% of Russians like active leisure with visiting numerous places that is slightly above the world level. Russians are also interested in adventure leisure. Russian tourists are notable for their interest to the world – the tendency to know more about different people, countries and cultures. This is natural for the half of the Russians. The world figure is slightly lower — at the level of 42%.

Two-thirds of Russians like not only to explore the local culture, but also to taste the local cuisine, that can talk about perspectives for event and gastronomic tourism.

Visa Global Travel Intentions Study indicates that the popularity of travelling alone has increased dramatically: thus, every third Russian travelled (34% in comparison with 27% in Europe and 24% in the world as global average) – for the last two years this indicator tripled, from 10% in 2015. In accordance with the worldwide trend, the absolute majority of Russians (9 of 10) visit only one country per a trip.

VISA gives forecasts for the next two years:

— More trips abroad: people around the world are planning to travel more in the future. Over the last two years people made 2.5 trips per year on the average, and in the next two years the average figure will total 2.7 trips per year.

— It is expected that tourists will spend more while travelling: the global average will increase by 36.25% – from 1,793 to 2,443 US dollars.

— It is expected that the expenditures of Russians will be also increased – travelers from Russia will spend 5% more while travelling.

Precise knowledge of the needs of Russian tourists will allow to create effective creatives that the audience will like. But you need to choose right advertising media to make an advertising campaign successful.



Media consumption in Russia

Precise knowledge of the needs of Russian tourists will allow making effective creatives that the audience will like. But you need to choose right advertising media to make an advertising campaign successful.

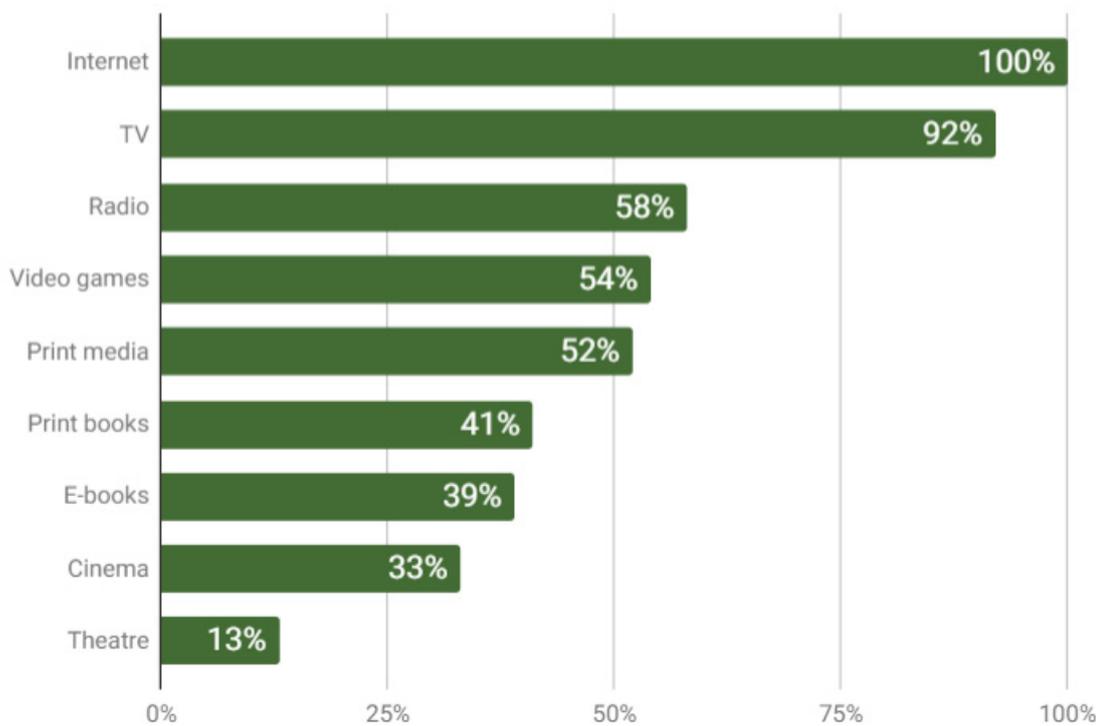
In this section we will explain what media sources are popular in Russia, what Russians think about advertising, what they spend time for on the Internet, which local digital players have the greatest impact and what future trends are typical for media consumption in tourism.

The media consumption of Russians in numbers

Deloitte CIS Research Center published a report on the media consumption in Russia in 2017. An online survey showed that media consumption was split up as follows.

Indicate all actions that you have done over the past two years, in percent

2016



Source: Deloitte, 2017

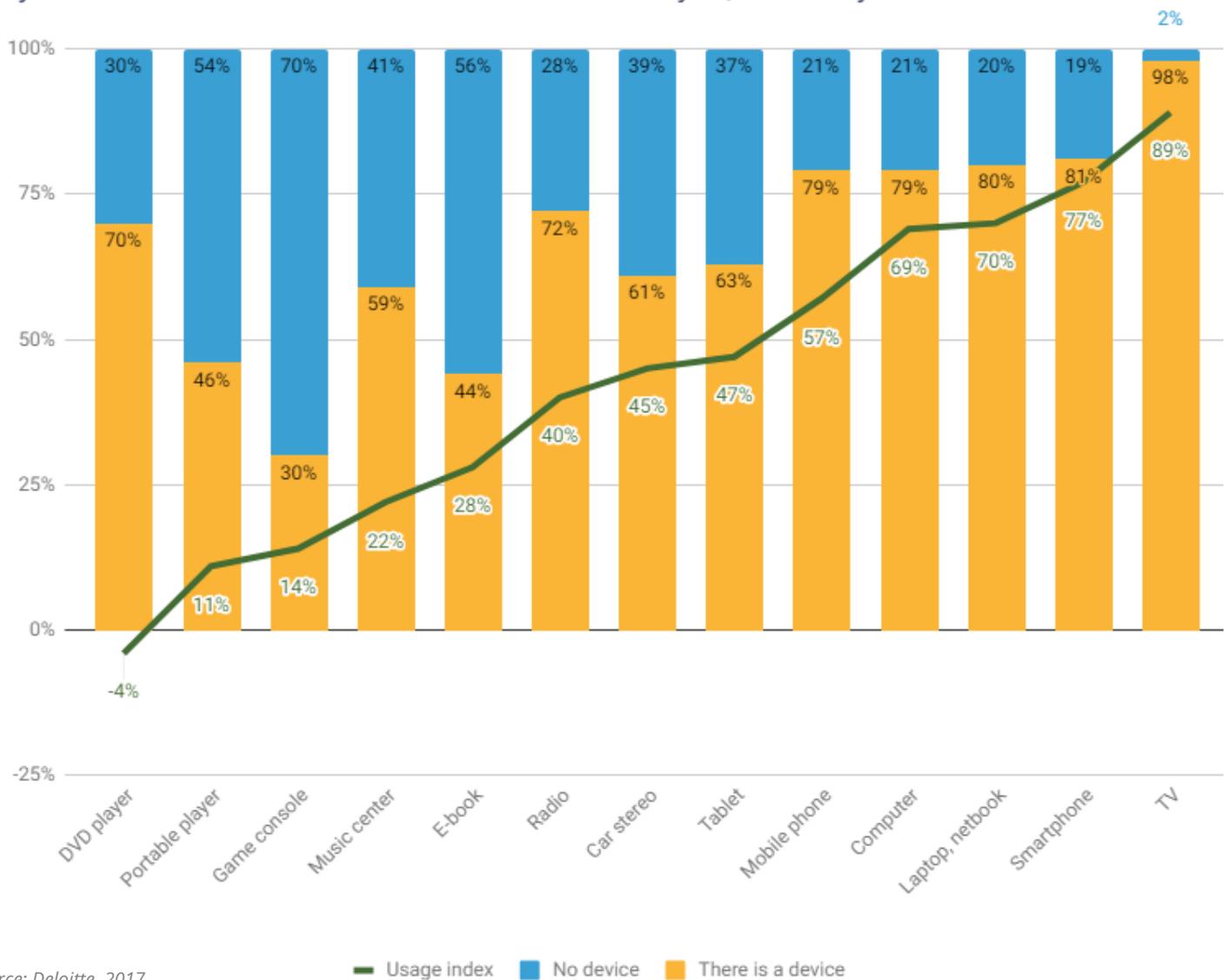
| Media source | Working day | Day-off |
|---------------|--------------------|--------------------|
| TV | 2 hours 10 minutes | 3 hours 35 minutes |
| Internet | 3 hours 42 minutes | 4 hours 24 minutes |
| Radio | 1 hour 33 minutes | 1 hour 25 minutes |
| Printed books | 26 minutes | 35 minutes |

3:42
hours Russians spend
on the Internet on
a weekday

Duration of use of media sources in 2016, source: Deloitte, 2017

Equipping of Russians with devices for consumption of media content in 2016. Among the variety of devices the leading ones are: TV (98%), smart-phones (81%), laptop (80%), computer (79%) and mobile phone (79%).

Do you have the mentioned technical devices? If yes, how do you use them?



Source: Deloitte, 2017

Attitude toward advertising

According to the Russian Association of Communication Agencies (RACA), the Russian advertising market grew by 13% for H1 2018 in comparison with the same period in 2017: its volume amounted to \$3.7 billion.

| | Market volume, billion \$ | In comparison with H1 of 2017 |
|---------------------------|------------------------------|----------------------------------|
| Internet advertising | 1.53-1.54 | growth by 21% |
| TV commercial | 1.52-1.53 | growth by 13% |
| Radio advertising | 0.126-0.129 | growth by 2% |
| Printed media advertising | 0.15-0.153 | decline by 9% |

Source: ACAR, 2018

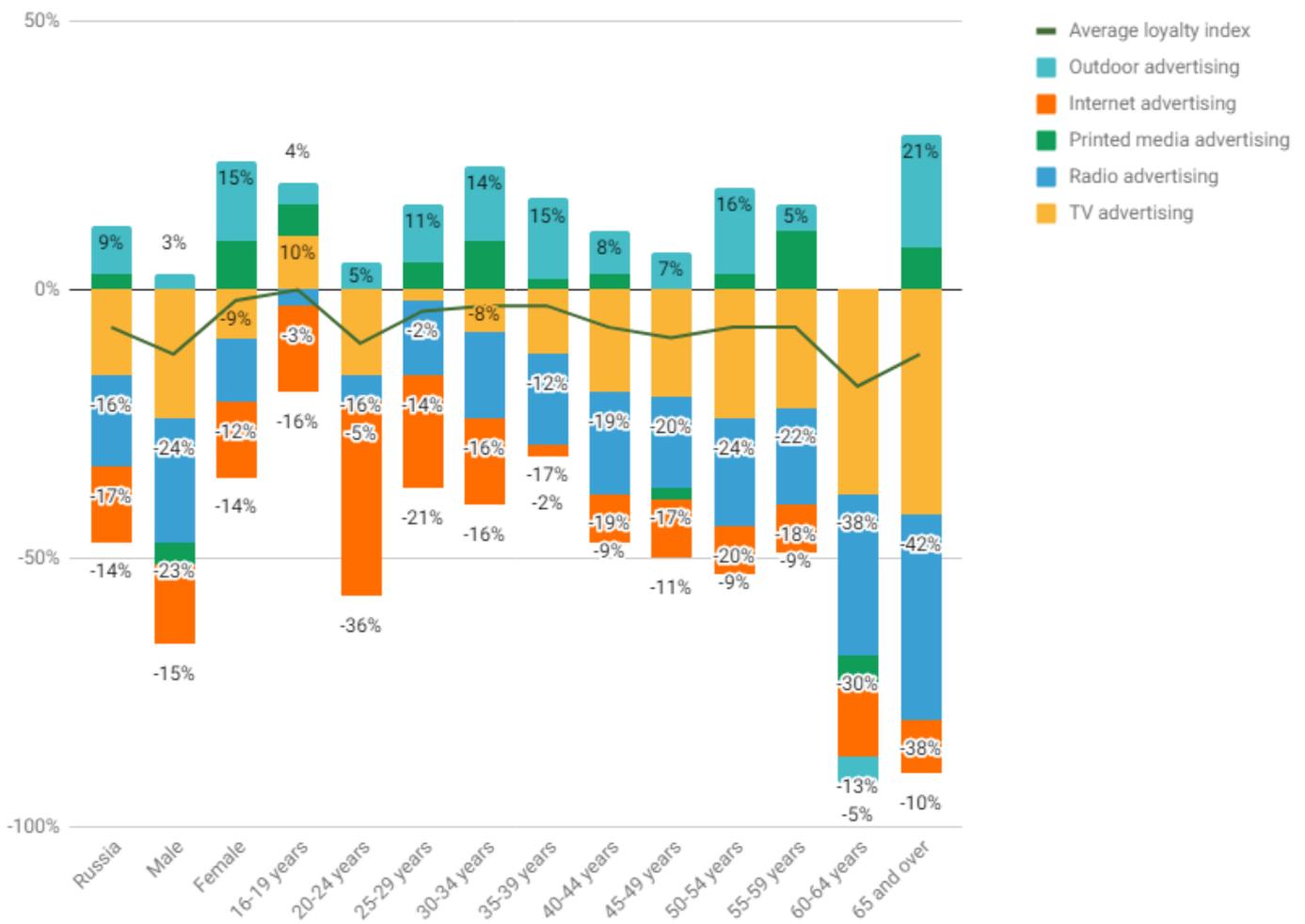
Russians have a negative attitude towards advertising. Overall advertising loyalty index (the proportion of those who have positive attitude towards advertising minus the proportion of those who have negative attitude towards advertising) is -7%. Loyalty to radio and TV advertising is the lowest (-16% and -17% correspondingly). Russians have a better attitude towards printed media advertising (3%) and outdoor advertising (9%).

| Media source | The most loyal audience | Loyalty index |
|--------------------------------|----------------------------------|---------------|
| to TV advertising | young people from 16 to 19 | 10% |
| to printed media advertising | women | 10% |
| | people aged 30-34 | 9% |
| | people aged 55-59 | 11% |
| to advertising on the Internet | 35-39 middle-aged people | 2% |
| to outdoor advertising | women | 12% |
| | middle-aged people from 30 to 39 | 14-15% |
| | people aged 50-54 | 16% |
| | the oldest groups of 65 | 21% |

Source: Deloitte, 2017

Apparently, the vast majority of Russians react negatively to advertising that actively invades their personal space. It's common for TV, radio and Internet advertising. Outdoor advertising and advertising in print media is much less obtrusive and almost doesn't cause irritation.

What's your attitude towards TV, radio, printed media, Internet advertising?



Source: Deloitte, 2017

Media consumption on the Internet

According to the GfK Crossmedia Landscape Report 2017, Russians spend almost one third of their whole online-time in social networking, this is a leading activity. They spend the tenth part of the whole amount of time on the Internet on sites/applications dedicated for shopping and more often do shopping via mobile phone and apps. More than 24 million Russians aged 16-55 do shopping online.

24 million
Russians aged 16-55 do shopping online

How people spend their time on the Internet

(online population 14+, August 2017)

| | Time share, % | Coverage, % | Spent time |
|------------------------|---------------|-------------|------------|
| Social networking | 32 | 93 | 19:53:06 |
| Communication | 11 | 91 | 07:14:15 |
| Media-On-Demand | 10 | 85 | 07:09:43 |
| Information/News | 10 | 95 | 06:17:46 |
| Shopping/Auctions/Rent | 9 | 92 | 05:30:51 |
| Games | 7 | 56 | 07:23:29 |

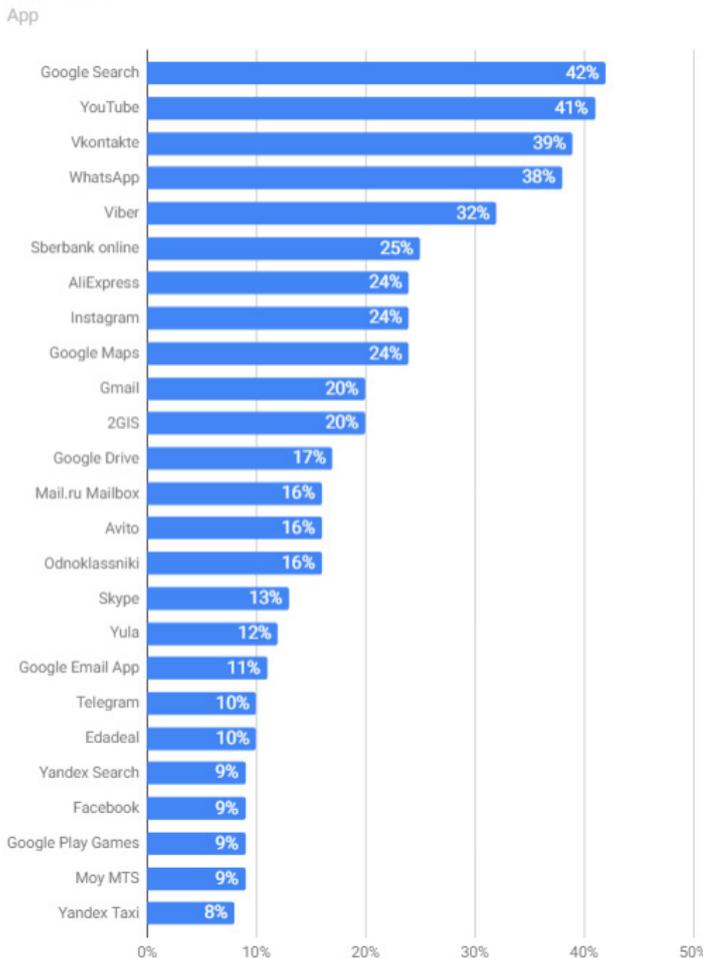
Source: GfK Crossmedia Panel, passive measurement with the use of selection tracker = 6,000, August 2017 | Moscow

According to the GfK report, search engines and social networking still hold the leading position in terms of the coverage Russian online audience. There are many local players in Russia. It's Yandex, the audience of which exceeds the Google audience in Russia. Social networks comprise Vkontakte, Odnoklassniki, My world (part Mail.Ru). Map service 2GIS, which combines a directory of companies and a city map.

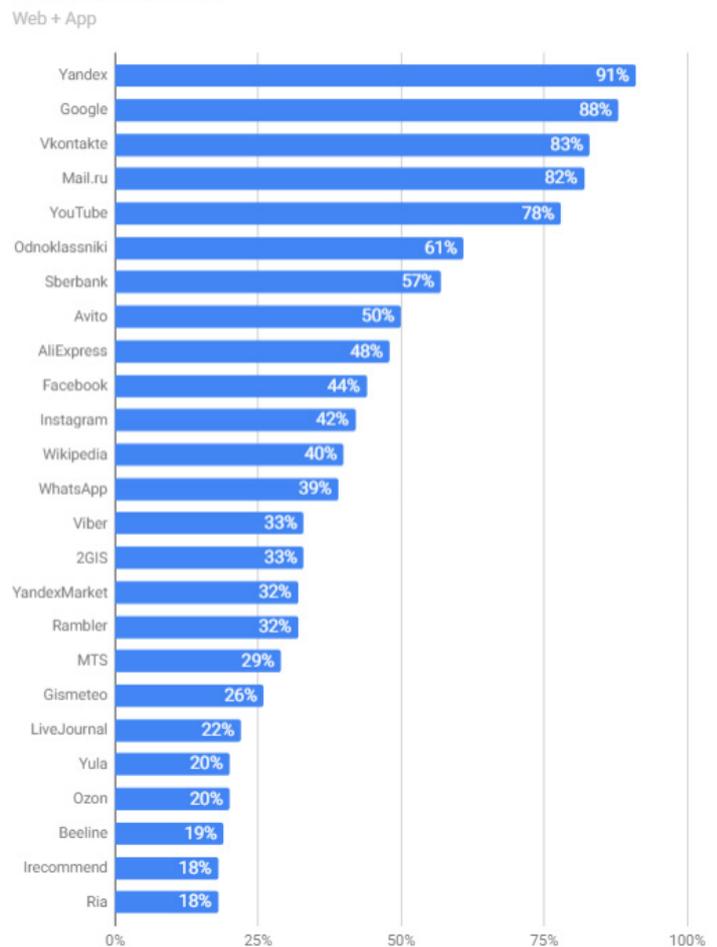
The significance of online marketplaces is growing in Russia which are becoming the increasingly important online entry point while searching for the goods. There are five major online brands in Russia: Amazon, AliExpress, Etc. Market, Yula, Ozon.

Major online brands are represented in the two diagrams below. The most popular applications are: Google Search (42%), YouTube (41%), Vkontakte (39%), WhatsApp (38%), Viber (32%). The most popular brands in web and applications: Yandex (91%) Google (88%), Vkontakte (83%), Mail.ru (82%), YouTube (78%).

Applications



Total online brands



Source: GFK, 2017

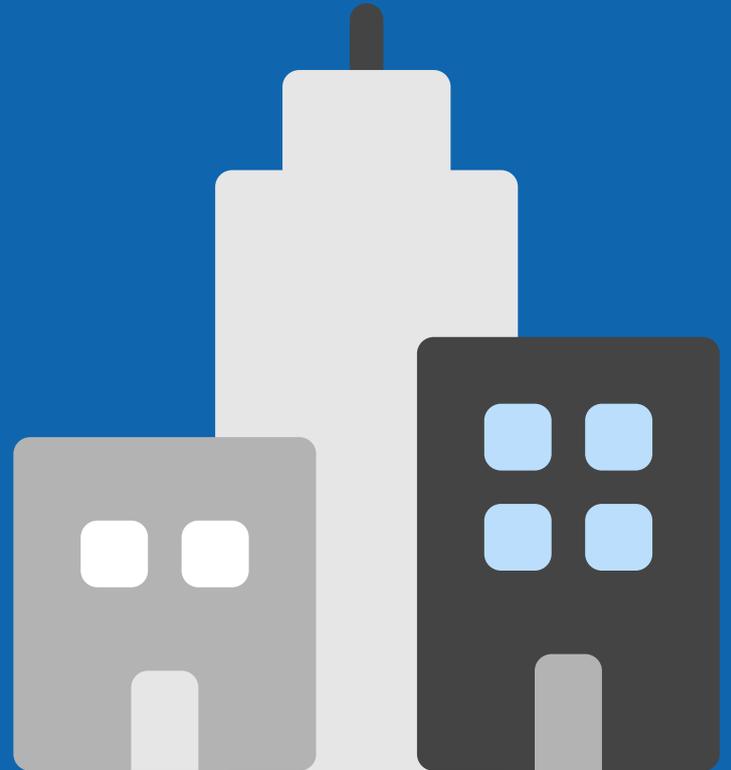
The impact of technologies on media consumption in tourism

Mobile technologies and the Internet is tightly woven into the experience of travelers, both foreign and Russian. And the consumer has become more independent in their choice and travel planning. The competition for the online consumer of tourism services is still developing in Russia. The level of concentration on the market of online services is still low, and there is a place for new players, who will be able to offer a unique experience to the consumer.

According to the GfK research 2016, the mobile Internet gives the significant additional coverage of tourist sites (about 23%). The proportion of Internet users on mobile devices is close to 40%. Nowadays, multi-screener spend more than half of the time in mobile devices, namely - in apps. There is every reason to believe that the apps will become an additional point of competition in the field of tourism and travel services.

In a world where people draw on the experience and recommendations of other consumers on the network, as well as reviews of professional travelers, native advertising gets more chances to be perceived by the consumer.

Although the search engines and contextual advertising give the confident coverage of travel services, social networking, video hosting, video chats already "breathe them in the back". According to the GfK cross-media panel, the largest coverage of travel services buyers provide "Vkontakte" and Youtube. In addition, 40% of travelers use Viber in Russia.



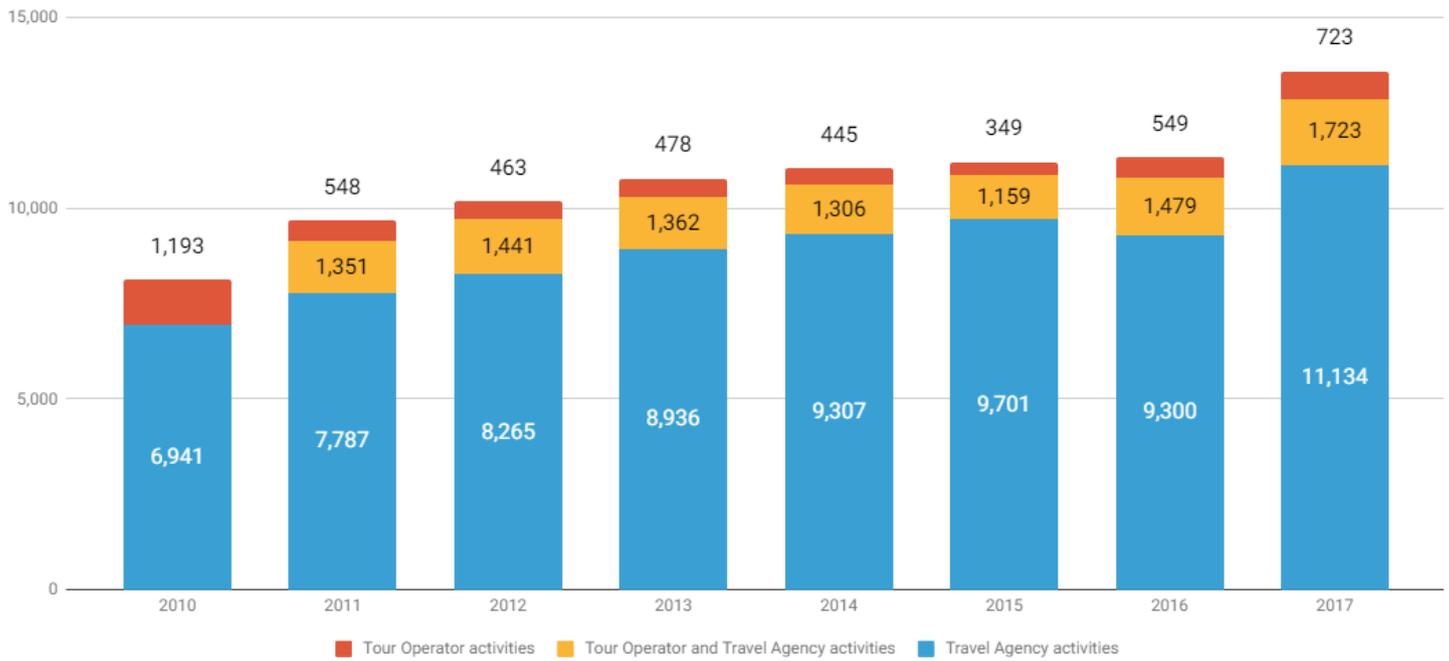
Overview and trends of B2B tourism market

In this section, we'll describe the structure of B2B travel market, talk about the trends and key players.

Tour Operators and Travel Agencies Market Structure

Tour operators and travel agencies deal with the organized tourism in Russia. Tour operators develop tours and provide travel services. Travel agencies sell tours created by Tour Operators and provide tourists with the information support. Travel agencies in Russia are much more than tour operators.

Number of travel companies (at the year-end) by types of activity

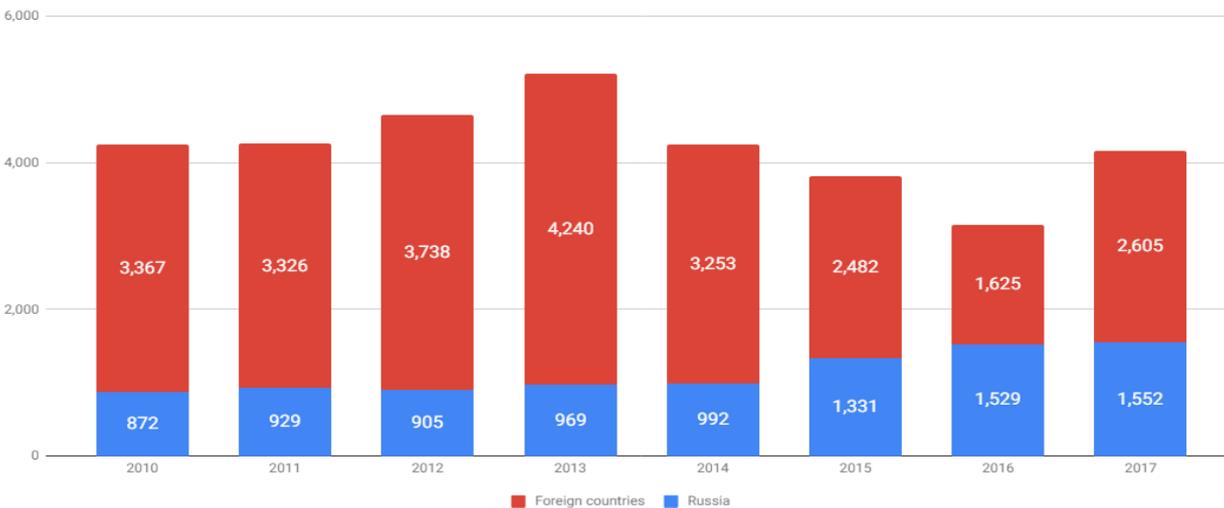


Source: Russian Statistics Agency, 2018

After the recession in 2014 — 2016, the market of organized tours began to grow. The number of tour packages sold to Russians for foreign countries also increased from 1,625 thousand in 2016 to 2,605 thousand in 2017.

Source: Russian Statistics Agency, 2018

The number of implemented tour packages by Russians, thousand



Trends on the market of tour operators

Upheaval of the recent years (the ruble fall, closing of Turkey and Egypt, bankruptcy of Transaero Airlines) resulted in failure of some tour operators to withstand competition and their forced exit from the market or termination of their activity. Tour operator Natalie Tours encountered problems in 2018. A tour operator can fail to fulfill obligations towards approximately 8 thousand travellers who have bought tickets for the summer season. In earlier times three more major operators left the market: Raduga Travel announced the termination of activities on June 10, Polar Tour - on June 15, Martyoshka Tour - on June, 22. It could trigger a new crisis of confidence in the market.

Igor Blinov, a representative of OnlineTur.ru, believes that the decrease of sales can reach 12–15% in the negative scenario and it will be a big shock (Source: Kommersant, 2018).

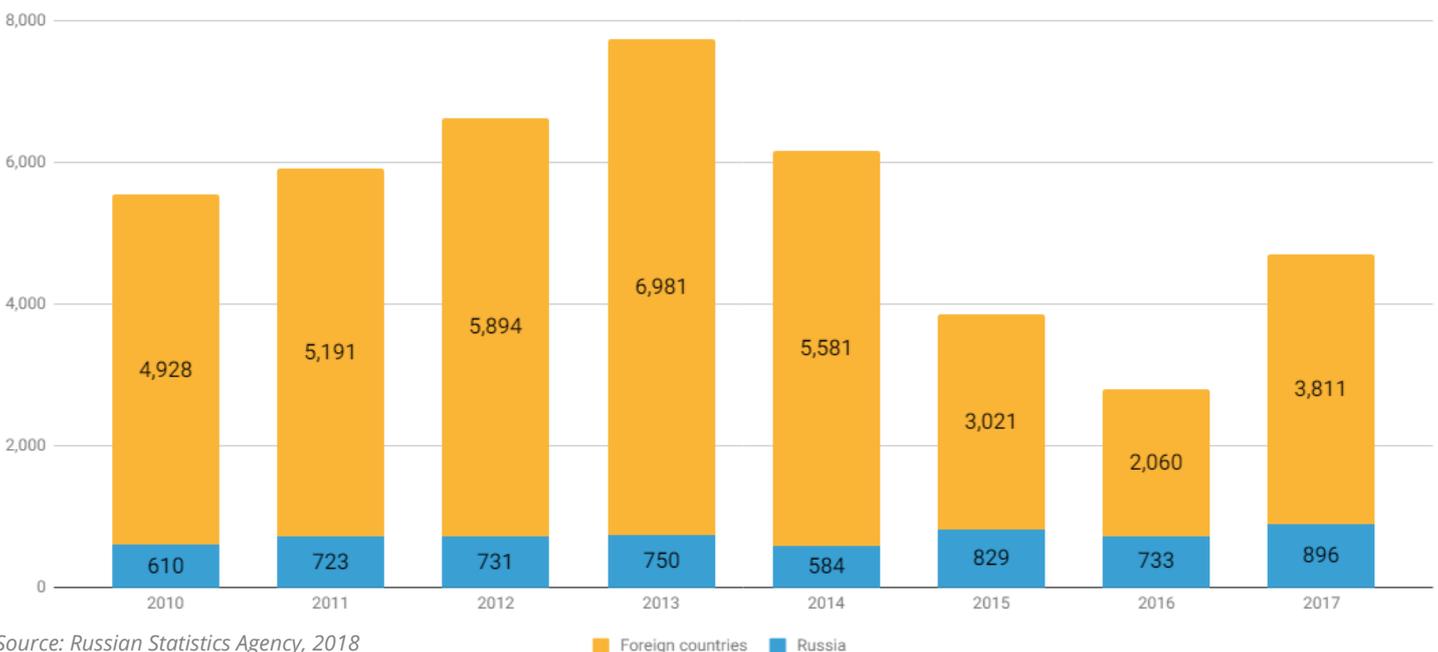
The market of tour operators is consolidating. If five years ago there were about 15 major tour operators, having significant market share, currently less than 10 remained, and small tour operators became by times less. The market for package tours will continue to live normally and develop, while tour operators will be able to make competitive price offers in the line of mass demand.



Aleksey Zaretskiy, the founder of Travelata online service

The total cost of the tour packages sold to Russians to foreign countries amounted to \$3.8 billion in 2017

The cost of the tour packages sold to Russians, thousands \$



Rating of tour operators according to travaleta.ru

The credit rating of tour operators was prepared by online tour hypermarket Travelata.ru based on data of 10 key criteria which affect the credibility of a tour operator and its position on the tourism market.

The rating objective is to bring transparency to the evaluation of tour operators work based on the open data without the intention to predict the bankruptcy of certain companies. This rating will be useful to all travelers to look through the data on the work of major tour operators.

Counting system: The maximum possible total rating of a tour operator on the sum of all criteria is 100 points. The rating covered 24 largest tour operators which were evaluated by 10 key criteria characterizing a tour operator in regards to its credibility.

| Tour Operator | The basic facts | | Overall Rating |
|---|---|--|----------------|
|  | Year of foundation 1995 Turkey, Cyprus, Montenegro, Bulgaria, Spain and others | Search of tours from TUI | 98 /100 |
|  | Year of foundation 1992 Turkey, Cyprus, Bulgaria, Tunisia, Greece and others | Search of tours from Coral Travel | 98 /100 |
|  | Year of foundation 1994 Turkey, Cyprus, Spain, Tunisia, Greece and others | Search of tours from Tez Tour | 92 /100 |
|  | Year of foundation 2005 Turkey, Cyprus, Bulgaria, Tunisia, Greece and others | Search of tours from Sunmar | 90 /100 |
|  | Year of foundation 1996 Dominican Republic, Turkey, Thailand, Tunisia, Greece and others | Search of tours from AnexTour | 90 /100 |
|  | Year of foundation 1994 Turkey, Thailand, Spain, Tunisia, Greece and others | Search of tours from Pegas Touristik | 88 /100 |
|  | Year of foundation 1929 Turkey, Russia, Thailand, Italy, Greece and others | Search of tours from NTK-Intourist | 88 /100 |
|  | Year of foundation 1995 Russia, Cyprus, Bulgaria, Armenia, Greece and others | Search of tours from Mouzenidis Travel | 86 /100 |
|  | Year of foundation 1994 Turkey, Russia, Cyprus, Montenegro, Greece and others | Search of tours from Biblio Globus | 86 /100 |
|  | Year of foundation 1990 Czech Republic, Italy, France and others | Search of tours from PAC group | 82 /100 |

Source: travelata.ru

Trends on the market of travel agencies

According to the Executive Director of the Association of tour operators of Russia (ATOR) Maya Lomidze, the number of travel agencies will be reduced in Russia in 2018: "In 2018 the number of travel agencies will be reduced due to the legislative changes that will come into effect from January 1 as well as due to the natural selection the market is experiencing now".

The offline travel agents, who resell tours, just giving discounts, have fallen on hard times.

First, about half a year ago the tour operators reduced the fees — before the average fee was 11%, and now it's 8.5%. Second, some of the old customers have gone to those who represented online.

I think those travel agencies that are the experienced professionals will remain on the market. They act as an expert for their customers, excellent in knowledge of all directions and can choose tours that ideally meet all customer requirements. They won't be out of work; they will simply go to niche tours which require individual packaging, hotel selection, routes, and complicated flights.

For these tours there is always an expert support demand, and while they have a narrow audience, but high marginality



*Aleksey Zaretskiy, the founder
of Travelata online service*

Trend of the corporate travel market

The business travel market or MICE — Meetings, Incentives, Conferences, Exhibitions stands apart with little information on it. MICE-travels are in demand in industries where meetings and exchange of experience form the basis of business processes. These are pharmaceuticals, finance, IT, telecommunications, First Marketed Consumer Goods (FMCG) and Multi-Level Marketing (MLN).

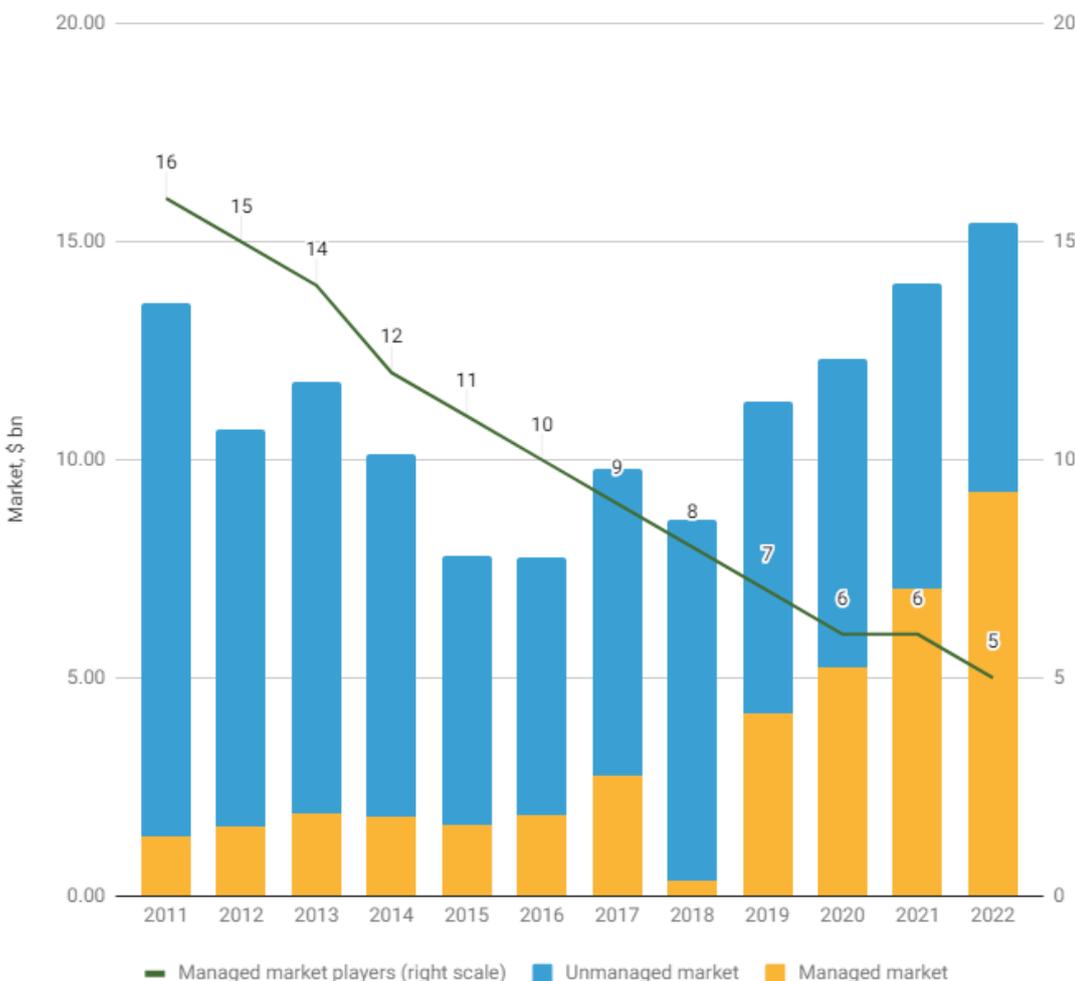
According to ATH, the volume of the business travel market amounted to \$8.35 billion in 2016. \$1.94 billion of them or 23% of the volume passed through the managed travel companies.

Within coming 6 years, the business service market will be expanded for more than 4 times. And with it, 5 major players will remain on the market.

“On this market there are not so many established players, about 20 companies”. I would call leaders such companies as MaxMedium, Maximize and Aeroclub Tour.

Development Director of the Moscow International Travel&Tourism Exhibition Artyom Chernyshov

Market consolidation



“Turnover of competitors is a closely guarded secret. The market is not transparent, the companies close their reporting”

Viktoriya Vasilyeva, Aeroclub Tour

Source: ATH American Express, 2016

International air travel

According to Data Insight 2018, the international air travel (excluding CIS countries) grew 37% in 2017 in comparison with 2016.

| 2016 | 2017 |
|--|--|
| Departures from the Russian Federation (excluding CIS and bordering countries) -21% | Departures from the Russian Federation (excluding CIS and bordering countries) +46% (+17% without Turkey) |
| International air travel (excluding CIS) -14% | International air travel (excluding CIS) +37% |
| International regular air travel (excluding CIS) -7% | International regular air travel (excluding CIS) +27% |
| Sales of foreign tours -35% | Sale of foreign tours +60% [Data Insight evaluation, mainly due to 8-time increase of flow to Turkey] |

Source: Data Insight, 2018

International air travel

Passenger number dynamics on international flights, %% to the relevant month of the last year



Charters vs scheduled flights

From the total growth of the passenger flow in 2017 (+21 mln passengers) 70% fell at international flights including 21% – at charter flights (yet 18% fell at the flights of foreign airlines).

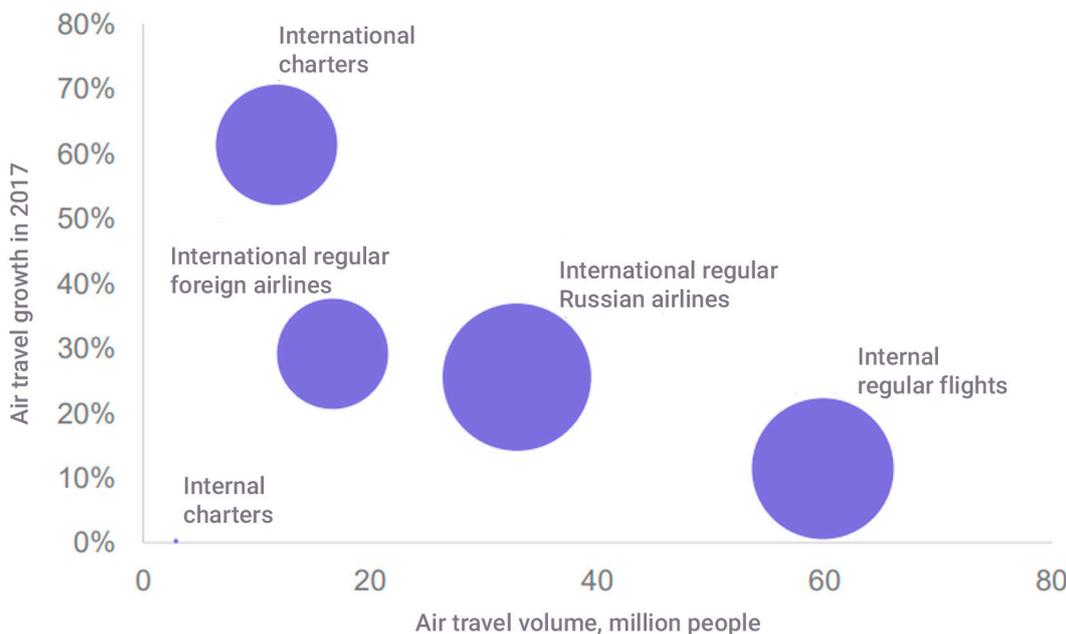
At this, the proportion of scheduled air services within tour packages has grown more than twice for 6 years. Such estimation is given by the booking service OnlineTur.ru. According to its data, if 26% of organized tourists flew by the scheduled flights in 2012, 52% flew in 2017.

In 2018 this figure will reach 60% according to the service analyst forecast. The dynamics is confirmed in the Association of Tour Operators of Russia (ATOR) as well. According to its calculation, in 2017 the proportion of the scheduled services within tour packages was 45%. Maya Lomidze, Executive Director of the Russian Association of Tour Operators, expects that this proportion will be increased by at least 10 percent points in the summer of 2018 (Source: Kommersant, 2018).

On the one hand, operators want to diversify their risks, because the charter freight is always a big financial risk. Therefore, in order to hold a large number of different destinations, tour operators add tours on scheduled flights. On the other hand, there are popular destinations where it is impossible to make a competitive price, if you use regular transportation. Also, people want to fly to a resort without connecting flights. And it's possible to do only by charter flights from regions, therefore charter flights don't lose their value despite the growth of regular air services



Aleksey Zaretskiy, the founder of Travelata online service



The area of segments on the diagram is pro rata to the passenger flow growth volume in 2017. International charters hold a leading position.

Source: Data Insight. The estimate of the regular international air traffic distribution between Russian and foreign airlines is done on the basis of assumptions about the proportion of charter traffic in the traffic of foreign airlines in 10% (2016) and about the same growth rates of charter traffic for Russian and foreign airlines in 2017.

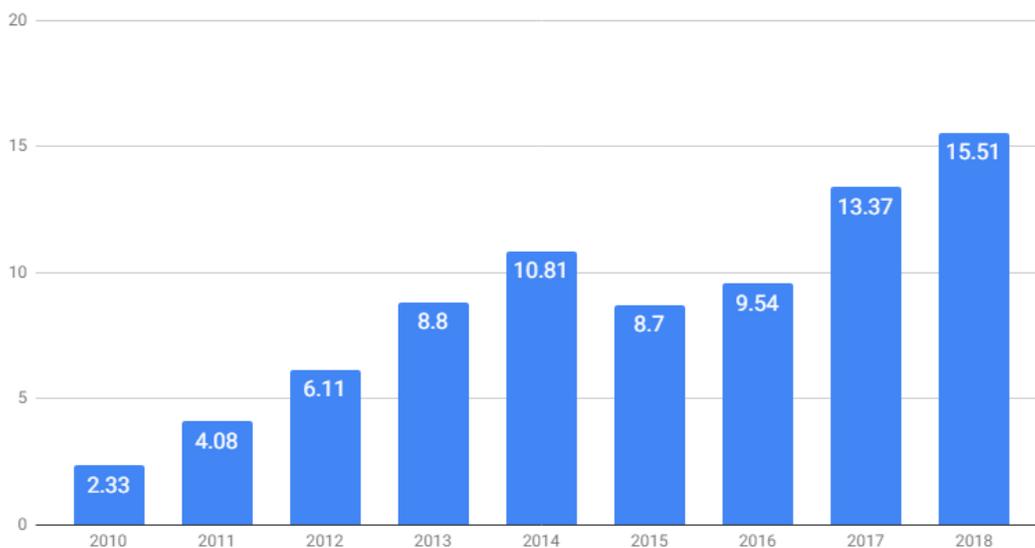
Trends of eTravel market

The volume of online shopping in the Russian tourism market covers a slight share of total travel market, though it is actively growing. According to the Data Insight Study 2016, the online booking is 20% in the segment of tickets; 10-14% in the segment of hotels, and only 3-5% falls at the online sales of tours (for comparison: in the UK– 50%, in Germany –25%). The eTravel market in Russia amounts to nearly \$13.7 billion (2017), with stable growth of just over 20% per year.

The most popular online services to buy travel products: Russian Railways website (43% of buyers used this site at least once per the last year); airlines websites (30%); hotel booking services (29%), air tickets sale services (22%); room reservation on hotel websites (21%).

eTravel: growth by 11 times over 7 years

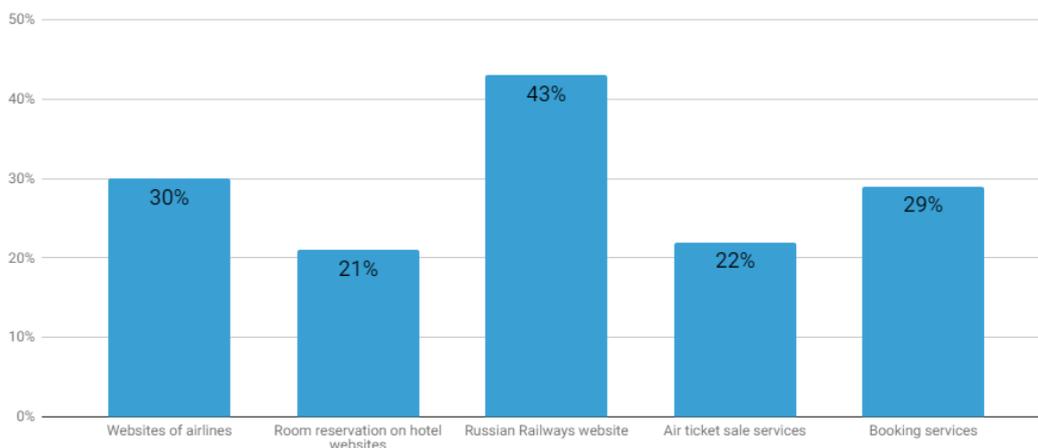
Online sales of the tourism services to Russian customers, \$ billion



The Russian eTravel market will amount to **\$15.5 billion** in 2018

Source: Data Insight, 2018. The volume of online sales is specified including VAT (value added tax). Aggregate data on foreign and domestic tourist market. Projected data for 2018.

The most popular online services to buy travel products

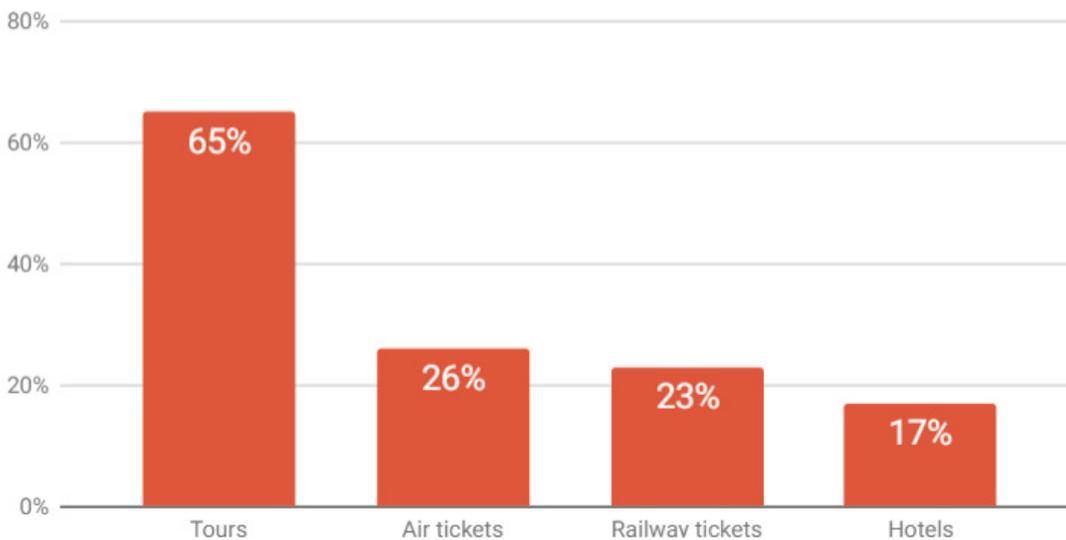


Source: PayPal, Data Insight, 2016. Aggregate data on foreign and domestic tourist market

The search demand is also growing just like eTravel market volume for comparable 15-25% per year. The only exception is tours where the growth is more than 60%.

The dynamics of search demand (Yandex)

The growth of the number of queries (04-05.2018) relative to the previous 12 months



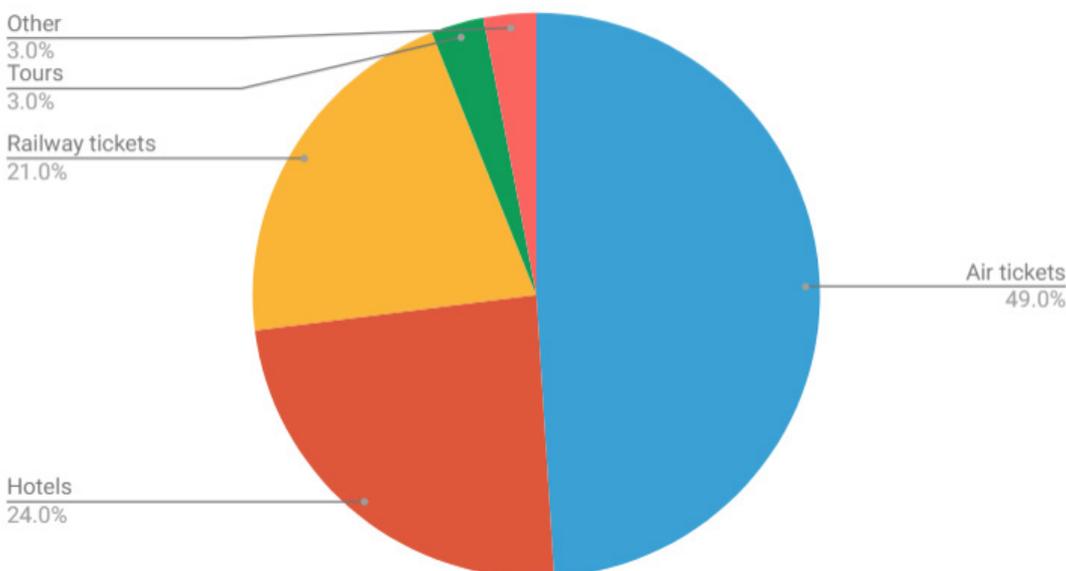
Source: Data Insight, 2018. Wordstat.yandex.ru. data Aggregate data on foreign and domestic tourist market. The key phrases "air tickets" and "air plane tickets" are considered for air tickets, the key phrases "ticket + train", "railway", "Russian Railway" are considered for train tickets. Non-thematic queries on the considered words are excluded for all categories.

Leading services in terms of travel coverage:

- Tutu.ru
- Booking.com
- Aviasales
- TripAdvisor

Source: GfK, 2016

Distribution of online sales by segments

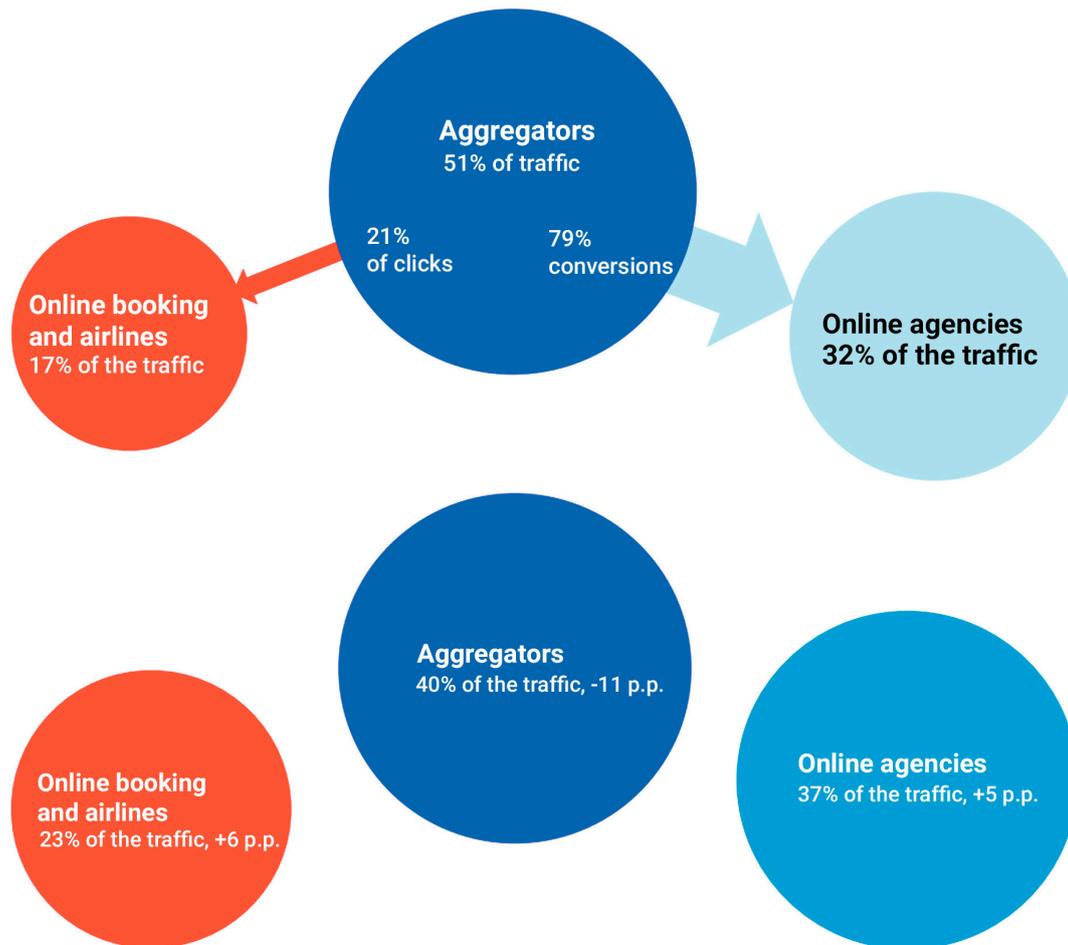


Air tickets comprise
49%
of the travel market

Source: Data Insight, 2018. Aggregate data on foreign and domestic tourist market

The market of the online airline ticket sale

Airlines sales take more and more traffic (and sales).



Air tickets: traffic structure. Autumn 2017

Source: Data Insight, 2018. SimilarWeb data (top 30 popular sites), August-October 2017, desktop. Aggregate data on foreign and domestic tourist market

Air tickets: traffic structure. Spring 2018

Source: Data Insight, 2018. SimilarWeb data (top 30 popular sites), February-April 2018, desktop. Aggregate data on foreign and domestic tourist market

Nowadays it's hard enough for different online travel agencies like Ozon Travel, OneTwoTrip, Anywayanyday. They were caught between a rock and a hard place. On the one hand, metasearch engines press them: Aviasales, Skyscanner, Momondo, which assemble a very large audience. People prefer to use metasearch engines to choose a ticket because the prices from all sellers are compared there. On the other hand, Russian airlines cut the fees greatly, for example, Aeroflot lowered them to zero. Therefore, it became difficult to work for the most online travel agencies. For example, recently there was news that Anywayanyday was sold to Aeroclub Company, which works in the sphere of the business tourism



Aleksey Zaretskiy, the founder of Travelata online service

The portrait of a client who buys airline tickets via browsers and apps is dramatically distinguished.

Two ecosystems

Sales via browser

(including mobile web)

Passengers who fly seldom

Standard average bill

The main factor is the price

The high cost for traffic attracting

Predominance of direct sales to airlines over the sales of online travel agencies

A lot of traffic (a large audience), but low conversion

Sales via apps

Passengers who fly often

Increased average check, the wide spread of orders by cost

The main factor is the satisfaction with the seller's service

Freemium audience

Leadership (temporarily?) of online travel agencies

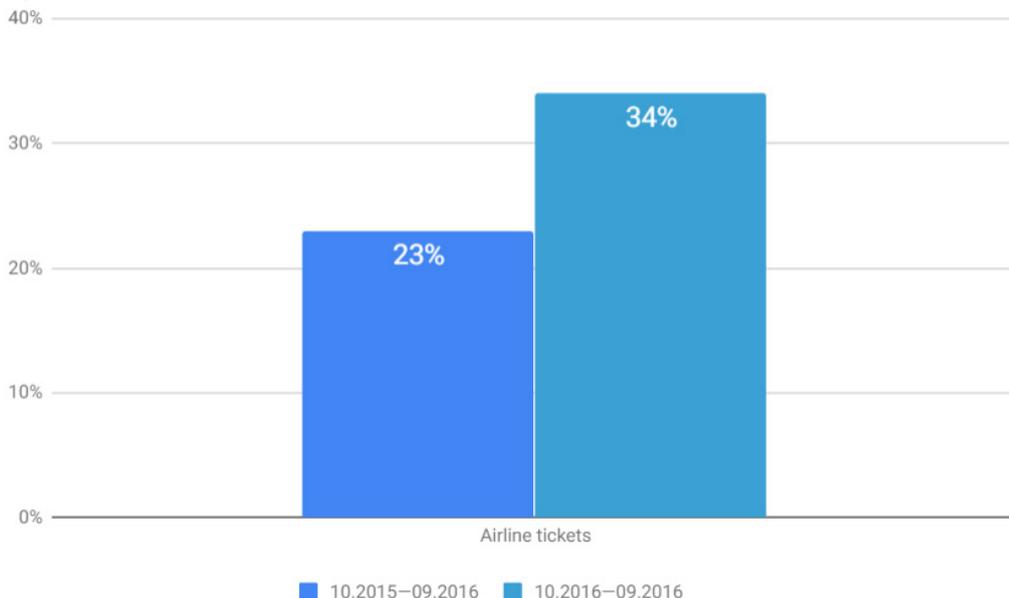
Small audience, but a great conversion

Source: Data Insight, 2018

For 12 months the share of smartphones in the search of airline tickets increased by 11 percentage points. The number of queries from smartphones was increased by 90%, and from desktops and tablets only by 11%. The smartphones accumulated 71% of the total increase in the number of queries for airline tickets. The proportion of queries from smartphones is above average (for 2-3 p.p.) in Moscow, in the south of the country and in the Far East of Russia.

The proportion of search queries on smartphones

Yandex, data for 24 months



34%
of users search for
airline tickets from
mobile phones

Source: Data Insight, 2018. Source: wordstat.yandex.ru. data. Aggregate data on foreign and domestic tourist market.

Audience of sites and apps

| | Audience of sites (Russia) per month | The number of application installation (the whole world) for the whole period |
|--|--------------------------------------|---|
| Metasearch engines: Aviasales Skyscanner | 6.5-9.5 million | ~10 million |
| Online travel agency with popular Apps: OneTwoTrip, Ozon, Tutu | 2-4 million | ~2-10 million |
| Airline bookings: Aeroflot, S7 | 2-3 million | ~2-10 million |
| Ticket sellers with unpopular apps: Pobeda, Kupibilet, Biletplus | 1-1,5 million | <0.5 million |

Source: Data Insight, 2018. With that, the active audience of mobile applications is several times less than the number of installations. Aggregate data on foreign and domestic tourist market.

It is obvious that the growth potential of the Russian market for online travel is huge. According to the company proprietary data, the sales of airline tickets from Aviasales grew by 50% for 2016, the sales of the hotel rooms grew for 180%. Segment of the package tour sales also keep growing: Travelata.ru sales volume for 2016 grew by 100%, the founders of another online tour agency Onlinetours announced a growth by 50%.



Aleksey Zaretskiy, the founder of Travelata online service

Popular hotel booking services

The ranking of the top most popular world websites 2016 by SimilarWeb is distinguished from other existing ratings that it combined the traffic of mobile devices and desktop computers for the first time. The new method of scoring is calculated by the number of unique visitors with the number of page view that characterizes “both the value and quality of each site”.

| Rank | Website | Category |
|------|---|-----------------------------------|
| 1 |  booking.com | Travel > Accommodation and Hotels |
| 2 |  ostrovok.ru | Travel > Accommodation and Hotels |
| 3 |  airbnb.ru | Travel > Accommodation and Hotels |
| 4 |  101hotels.ru | Travel > Accommodation and Hotels |
| 5 |  trivago.ru | Travel > Accommodation and Hotels |
| 6 |  oteli-uga.ru | Travel > Accommodation and Hotels |
| 7 |  roomguru.ru | Travel > Accommodation and Hotels |
| 8 |  hotels.com | Travel > Accommodation and Hotels |
| 9 |  anapa-gorod-kurort.ru | Travel > Accommodation and Hotels |
| 10 |  couchsurfing.com | Travel > Accommodation and Hotels |

Source: SimilarWeb, 2016

Booking.com dominates in the hotel booking segment as it was before. Ostrovok is distinguished from the Russian service leaders. It's the largest booking services in Russia after Booking. They have a very strong B2B direction, they very well covered the needs of the corporate segment for the hotel booking and the segment of travel agencies which often arrange individual tours for their customers and they also need to book hotels separately with no flights.



Aleksey Zaretskiy, the founder of Travelata online service

Market of Tour Aggregators

Another category of eTravel market players are aggregators of tours that are integrated with major tour operators and provide their clients with the access to all current tours in the online mode. The market is divided among online services: Travelata, Level Travel, Onlinetours. We interviewed the founder of the Travelata service Alexei Zaretsky and Level Travel Marketing Director Evgeny Ginzburg.

The volume of traffic and sales

In July 2018 we had over 3 million visitors on our website and over 1.5 million application installation. We send more than 100 thousand tourists per year. 80% fall at the overseas trips, and 20% fall at the internal trips



Aleksey Zaretskiy, the founder of Travelata online service

We grew more than 3.5 times in 2016 in relation to 2017. We grew twice in H1 2018 in relation to H1 2017. The trend of our growth does not show the dynamics of the market as a whole, we are growing faster than the market. In 2017, we have 30,000 customers and twice as much tourists. The average check amounted to about \$1200



Evgeny Ginzburg, Level Travel Marketing Director

Competition

The market of online tours amounts to only 5-7% of the total tour market. That's why our main competitors are the people's habit to pay offline and the fear to pay online for a big purchase. The tour purchase is the biggest purchase after a car for which most of the people have to save money. Nowadays, 99% of people don't buy online, but they find the needed tour, print it out and go to the offline agency to pay for it there



Evgeny Ginzburg, Level Travel Marketing Director

Customers of Tour Aggregators

The backbone of our target audience is the people at the age from 23-25 to 40 who travel two together or with small children, residents of the large cities who often do shopping online.

These are the people of new way of thinking who got used to the internet services and they don't like to call someone or be distracted by calls from travel agencies. They want to see everything and make a decision themselves. They need a sense of control. They are sure that they will do the work better than someone unknown. If the older generation have more trust to experts than themselves, the young people believe that someone else won't do as well as they are themselves. And finally, they understand that they can compare the prices online and find a cheaper offer than at an offline travel agency

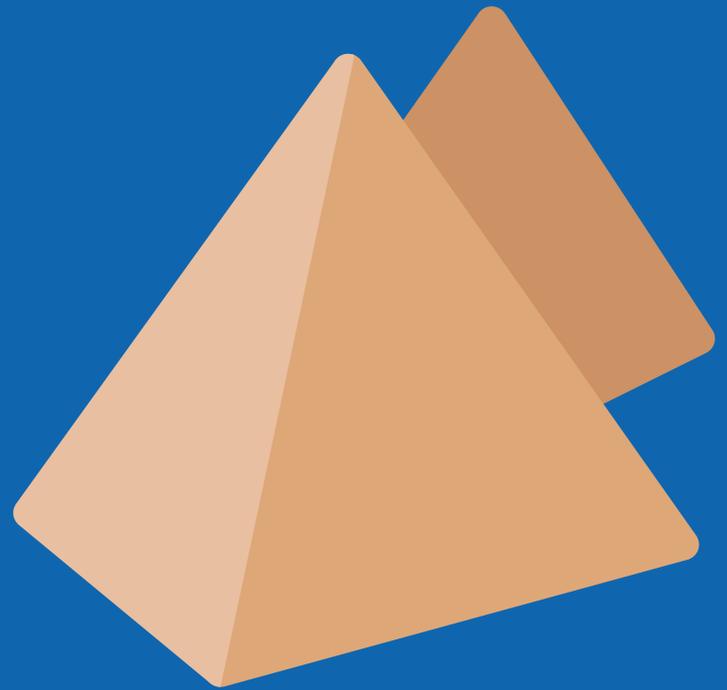


Aleksey Zaretskiy, the founder of Travelata online service

We sell tours, and the people who go to the seaside resorts mainly buy them. 8 of 10 people who fly from Russia to the seashores use a package tour. As we sell tours online, the main audience is the people at the age from 18 to 30 (approximately 40%). 2/3 of our audience are the couples of different age. The most popular query is: five star hotel in Turkey on the first line with all inclusive.



Evgeny Ginzburg, the Marketing Director of Level Travel online service



How countries and agencies are advertised in Russia

In this section, we'll talk about how much tourism ministries of different countries and major tour operators spend on advertising, which advertising channels they use, what Russian TV channels and mass media prefer.

How tourism ministries advertise in Russia

Tourism ministries are conservative in the choice of advertising channels and prefer to place advertising on TV, radio and print media.

Offline advertising

The aggregate investments in advertising in offline channels of the tourism ministries amounted to almost \$34.3 million from 2014 to 2017.

The aggregate budget of the countries investing in offline advertising in Russia, thousand \$

| 2014 | 2015 | 2016 | 2017 | January-June 2017 | January-June 2018 |
|--------|-------|-------|-------|-------------------|-------------------|
| 14,294 | 5,957 | 7,782 | 8,703 | 3,556 | 2,279 |

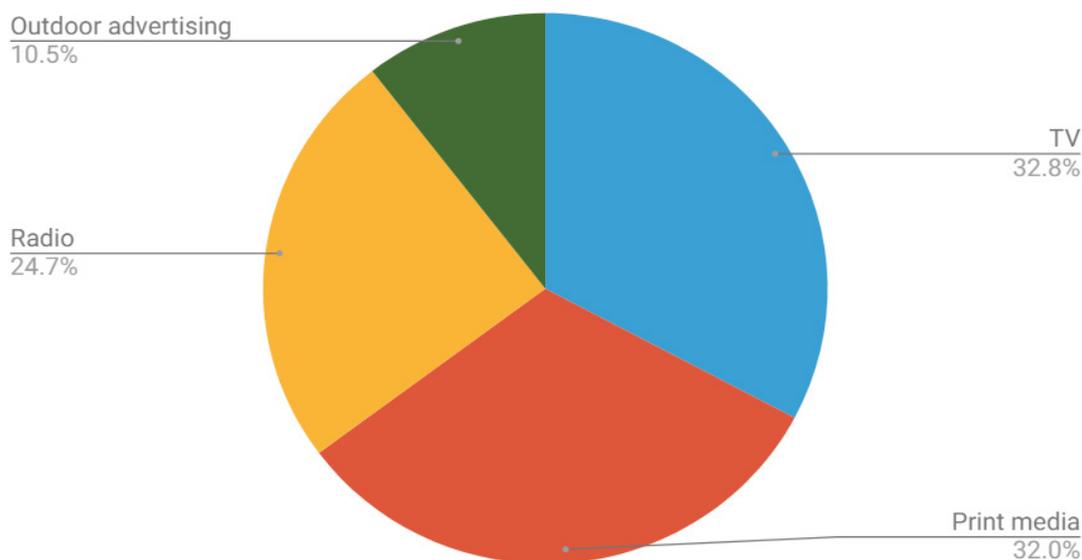
Source: Media Scope, 2018

Sample budgets of the countries investing in offline advertising, thousand \$

| | 2014 | 2015 | 2016 | 2017 |
|----------|-------|------|------|------|
| Turkey | 1,368 | 585 | 0.22 | 197 |
| China | 322 | 588 | 217 | 320 |
| Thailand | 125 | 467 | 290 | 594 |
| Spain | 149 | 318 | 223 | 67 |
| Greece | 898 | 4 | 68 | 106 |

Source: Media Scope, 2018

The most popular channels from 2014 to 2017 were: TV — 31%, print media — 30,5%, radio — 23,5% outdoor advertising — 10%.



Source: Media Scope, 2018

What offline channels the countries invest in, thousand \$

| | 2014 | 2015 | 2016 | 2017 | January-June 2017 | January-June 2018 |
|------------------------|-------|-------|-------|-------|-------------------|-------------------|
| Advertising in cinemas | 1,115 | 397 | 175 | 142 | | 28 |
| Digital Indoor | 59 | 32 | 32 | 0 | | 0 |
| Outdoor advertising | 1,133 | 813 | 1,035 | 540 | 403 | 37 |
| Print media | 4,856 | 2,593 | 2,275 | 1,645 | 900 | 540 |
| Radio | 3,431 | 1,328 | 1,369 | 2,603 | 894 | 405 |
| TV | 3,698 | 796 | 2,897 | 3,773 | 1,359 | 1,309 |

Source: Media Scope, 2018

We took the most popular offline channels: TV, print media and radio, and analyzed how to allocate advertising budgets inside the channels.

In the table below we collected TOP 10 most popular with advertisers TV channels for each year. The channels which are in stable demand with advertisers are highlighted in yellow.

**The annual TOP 10 TV channels
 from 2014 to 2017, thousand \$**

| | 2014 | 2015 | 2016 | 2017 |
|----------------------|------|------|------|------|
| Channel One | 912 | 58 | 941 | 291 |
| TNT | 774 | 125 | | 282 |
| Russia 24 | 740 | 125 | 98 | |
| Measured local TV | 325 | 145 | 99 | 232 |
| Russia 1 | 257 | 111 | 990 | 716 |
| NTV | 190 | 123 | | 152 |
| Channel Five | 139 | 6 | | 173 |
| STS | 109 | | 468 | 189 |
| Friday | 83 | 58 | | |
| Euronews | 80 | 21 | | |
| TV-3 | | 17 | | |
| TV Center | | | 98 | 268 |
| Che | | | 44 | |
| Ren TV | | | 34 | |
| Domashniy | | | 21 | |
| Zvezda | | | 18 | |
| Advertising channels | | | | 890 |
| Discovery channel | | | | 212 |

Source: Media Scope, 2018

**Comparison of TOP-10 TV channels
 January-May 2017 and 2018, thousand \$**

| | January-May 2017 | January-May 2018 |
|-------------------|------------------|------------------|
| Channel One | 512 | 119 |
| Russia 1 | 486 | 341 |
| NTV | 289 | |
| Discovery channel | 155 | 85 |
| TV Center | 130 | 30 |
| STS | 127 | 73 |
| Ren TV | 107 | 75 |
| Measured local TV | 44 | 51 |
| Channel Five | 38 | 59 |
| Ru.tv | 24 | |
| TNT | | 222 |
| TV-3 | | 33 |

Source: Media Scope, 2018

TOP-10 most popular with advertisers print media for each year are listed below. The print media which are in stable demand with advertisers are highlighted in yellow. Unlike the TV channels, the only stable print media being in TOP are: Aeroflot, Vokrug Sveta, National Geographic Russia, GEO, National Geographic traveler.

The annual TOP 10 print media from 2014 to 2017, thousand \$

| | 2014 | 2015 | 2016 | 2017 |
|--|------|------|------|------|
| Aeroflot | 532 | 231 | 155 | 51 |
| Afisha-Mir | 414 | | | |
| Vokrug sveta | 345 | 163 | 121 | 141 |
| National Geographic Russia | 327 | 213 | 73 | 268 |
| Transaero | 190 | | | |
| 7 days | 182 | | | |
| Voyage | 174 | 123 | | |
| Antenna-Telesem' | 168 | | | |
| Komsomolskaya Pravda (w) | 163 | 84 | | |
| Afisha. All entertainments of the universe | 160 | | | |
| GEO | | 298 | 91 | 179 |
| National Geographic traveler | | 240 | 138 | 99 |
| Cosmopolitan | | 98 | | |
| Conde nast traveller | | 89 | 143 | |
| Hello! | | 63 | 71 | |
| Kommersant | | | 119 | |
| Starhit | | | 104 | |
| RBK (newspaper) | | | 79 | |
| Ok! | | | | 72 |
| Vysokiy Polyot | | | | 59 |
| Instyle | | | | 55 |
| Harper's bazaar | | | | 52 |
| Forbes life (Forbes Ap.) | | | | 51 |

Source: Media Scope, 2018

**Comparison of TOP-10 print media
 January-May 2017 and 2018, thousand \$**

| | 2017 (January-May) | 2017 (January-May) |
|------------------------------|--------------------|--------------------|
| National Geographic Russia | 126 | 54 |
| Vokrug sveta | 78 | 91 |
| National Geographic traveler | 76 | 32 |
| GEO | 56 | 26 |
| Instyle | 43 | |
| Maxim | 37 | 26 |
| Burda | 36 | 38 |
| Harper's bazaar | 35 | |
| Ok! | 29 | |
| Elle | 26 | |
| Cosmopolitan | | 30 |
| 4x4 club | | 25 |
| Domashniy Ochag | | 25 |
| Hello! | | 24 |

Source: Media Scope, 2018

TOP-10 most popular with advertisers radio stations for each year are listed below. The radio stations which are in stable demand with advertisers are highlighted in yellow. The list of popular with the tourism ministries radio stations and print media varies strongly from year to year.

The annual TOP 10 radio stations from 2014 to 2017, thousand \$

| | 2014 | 2015 | 2016 | 2017 |
|------------------------|-------|------|------|------|
| Retro fm | 1,073 | | 67 | 111 |
| Europa plus | 904 | 129 | 70 | 504 |
| Radio 7 on seven hills | 528 | 58 | | 84 |
| Our radio | 158 | | | |
| Radio chanson | 102 | | | |
| Radio jazz | 94 | | | |
| Keks fm | 94 | | | |
| Radio romantika | 88 | 55 | 61 | 77 |
| Echo of Moscow | 76 | | 262 | 217 |
| Radio classic | 70 | | | |
| Autoradio | | 210 | 343 | 322 |
| Vesti fm | | 186 | | |
| Radio energy | | 150 | 208 | 195 |
| Humor fm | | 118 | | |
| Silver rain | | 104 | | |
| Children's radio | | 69 | | |
| Russkoe radio | | 50 | | 270 |
| Relax fm | | | 172 | 266 |
| Like fm | | | 45 | |
| Strana fm | | | 38 | |
| Radio chocolate | | | 31 | |
| Radio Monte Carlo | | | | 134 |

Source: Media Scope, 2018

**Comparison of TOP-10 radio stations
January-May 2017 and 2018, thousand \$**

| | 2017 (January-May) | 2017 (January-May) |
|------------------------|--------------------|--------------------|
| Russkoe radio | 185 | |
| Europa plus | 116 | 140 |
| Retro fm | 111 | 79 |
| Echo of Moscow | 86 | |
| Relax fm | 80 | 25 |
| Radio monte carlo | 60 | |
| Love radio | 57 | 31 |
| Hit fm | 46 | |
| Radio 7 on seven hills | | 66 |
| Autoradio | | 63 |

Source: Media Scope, 2018

Online advertising

The tourism ministries are gradually coming online, but for the time being the budgets are not comparable. It was spent \$8.7 million for offline advertising in 2017, and only \$1.25 million on online advertising. As we will see further, this picture is radically different from how tour operators, which are much more actively using online channels, advertise.

What online channels the countries are invested in 2017, thousand \$; thousand visits

| | Budgets | Visits |
|--------------------|--------------|--------------|
| OLV (Online Video) | 490 | 110 |
| Social networking | 391 | 426 |
| Banners | 176 | 110 |
| Context | 152 | 339 |
| E-mail newsletters | 36 | 207 |
| Articles | 2 | 4 |
| Links | | 32 |
| Organic search | | 2,974 |
| Direct visits | | 1,226 |
| Total | 1,247 | 5,430 |

Source: Media Scope, 2018

It is important to note that notwithstanding that the zero budget is indicated for “organic search” and “direct visits”, it doesn’t mean that these channels are free. The organic traffic comes to a website through the content that must be created. And the direct visits are linked with the brand popularity that arises, in particular, due to offline activities.

**Comparison of investments in online channels
 for February-June 2017 and 2018, thousand \$, thousand visits**

| | Budgets | | Visits | |
|--------------------|------------------------|------------------------|------------------------|------------------------|
| | February- June 2017 | February- June 2018 | February- June 2017 | February- June 2018 |
| OLV (Online Video) | 169 | 775 | 34 | 124 |
| Social networking | 178 | 158 | 192 | 144 |
| Banners | 51 | 233 | 34 | 97 |
| Context | 29 | 57 | 65 | 111 |
| E-mail newsletters | 17 | 17 | 98 | 83 |
| Links | | 1 | 13 | 11 |
| Organic search | | | 1,295 | 1,579 |
| Direct visits | | | 471 | 600 |
| Total | 444 | 1,241 | 2,204 | 2,750 |

Source: Media Scope, 2018

Investments of countries in online channels are rapidly growing: if about \$0.44 million were invested in online advertising from February to June 2017, then \$1.21 million were invested over the same period 2018.

How travel companies advertise

We analyzed the major industry players: three tour operators and one travel agency to show how they manage their advertising budgets.

Offline advertising

Travel companies pay much attention to offline channels and build up the advertising budgets after the recession in 2016.

The budgets of the largest tour operators and travel agencies investing in offline advertising, thousand \$

| | 2014 | 2015 | 2016 | 2017 | January-June 2017 | January-June 2018 |
|-----------------------|-------|-------|-------|-------|-------------------|-------------------|
| Anex tour | 519 | 678 | 301 | 1,513 | 950 | 1,036 |
| Coral | 4,365 | 996 | 653 | 767 | 659 | 414 |
| Natalie tours | 2,846 | 139 | 74 | | | |
| TezTour | 1,008 | 2,074 | 364 | 1,020 | 567 | 158 |
| Sodis (travel agency) | 1,967 | 2,143 | 1,925 | 2,496 | 1,176 | 1,473 |

Source: Media Scope, 2018

Radio is the most popular advertising channel with travel companies. 66% of the advertising budget fell at it in 2017, 12.5% fell at TV and 11% fell at print media.

What offline channels the travel companies invest in, thousand \$

| | 2014 | 2015 | 2016 | 2017 | January-June 2017 | January-June 2018 |
|------------------------|-------|-------|-------|-------|----------------------|----------------------|
| Advertising in cinemas | 304 | 7 | 2 | | | |
| Digital Indoor | | | 10 | 19 | 19 | |
| Outdoor advertising | 1,938 | 798 | 454 | 569 | 280 | 458 |
| Print media | 1,660 | 1,338 | 540 | 638 | 397 | 278 |
| Radio | 3,206 | 3,232 | 2,131 | 3,844 | 2,194 | 2,233 |
| TV | 3,597 | 657 | 180 | 725 | 462 | 112 |

Source: Media Scope, 2018

We collected TOP-10 most popular with travel companies TV channels for each year. The channels which are in stable demand with advertisers are highlighted in yellow.

**The annual TOP 10 TV channels
 from 2014 to 2017, thousand \$**

| | 2014 | 2015 | 2016 | 2017 |
|-----------------------|-------|------|------|------|
| Channel One | 2,466 | 72 | | 638 |
| Measured local TV | 357 | 155 | 47 | 2 |
| Domashniy | 355 | 140 | | 45 |
| Russia 24 | 225 | 71 | 79 | |
| Russia 1 | 57 | 14 | 50 | 26 |
| TNT | 35 | 59 | | |
| STS | 34 | | | |
| Euronews | 22 | | | |
| Channel Five | 17 | | | |
| BST | 12 | | 3 | |
| NTV | | 48 | | |
| STS love | | 27 | | |
| TV Center | | 19 | | |
| Friday | | 15 | | |
| Tatarstan new century | | | 1 | |
| Muz TV | | | | 14 |

Source: Media Scope, 2018

**Comparison of TOP-10 TV channels
January-June 2017 and 2018, thousand \$**

| | January-June 2017 | January-June 2018 |
|----------------------|-------------------|-------------------|
| Channel One | 375 | 7 |
| Domashniy | 45 | 15 |
| Russia 1 | 26 | 10 |
| Muz TV | 14 | |
| Measured local TV | 2 | |
| Russia 24 | | 29 |
| Advertising channels | | 24 |
| NTV | | 6 |
| TNT | | 5 |
| STS | | 5 |
| BST | | 3 |
| Channel Five | | 2 |

Source: Media Scope, 2018

TOP-10 most popular with travel companies print media for each year are listed below. The print media which are in stable demand with advertisers are highlighted in yellow.

The annual TOP 10 print media from 2014 to 2017, thousand \$

| | 2014 | 2015 | 2016 | 2017 |
|------------------------------|------|------|------|------|
| Telenedelya | 287 | 56 | 43 | 56 |
| Aeroflot | 237 | 55 | | 39 |
| Vogue | 221 | 163 | 15 | |
| Starhit | 159 | 151 | 55 | 72 |
| Conde nast traveller | 139 | | | |
| Aeroflot style | 138 | 192 | 151 | 208 |
| Hello! | 136 | 80 | | |
| Transaero | 75 | 157 | | |
| Ok! | 71 | | | |
| Metro Saint Petersburg | 58 | | 27 | |
| Forbes | | 108 | 145 | 180 |
| Vash dosug (A5)(ap.) | | 95 | | |
| Vash dosug | | 56 | | |
| National Geographic Russia | | | 33 | |
| Elle | | | 23 | 14 |
| National Geographic traveler | | | 16 | 15 |
| GEO | | | 13 | 11 |
| Vokrug sveta | | | | 21 |
| Marie Claire | | | | 7 |

Source: Media Scope, 2018

**Comparison of TOP-10 print media
January-June 2017 and 2018, thousand \$**

| | January-June 2017 | January-June 2018 |
|------------------------------|-------------------|-------------------|
| Forbes | 95 | 92 |
| Aeroflot style | 76 | 109 |
| Starhit | 67 | 31 |
| Telenedelya | 56 | |
| Aeroflot | 39 | 46 |
| Vokrug sveta | 21 | |
| National Geographic traveler | 15 | |
| Elle | 14 | |
| Marie Claire | 7 | |
| Russian reporter | 7 | |

Source: Media Scope, 2018

TOP-10 most popular with travel companies radio stations for each year are listed below. The radio stations which are in stable demand with advertisers are highlighted in yellow. The list of the popular radio station was drastically changed since 2014

The annual TOP 10 radio stations from 2014 to 2017, thousand \$

| | 2014 | 2015 | 2016 | 2017 |
|------------------------|------|------|------|------|
| Autoradio | 819 | | | |
| Europa plus | 729 | 614 | 59 | 514 |
| Business fm | 456 | 374 | 471 | 447 |
| Kommersant fm | 404 | | | |
| Radio Monte Carlo | 243 | 261 | 260 | 519 |
| Radio best fm | 112 | | | |
| Radio chocolate | 112 | | | |
| Silver rain | 71 | 142 | | |
| Radio energy | 66 | | | |
| Children's radio | 56 | | | |
| Our radio | | 324 | 184 | 219 |
| Radio 7 on seven hills | | 253 | 81 | 245 |
| Retro fm | | 236 | 112 | 129 |
| Relax fm | | 176 | 188 | 284 |
| Echo of Moscow | | 175 | 351 | 420 |
| Radio jazz | | 146 | 224 | 324 |
| Love radio | | 50 | 65 | |
| Dorjnoe Radio | | | | 270 |

Source: Media Scope, 2018

**Comparison of TOP-10 radio stations
January-June 2017 and 2018, thousand \$**

| | January-June 2017 | January-June 2018 |
|------------------------|-------------------|-------------------|
| Europa plus | 331 | 360 |
| Radio Monte Carlo | 277 | 253 |
| Business fm | 225 | 212 |
| Radio jazz | 178 | |
| Echo of Moscow | 174 | 285 |
| Dorojnoe Radio | 169 | |
| Radio 7 on seven hills | 161 | 238 |
| Relax fm | 150 | 313 |
| Retro fm | 129 | |
| Autoradio | 96 | |
| Radio energy | | 149 |
| Radio jazz | | 125 |
| Kommersant fm | | 80 |
| Love radio | | 52 |

Source: Media Scope, 2018

Online advertising

Travel companies invest online much more active than tourism ministries. In 2017, Anex tour, Coral, Natalie tours, TezTour and Sodis together spent on offline advertising \$5.8 million, and on online advertising \$7.9 million.

Budgets of tour operators in online advertising in 2017

| | Budgets thousand \$ | Visits thousand visits |
|-----------------------|--------------------------------|-----------------------------------|
| Anex tour | 2,326 | 16,138 |
| Coral | 3,022 | 19,758 |
| Natalie tours | 363 | 5,279 |
| TezTour | 1,902 | 16,753 |
| Sodis (travel agency) | 297 | 1,057 |
| Total | 7,910 | 58,987 |

Source: Media Scope, 2018

Comparison of budgets in online channels

| | Budgets, thousand \$ | | Visits, thousand visits | |
|-----------------------|-------------------------|----------------------|----------------------------|----------------------|
| | March - June 2017 | March - June 2018 | March - June 2017 | March - June 2018 |
| Anex tour | 707 | 934 | 6,076 | 10,694 |
| Coral | 1,303 | 1,308 | 8,578 | 9,857 |
| Natalie tours | 98 | 432 | 1,969 | 2,720 |
| TezTour | 932 | 895 | 7,986 | 8,403 |
| Sodis (travel agency) | 151 | 104 | 495 | 400 |
| Total | 3,041 | 3,569 | 24,610 | 31,679 |

Source: Media Scope, 2018

What key online channels tour operators invest in 2017

| | Budgets, thousand \$ | Visits, thousand visits |
|--------------------|-------------------------|----------------------------|
| Articles | 6 | 27 |
| E-mail newsletters | 800 | 4,664 |
| Banners | 1,114 | 1,003 |
| Context | 1,654 | 3,610 |
| OLV (Online Video) | 2,929 | 639 |
| Organic search | | 29,202 |
| Direct visits | | 18,040 |
| Social networking | 1,404 | 1,708 |
| Links | 1 | 90 |
| Total | 7,909 | 58,986 |

Source: Media Scope, 2018

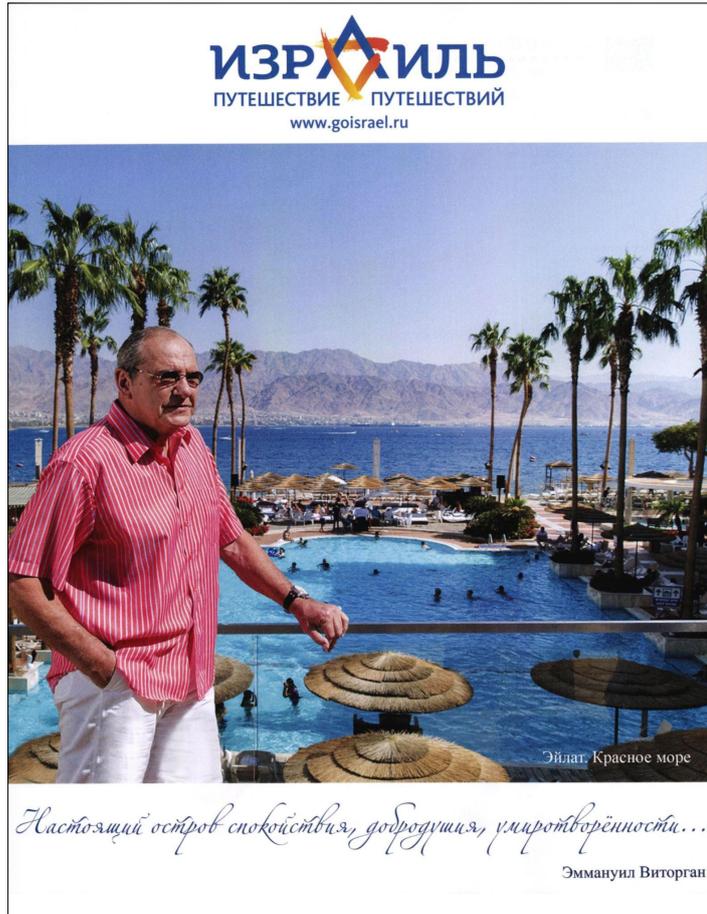
Comparison of investments in key online channels

| | Budgets, thousand \$ | | Visits, thousand visits | |
|--------------------|-------------------------|----------------------|----------------------------|----------------------|
| | March - June 2017 | March - June 2018 | March - June 2017 | March - June 2018 |
| Articles | 4 | | 8 | 11 |
| E-mail newsletters | 318 | 331 | 1,857 | 1,929 |
| Banners | 450 | 659 | 410 | 641 |
| Context | 688 | 877 | 1,492 | 1,926 |
| OLV (Online Video) | 1,087 | 1,231 | 241 | 315 |
| Organic search | | | 13,063 | 16,125 |
| Direct visits | | | 7,213 | 10,376 |
| Social networking | 644 | 575 | 796 | 683 |
| Links | | | 26 | 69 |
| Total | 3,191 | 3,673 | 25,105 | 32,075 |

Source: Media Scope, 2018

Examples of advertising campaigns and strategies for entering the Russian market

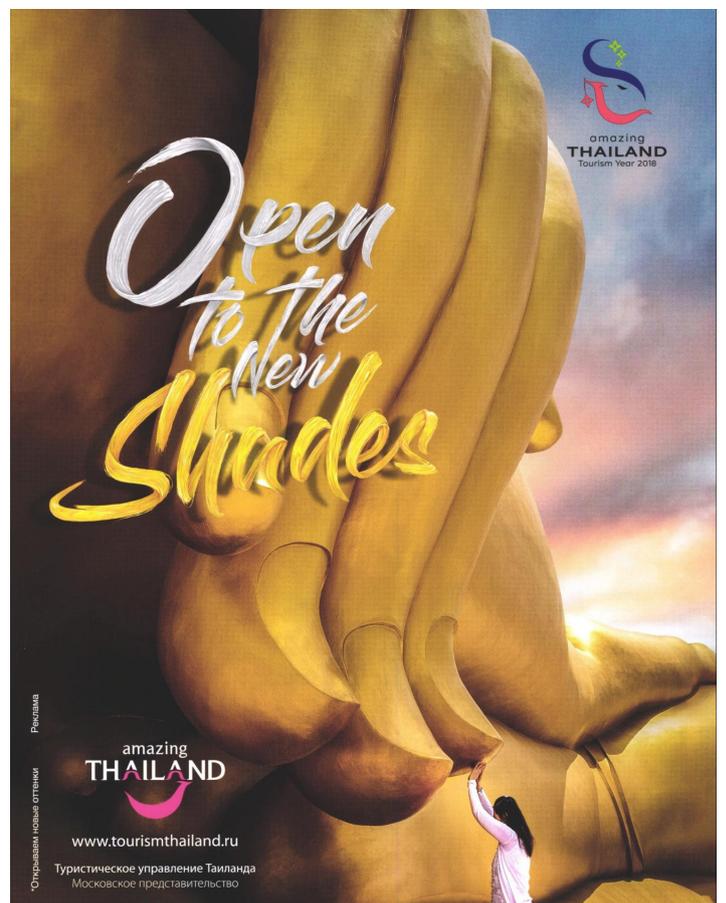
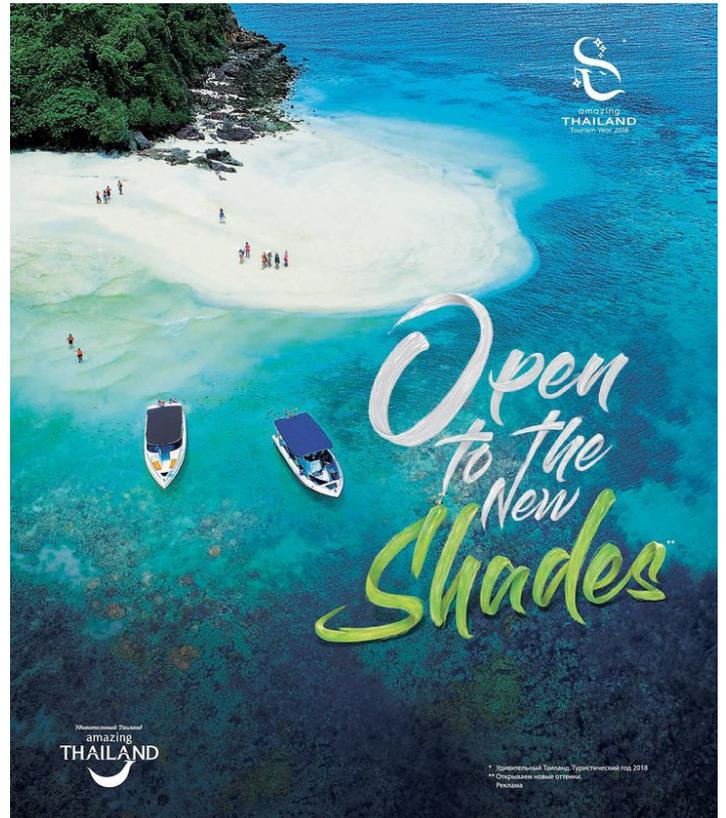
The tourism ministries actively utilize the offline channels: outdoor advertising, print media, TV commercials.



Advertisement of Israel
Israel. The journey of journeys Eilat. Red sea
"The real island of tranquility, amiability, serenity..." — Emmanuil Vitorgan



Advertisement of Turkey
"The house, where you are welcome The sultans' palaces"



Advertisement of Thailand



The advertisement of Turkey at the bus stop
"The house, where you'll get unforgettable holiday"



The advertisement of the billboard
"The house where the history is waiting for you"

Греция-мечта моя

о. Санторини

gnto.ru ** GREECE **visitgreece.gr**

visitgreece.ru

*ГРЕЦИЯ ** ИНФОРМАЦИОННЫЕ САЙТЫ ГРЕЦИИ

0+

Advertisement of Greece
"Greece is my dream"



SEA + CITY

Two cities – one holiday. Jerusalem and Tel Aviv are the perfect cities for those who want to combine guided cognitive and beach holiday. The majestic capital and business center of Israel will leave nobody indifferent! Ancient Jerusalem, where each stone is imbued with centuries-old history, and Tel Aviv, a fast-paced city on the Mediterranean coast, are located just 40 minutes drive from each other! If you book at least three nights in Tel Aviv or Jerusalem in the hotels participating in the City Break offer, you can get pleasant bonuses and vouchers, for example, trips to restaurants, museums, discounts for excursions and more.

Visit israel.style.rbk.ru to learn more and choose your route



Advertisement of Israel The layout for a magazine

goturkey.com
TURKISH AIRLINES

Турция

ДОМ, ГДЕ ВАС ЖДЕТ ИСТОРИЯ

#HomeOf

The advertisement of Turkey

Special projects with mass media

Sweden has made a big special project with Meduza online edition to tell about the country. The special project consists of large materials that introduce a reader with different aspects of the country. The particularity of the project is to highlight a popular topic and link it with Sweden.

The special project page on Meduza.io website

| Country | Percentage of women on the Board of Directors |
|---------|---|
| Sweden | 32% |
| Europe | 23% |

Sweden is 9% more than in Europe.

Video: "What is feminism? Explain through the example of Sweden (and together with Sweden)"

A video with infographic on Meduza.io website

Another material is an interactive game where you have to imagine yourself as a migrant in Sweden and pass a test on knowledge of the Swedish reality.

SPECIAL PROJECT

You are a migrant. In Sweden. What to do?!

The game of Meduza and Sweden

© 15:52, 22 January 2018

Happy New Year! What a surprise – you've found yourself in Sweden. To simplify the problem, let's decide that you have been living in the Kingdom for some time, you have all required documents and a job. But it doesn't mean that your life is good. You need to acquire friends and settle in the new country. Can you do that?

Start

613
 482
 4

Contact Us

1/11

Rootedness: **-2-2** Friends: **0+0**

You go around the town searching for an open bar or a club but all your favorite places just closed. You seem to be still far from the local habits.

Next

Illustrations by Sonya Korshenboim

3/11

Rootedness: **-8** Friends: **0**

After completion of the project you are offered to move. What options will you consider?

I don't like outskirts. I want to live in the center of Stockholm

It's very expensive and bustling in the center. It is better to live in Stockholm, but on the outskirts

It's too troubled on the outskirts: there are many migrants. It's better outside the city. It's too far to drive but a car will solve this problem

And why do I need Stockholm? There are many good cities in Sweden. And you can work remote

Illustrations by Sonya Korshenboim

Game on Meduza website

Joint projects with tour aggregators

Representative offices of the countries create joint projects with tour aggregators. In the beginning of 2018 the representative office of Abu-Dhabi (the capital of the United Arab Emirates) jointly with Level Travel service created an online-project in the form of drawing consisting of two parts. For the first part they created an information page which told about entertainment attractions in Abu Dhabi, and made up with the game mechanics that allow people to get a free ticket for one of these entertainments when buying a tour in Abu Dhabi.

NOT MISS IT FOR THE WORLD



Yas Waterworld waterpark



Louvre Abu Dhabi



Ferrari World park

Yas Waterworld waterpark

One more futuristic miracle! This waterpark occupies an area in 15 football pitches, there are 43 attractions 5 of which are unique. Here you can descend from the 238-metre long, world's first hydromagnetic six-person waterslide, ride on 3-meter waves of Bubble's Barrel attraction on a flowboard and bodyboard. So, it's for warming up, there are a lot more interesting.



The second part is the competition of creative stories about why people want to go to Abu Dhabi. The prize was a tour to Abu Dhabi

Information page on Level.Travel website

Special Projects with Metasearch Engines

The Ministry of tourism of Cuba together with Aviasales ticket metasearch engine have made a special project called “the Real Cuba”.



Special project on cuba.promo.avs.io website

The main task of the project is to enhance interest of the users in Cuba as to the country where they can have a great time. For the special project several pages were allocated, reflecting the whole variety of leisure in Cuba.



DANCE AT DAWN

Rumba, Mambo, Cha-Cha-cha – legs begin to dance in rhythm from the only name of these dances. Their homeland is Cuba, so Cubans dance them best of all and will gladly show you a couple of impressive steps. If you already know something or have always wanted to learn, feel free to come in any of hundreds establishments of old Havana. Enjoy food and hospitality of hosts, be comfortable dancing until the morning.



Special project on cuba.promo.avs.io website

When users were searching seaside resorts or went through the search on pages telling about other tropical countries, they were shown bright project banners inducing them to consider an alternative option of vacation – to fly to Cuba.

Banners were placed pointwise, in the months of active ticket search for “sunny” destinations (May, August, October, December). The coverage totaled 30,000 of the unique users.



REST BY YOUR OWN RULES

The rest is freedom. Freedom from the bustle, worries and routine. And you can really feel it only in one place - on the Island of Freedom. So, leave all routine at home and take a deep breath of freedom in Cuba!



LOOK BEYOND THE HORIZON

Everyone knows about the Cuban revolution, but the history of this island is not just limited to it. Here are places where you can broaden the horizons of your knowledge. For a good reason UNESCO awarded the status of the World Cultural Heritage to nine places on this small island. Old Havana and the center of Cienfuegos will impress those who love to stroll along the streets and take thousands of photos. Please, believe, you will find spectacular shots. It's needless to say about the museums, Botanical Garden and Columbus Cemetery.



Special project on cuba.promo.av.sio website



How RMAA Travel helps countries to enter the Russian tourism market

In this section you will find examples of advertising campaigns that we conducted for Indonesia, China, Malaysia, Morocco, the Philippines, helping these countries tell about themselves and attract Russian tourists.

Integrated advertising campaign for Indonesia in 2018



The integration of the tourism brand for Indonesia
in the global event FIFA — World Cup



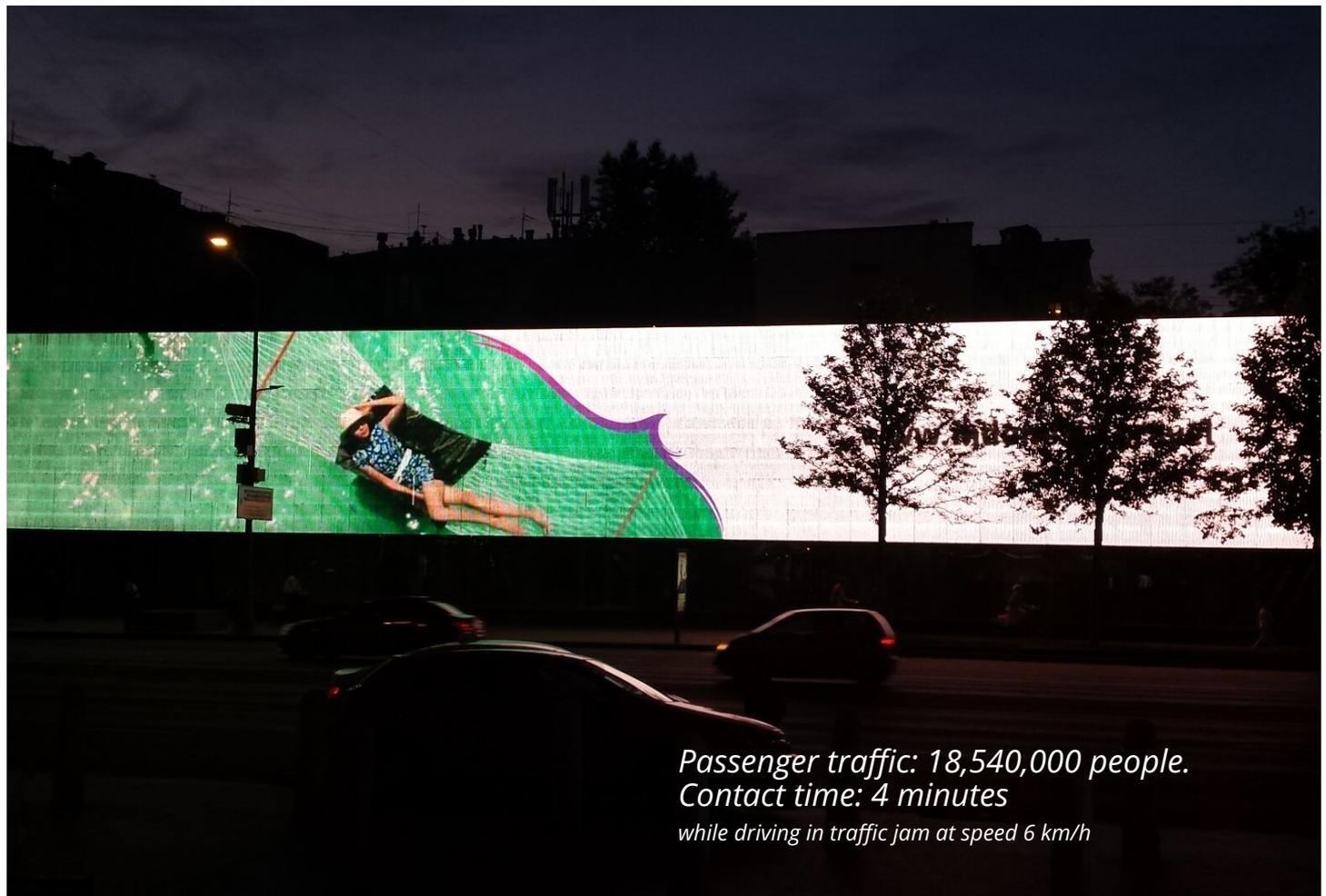
Integrated advertising campaign for Indonesia in 2018



The representatives of Indonesia addressed to us in RMAA Travel to whom IT was important to represent their country in Russia during FIFA World Cup 2018. We developed the advertising campaign, which covered Moscow and Saint Petersburg as well as Vnukovo airport (Moscow) and Nizhny Novgorod, Rostov-on-don and Samara airports.

The main emphasis was made on Moscow — here we placed large digital screens and transport advertising, and on Saint Petersburg, where the only transport advertising was used.

Media Facade Advertising. Good knowledge of Moscow allowed us to choose popular locations that are perfectly visible both for pedestrians and motorists. The media façade is located on 28, New Arbat street, one of the most popular Moscow streets.



*Passenger traffic: 18,540,000 people.
Contact time: 4 minutes
while driving in traffic jam at speed 6 km/h*

Size is 47.1 x 7.1 m. Area is 337.6 sq.m.

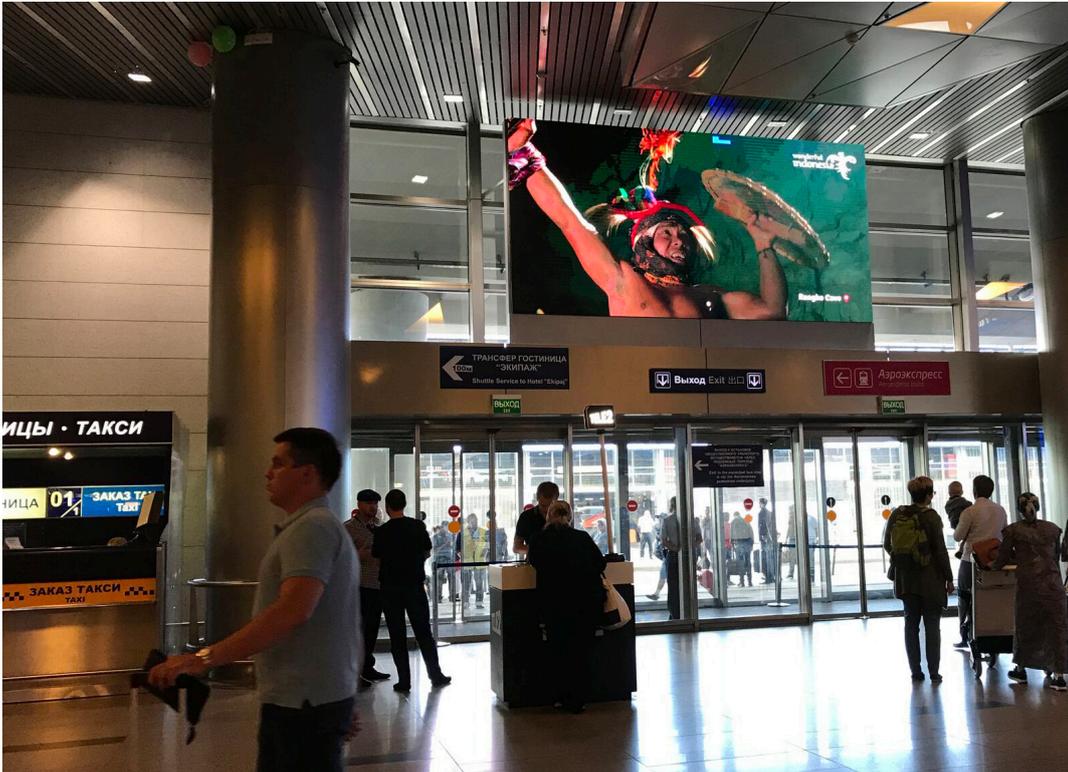
The media façade is located in the building of Yerevan Plaza shopping centre on Bolshaya Tulkaya Street, in the immediate vicinity of the urban area with a high concentration of offices, shops and restaurants.



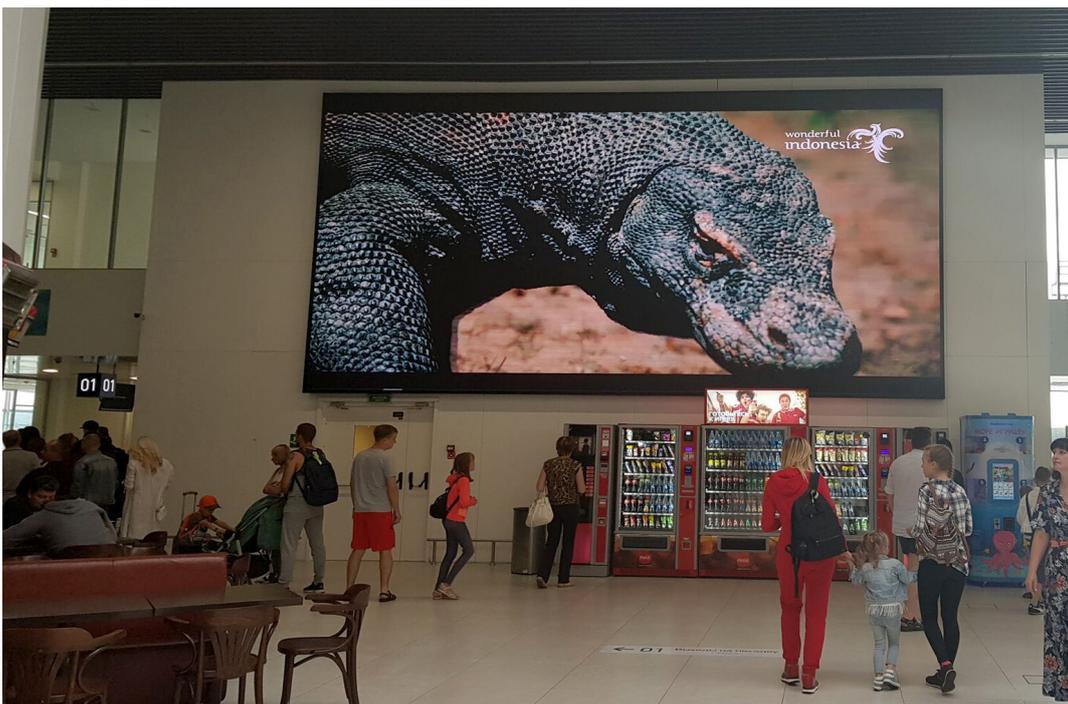
*Passenger traffic:
2,268,250 people.
OTS — 29,548
contacts a day.*

Size is 8x7 m. Area is 2x56 sq.m

Advertising in airports. It was important for us to cover the people who love travelling and the tourists from other countries who came to the World Cup, therefore we posted ads in airports.



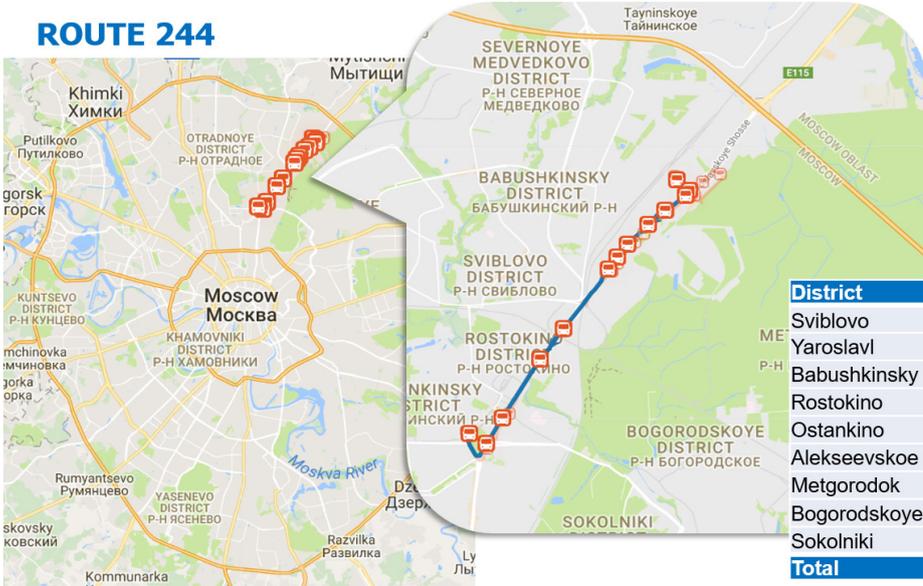
Advertising at Vnukovo airport (Moscow)



Advertising at Nizhny Novgorod airport

Advertising on transport. To create maximum coverage, we analyzed the routes of public transport of Moscow and St. Petersburg and chose the best. The aggregate coverage in Moscow totalled approximately 70% of the population and in St. Petersburg - 65% of the population.

ROUTE 244



Moscow population coverage on bus route No. 244

| | Moscow | Saint Petersburg |
|---|------------------------|---------------------------|
| Overall population in the covered areas | 7.3 million people | 4.1 million people |
| Daily passenger traffic flow on large buses with advertising campaign | about 5 million people | 2.6 million people |
| Tourists who visited Moscow during the FIFA World Cup 2018 | about 3 million people | about 0.15 million people |



Example of the advertisement of Indonesia on Moscow bus

**Advertising campaign
to promote the Philippines in 2017**

It's more fun in the
Philippines 



Advertising campaign to promote the Philippines in 2017



In 2017 the Agency which worked with a tourist brand for the Philippines, addressed to RMAA Travel for the design and launch of a TV advertising campaign. The campaign objective was to acquaint Russian tourists with the Philippines and contribute to the growth of popularity of the Philippine culture in Russia.

Media indicators of the advertising campaign on the channel

| Channel | GRP 30" | Coverage | OTS |
|-------------------|---------|----------|--------|
| Discovery channel | 103.92 | 3,557.66 | 10,781 |



Enchanted River
Surigao, Philippines

The commercial placed on Discovery Channel

Global Climate Forum as a tool for promotion of tourism region

The advertising campaign for Morocco
in the context of UN Summit (2016)



The advertising campaign for Morocco in the context of UN Summit (2016)

The Global United Nations Climate Change Summit was held in Morocco in November 2016. Morocco decided to use this world event to attract the gain attention to the country and unleash the tourism potential for foreigners. RMAA Travel was responsible for the arrangement of a television commercial campaign on the coverage of this event in Russia.



MARRAKECH
COP22|2016|CMP12

We launched video commercials that were broadcast on Channel 1 Russia (Moscow), Russia 1/STRBC (Saint Petersburg) and RBK TV. The videos showed the beauty and singularity of Morocco and invited to take part in the summit.

Media indicators of the advertising campaign on channels and regions

| Channel | Region | Audience 18+ | | | The audience of 25+ | | |
|----------------|------------------|--------------|-------------|---------|---------------------|-------------|----------|
| | | GRP 30" | Coverage, % | OTS | GRP 30" | Coverage, % | OTS |
| Russia 1 | Moscow | 474.7 | 47.2 | 29,1671 | 509.5 | 49.7 | 28,590.0 |
| Russia 1/STRBC | Saint Petersburg | 206.4 | 35.3 | 4,559.2 | 223.9 | 38.0 | 4,440.8 |



Video commercial on RBK TV

Advertising campaign for China
(district Qinhuangdao) in 2014

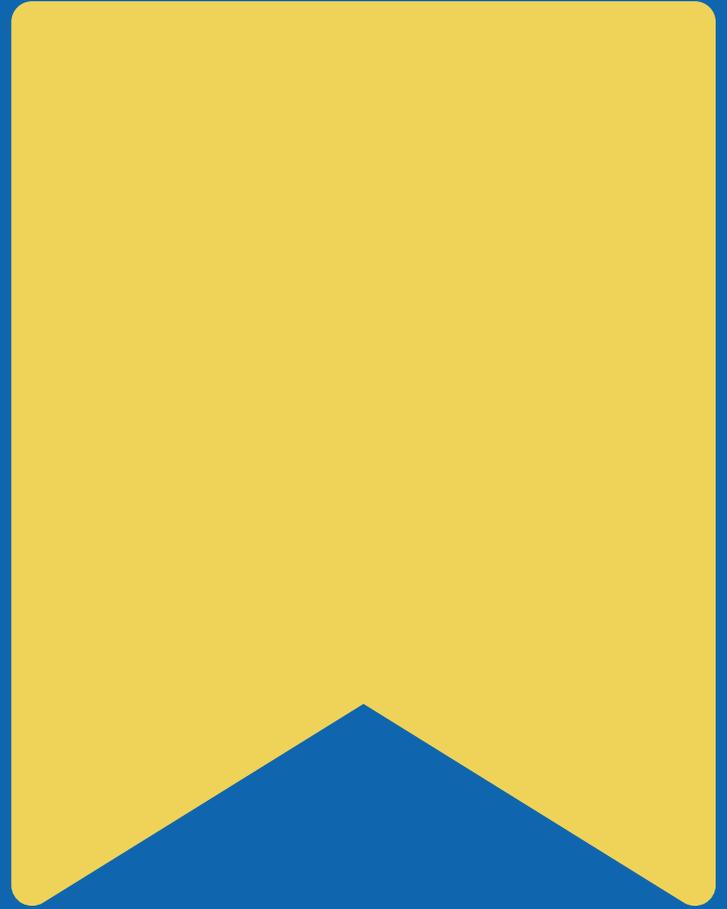
CHINA 
LIKE NEVER BEFORE



Advertising campaign for Malaysia 2012,
inspiring Russian tourists to visit the country

TOURISM
MALAYSIA





Conclusion

We endeavored to give the most complete picture of the Russian tourist market so you can evaluate its prospects. We hope you've found a lot of useful information and learned more about how to work in Russia.

Our forecasts

It's a thankless task to make forecast in our turbulent world, and especially in Russia, but we'll try anyway. We assume that purchasing power of the population will not collapse twice due to a sudden crisis, and Russians will have money for vacation.

The outbound tourism market will keep growing. To rest in Russia is expensive, the quality of service and infrastructure are ill-developed, therefore Russians will continue to tend to travel abroad.

The proportion of independent travelers will keep growing. Firstly, it is related to the fact that young people prefer to organize their journey to get more pleasure and excitement. Second, the obstacles, that forced people to go to travel agencies, are disappearing. People know English better and better, online translators remove language barriers, and navigation services and recommendations enable easy navigation in a foreign country.

The tourism market will be segmented with its saturation. The segmentation will occur for a number of reasons. On the one hand, some tourists will get bored with the typical beach-related rest and they will wish fresh experiences. On the other hand, small travel agencies will search for narrow niches and new countries to dodge the competition. Finally, the growing demand for corporate leisure will push the MICE segment to development.

eTravel market will evolve rapidly. First, traditional offline players, such as tour operators and large travel agencies will increase their presence online. Second, most of the population will get used to make large purchases online. Third, the improved IT-technologies will allow to create an optimal offer faster, easier and more accurate for the needs of customers.

The mobile Internet segment will keep growing faster and faster. According to all data, the mobile traffic in particular will keep the fastest growing and mobile applications successfully compete with desktop computers. Life and shopping more and more move to a smartphone.

Let's summarize

The instability of the economic situation in Russia is balanced by the opportunities that it provides. Russia is considered not only one of the most marginal markets, but also the place where you can earn the capital in a relatively short period of time.

In RMAA Travel we see how more and more countries enter the tourist market of Russia. We are happy to be active participants of this process and help agencies and countries to conquer new heights.



With warmest regards and wishes of success in business, Vadim Tylik, the President of the RMAA Travel, an independent Russian full service marketing and advertising agency



RMAA Travel helps tourism ministries, foreign advertising agencies, airlines and companies engaged in the tourism industry enter the tourist market of Russia



We develop marketing strategies

We specialize in research practice and development of strategies for entry of foreign players into the tourism market of Russia. We identify the needs of Russian tourists, help to build effective communication with them and attract them to your country.



We carry out advertising campaigns

We develop and carry out integrated advertising campaigns, achieving the best result. We use both the traditional channels: TV, radio, print media, outdoor advertising and modern digital channels: contextual and media advertising, social media advertising, native advertising in online publications. We take into consideration local specifics and help you bypass the bottlenecks of the Russian advertising market.



We help you reach key partners in the tourism industry

We specialize in the tourist market of Russia since 2009 and during this time got acquainted with the key players of B2B market: major tour operators and tour aggregators. With our assistance you will be able to reach key persons in the industry and launch profitable cooperation

Would you like to get an offer for your company?

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