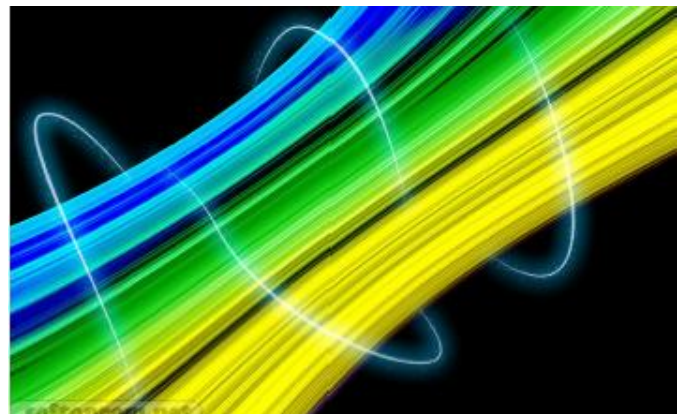




# Russian Information Technologies Market Overview

**VM Consult**  
Russian Federation  
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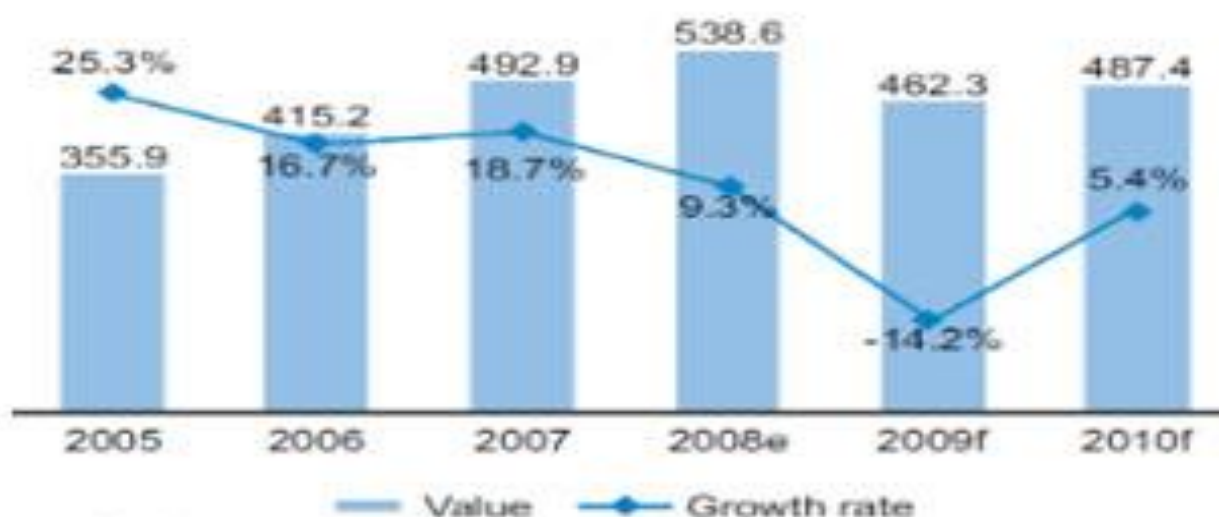
# Information Technology



Information Technological companies tend to go abroad to boost revenues, secure market share, and gain access to low-wage workers. Due to its underdevelopment, Russian market opens ongoing opportunities for different IT companies. VM Consult is prepared for cooperation in this field and ready to provide set of services for strategic success of foreign IT companies on Russian market.

## Current Situation

There are different views on development of Russian IT market, but most authoritative sources forecast moderate growth.



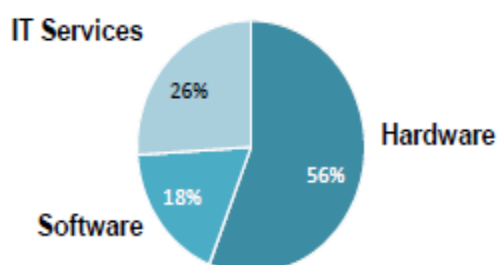
e – estimate  
f – forecast

Source: IT market in Russia 2009: Development forecasts for 2009-2013, PIR Publications, a division of PIR, 2009

Russian IT market (which is less than 2% of IT Worldwide market) is still much less developed in comparison with Western Europe. And there are still impressive opportunities for IT overhaul in both infrastructure and application space.

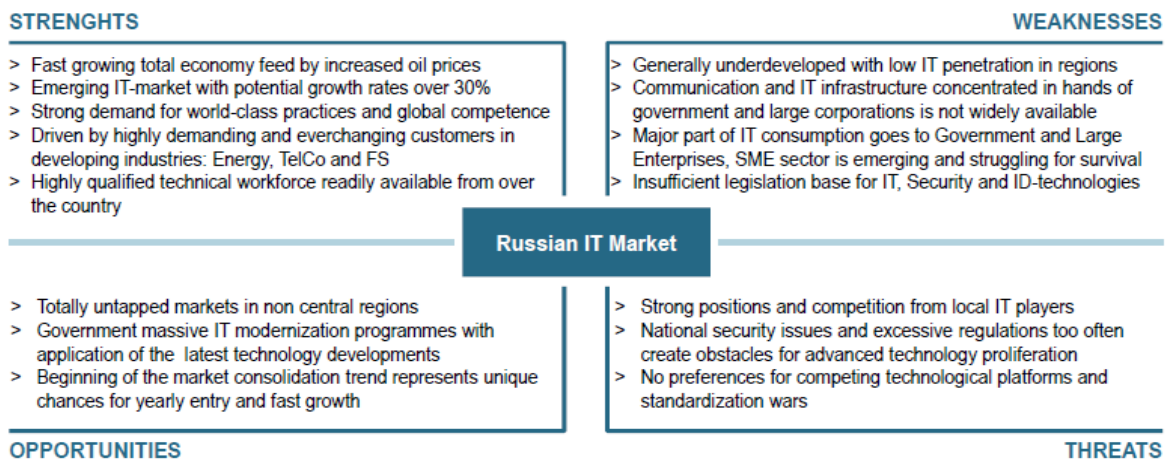
More than a half of Russian IT market is formed by hardware products. But the most potential growth is shown by software products, and besides 70% of software products in Russia are imported.

## Market Structure [%]



Source: Roland Berger, Ministry for Information and Communications, Russia

## Russian IT-Market SWOT analysis



The situation on Russian IT market was described in SWOT analysis made by Roland Berger.

### *Market Opportunities*

Except for untapped markets in many Russian regions, there are a lot of opportunities for running IT business in Russia. Pierre Audoin Consultants pointed out the main trends in Russian IT market that can be used:

- Packaged application demand continues to capitalize over custom development and legacy systems. ERP still drives the application consulting market.
- The crisis has raised interest in Outsourcing, although reluctance remains high.

The most prospective sectors for IT are:

- Manufacturing: clients on the Resources market are strongly dependent on the global demand and pricing: Oil & Gas, Metallurgy, Chemicals
- Utilities: still one of the most bullish sectors, with impressive opportunities for IT overhaul in both infrastructure and application space. Optima remains the dominant player, while positions of the rest of the pack may change with the opportunities
- Public: the budget allocation for the Electronic Russia computerization program should not be affected by the crisis. Nevertheless, there is a poor entrepreneurship and low capacity to absorb the allocated funds by the government

Vast majority of big IT players are already on Russian market and competition is quite tough, that's why only high quality solutions with clearly defined target customers and proven ROI will get a good chance for successful market penetration.

## *Our Services*

IT is one of the key industries for our company. For IT companies we offer wide spectrum of services.

We advise to start with *preliminary market analysis*, that includes:

- Market opportunity assessment
- Customer and competitor analysis
- Feasibility analysis
- Analysis of economical expediency
- Development of high level Solution Outline

It will help in choosing the *right market entry form* and develop *a profound business plan*, that will cover market segmentation, sales forecast, marketing and financial planning, action plan.

*Realization phase* will include implementation of defined action plan that can contain

- Support in the fields of: infrastructure, registration formalities, HR services, bookkeeping and audit, taxation and Customs procedures
- Realization of marketing plan and development of foreign language marketing materials
- Development of Russian web sites and search optimization
- Search of partners on Russian markets
- Organization of seminars and trainings
- Localization services, including:
  - Translation of software and documentation
  - Building interfaces with local products
  - Adaptation to Russian legislation

Our specialists have successful experience in this work.

[Contact us to get more information on Russian IT market and to find out opportunities for your products there.](#)



## About VM Consult

VM Consult is international business consulting firm that creates value for clients by considerable increase of the certainty of foreign market penetration.

Combining strong marketing knowledge and industry experience with holistic market entry approach VM Consult offers to its clients a set of services for successful international business development.

<http://www.consultvm.com>

## Contacts

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