

Из рук в руки



Sales Organization & Pricing

Pronto-Moscow Publishing House

Our Portfolio of printing and online publications in Moscow



IZ RUK V RUKI Free Ads Paper

85.000 copies sold per issue
5 issues per week
240 A 3 pages color and B/W

retail
price
0.30\$

www.izrukvruki.ru
15.000 unique visitors
per day

IZ RUK V RUKI- AUTO weekly

50.000 copies sold
240 A4 color pages with photos

retail
price
0.56\$

www.auto-photo.ru
5000 unique visitors
per day

IZ RUK V RUKI – REAL ESTATE weekly

15.000 copies sold
120 A4 color pages with photos

retail
price
0.46\$

www.realty-photo.ru
2000 unique visitors
per day

JOB-TODAY – Jobs paper weekly

35.000 copies sold
112 A3 b/w pages of paid ads

retail
price
0.16\$

www.job.ru
20,000 unique visitors
per day

OPTOVIK – magazine for wholesalers

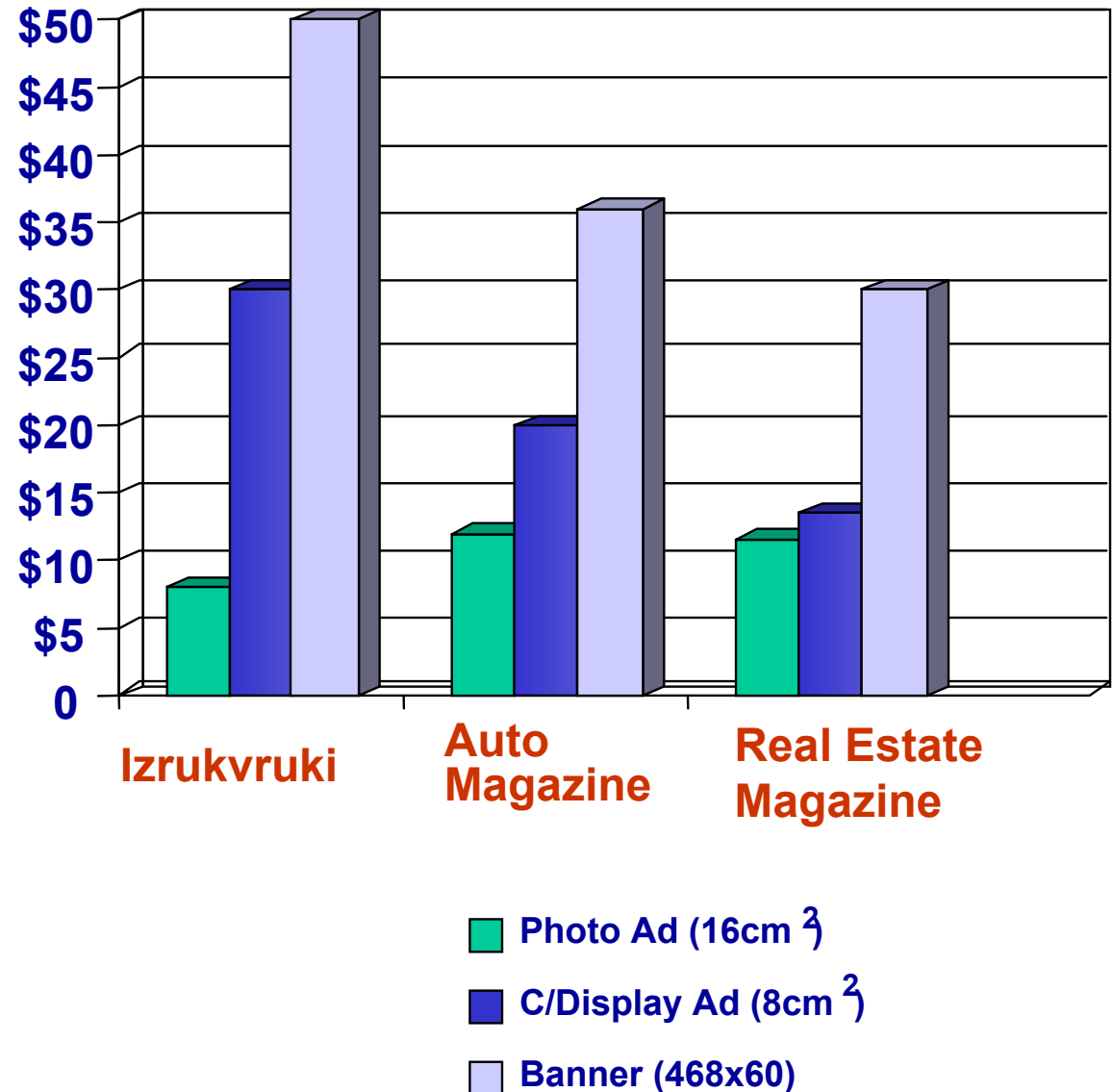
50.000 free distribution circulation
128 A4 pages

www.i2i.ru
personals site 6000
unique visitors per day

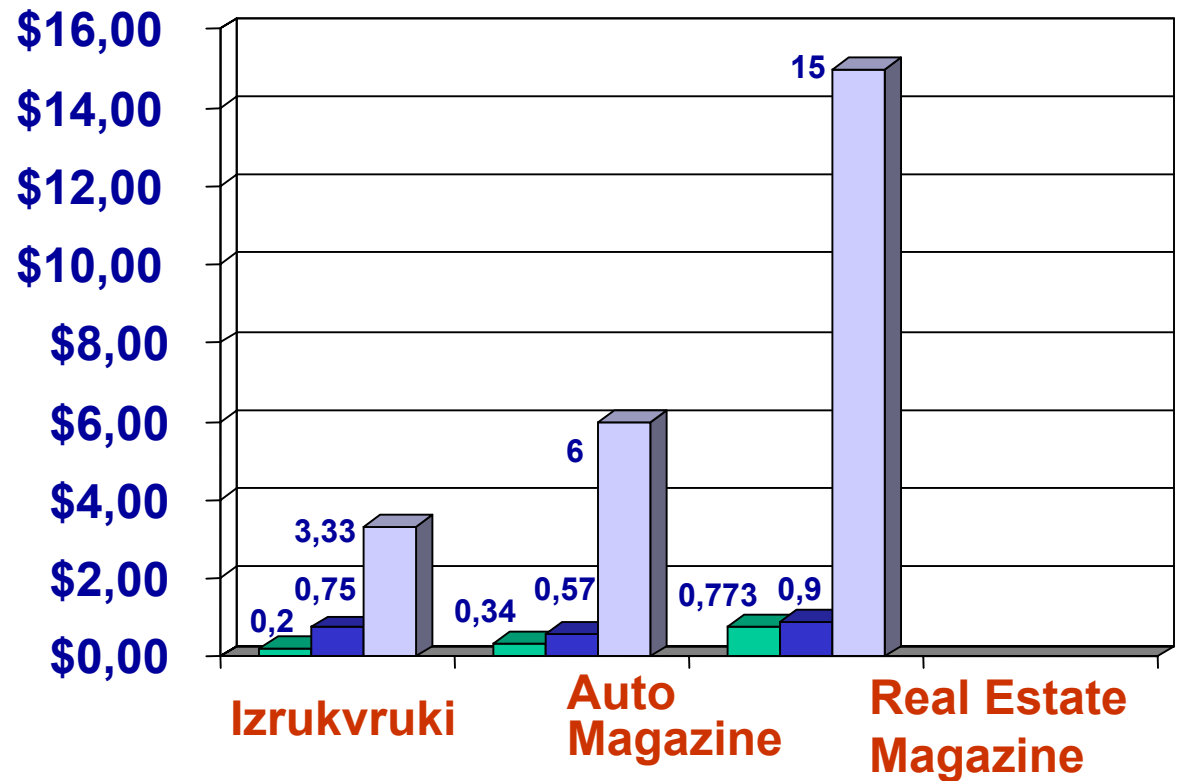
Principles of setting Advertising Rates

- **Low competitive prices while entering the market**
- **Market leadership – control the rates**
- **Inflation growth rate for ad prices. However the last increase – 2002**
- **Advertising Effectiveness. Usually we do not stick to circulation figures**
- **Discounts for repeated photo ads (up to 50%) and volume discounts**
- **Special conditions for Media Buyer Agencies (Wholesale advert. Buyer)**

General average advertising rates



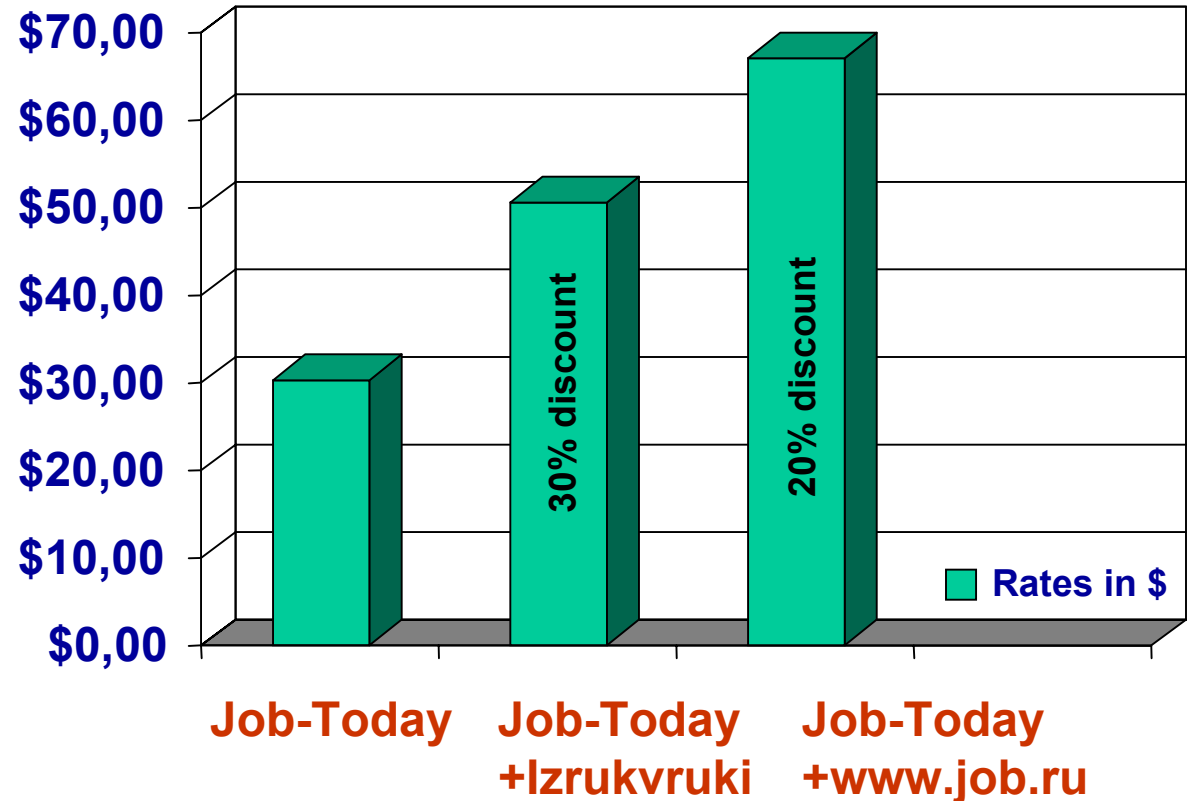
Cost per 1000 visitors



- Photo Ad (16cm²)
- C/Display Ad (8cm²)
- Banner (468x60)

Advertising Bundles

Only in Jobs market niche
for the moment



Main reasons for bundles

- To promote Job-today paper by offering discount on more popular media
- To increase total sales
- Less discount on more sellable media

Sales Structure Principles

- **Integrated Sales force for all publications and Internet**
- **Fixed salaries + bonuses(15-20%) for sales managers in Pronto-Moscow Company for processing incoming orders**
- **Separate subsidiary «Reccentre» created for active sales. Low salaries but high commissions (up to 50%) Attraction of new clients**
- **60% of display advertising comes through Media Buyer Agencies**

Sales Department Structure

Servicing sections

Corporate Clients
Team

Media Agencies
Discount 32%

Sales office
Agents

Sales Advertizing
(outside) agents
Discount up to 15 %

Active Sales

Team dedicated to
Real Estate market

Team dedicated
to Cars Market

Team dedicated
to Jobs market

Direct Sales through our
Media Agency Reccentre
(100% owned by Pronto-Moscow)

Internet sales

Discounts and Commissions

- **Volume discounts up to 32 %
(60 % of all Display Ads)
in Izrukvruki paper – 6 months
contracts**
- **Discounts for «complex» orders
(which include 2 or more of our
publications)**
- **Monthly contracts with Car dealers
in Auto Izrukvruki –
28% – agency discount
16 % - client discount**
- **Commissions to the direct vendors
– up to 15%**

Working with Media Agencies and Direct Sales

Media Agencies

- **18 Media Buyer Agencies provide more than 360 Display Ad Pages per month**
- **Paid Ads packages more than 1000 per month – 50% discount**
- **4 Photo Ads package – 50% discount**

Direct Sales

- **Sales managers have budgets (to earn the salary) per each publication and internet**
- **They can give discounts up to 40%**
- **Less discounts more bonuses (up to 50 % from the salary amount)**
- **Average discount is 15%**

Bundling and Separate Sales

- Mostly separate Sales
(because our advertisers
do not intersect a lot)
- Bundle Sales Only in Jobs Market
(Job-Today paper + Izrukvruki
+ www.job.ru)
- Packages upselling
 - Private Ads + Photo Ads
 - Photo Ads + Display Ads
 - Paid Ads + Display Ads

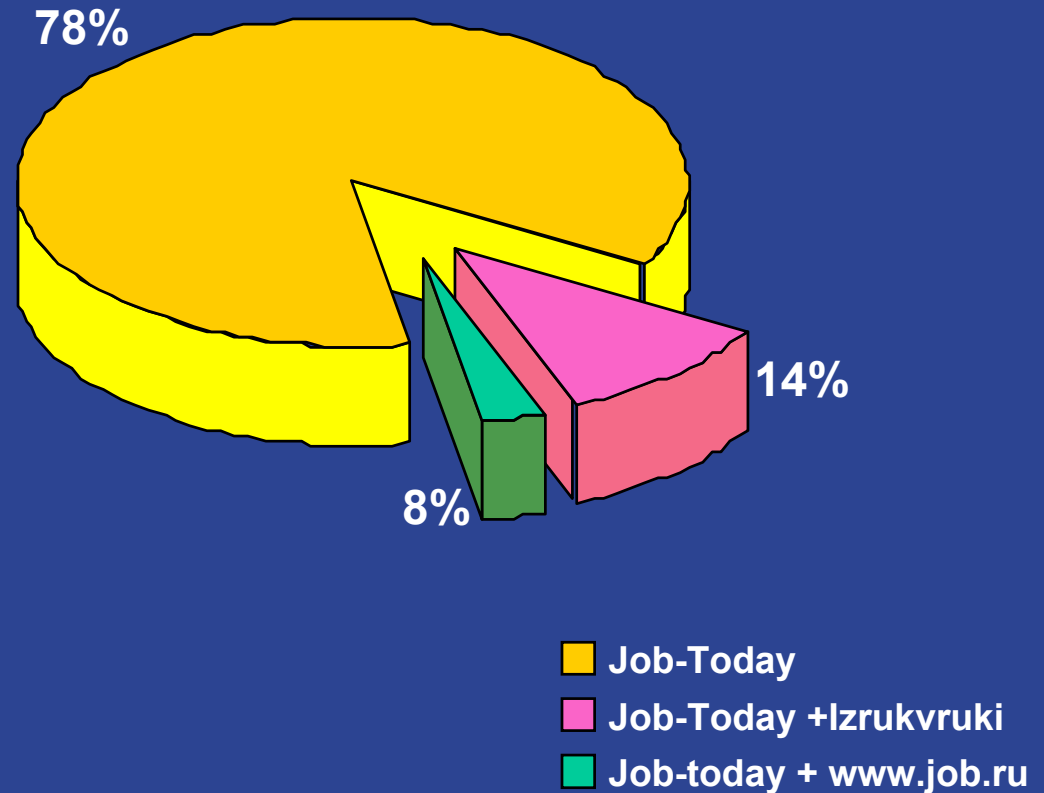
Some Examples of Bundles

- Only Job-Today paper 32.6 cm² ad price – 30\$
- Job-Today + Izrukvruki –50\$ (30% discount)
- Job-Today + Job.ru - 67\$ (20% discount)

Sales managers can give up to 40% discount while all 3 publications are taken

- We offer 5 ads publication in Iz ruk v ruki for free for 1 Photo Ad bought in the magazine
- Up to 28% discount for Display Ad while buying multiple Photo Ads (more than 4 Photo Ads)
- 50% paid Ads discount for the Clients who buy out more than 20 pages per month

Percentage of Bundle Sales



Bundle Ads sales grow and promote
our loss reader publications

Conclusions

- We had 1 integrated sales force in the company for all our publications and advertising products
- We had aggressive pricing policy during first 10 years because we controlled the market
- This year we have set up a separate subsidiary company which should concentrate on the direct active sales in the fields where we are not so strong
- We sell very few bundles because some of our products are very specialized
- But by selling bundles we try to increase our market niche and get better margins