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**THE Q4/03 STATE OF THE FOOD RETAIL
INDUSTRY IN URBAN RUSSIA**

**An industry review utilizing open systems approach with content
analysis**

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1 EXECUTIVE SUMMARY

The research originates from the discussion the author had with the head of Raisio Group plc (a major Finnish food manufacturer) representative office in St. Petersburg, Russia. A concern was raised on the company's strategy in the Russian market, and more specifically, the question of with whom to do business in the perceptibly dynamic and changing market. Knowledge on the trends and phenomena in the industry would potentially help in the strategy development of the company. The need for a thorough assessment of the industry was thus articulated, providing the author an opportunity to work on the matter.

The purpose of the study was to obtain a clear picture of the present state (as of Q4/03) of the food retail industry in the Russian cities of Moscow and St. Petersburg. Therefore the author set as his research goals the following: (1) *to provide a framework* for a holistic analysis of the food retail industry through theory review, (2) *to identify* the prominent trends, phenomena, and agents in the food retail industry, and (3) *to describe* the prominent trends, phenomena and agents in the food retail industry. The author focused on the retail chains (multiples) operating in the set geographical area, be they domestic or international in origin, in contrast to including all the incumbents of a fragmented industry.

The study is descriptive in nature, and it employs a qualitative research method (content analysis) in the analysis of the 330 retail oriented business newspaper articles from various Russian language sources. Based on the theory framework (three level system hierarchy) the articles were coded and analyzed by their content, and consequently results were derived in numerical form and in summaries on the prominent topics.

Summaries on the system hierarchy elements were presented and company profiles provided. It was apparent from the research results that (1) the share of retail chains of the total retail turnover is growing in the urban areas of Russian Federation, at least in the Moscow and St. Petersburg areas, (2) the retail chain organizations are becoming larger in terms of turnover and market coverage. The chain organizations' role as a strategic group is thus increasing. In order to deal with retailer power and to gain access to the vast market in Russia, two approaches are recommended for Raisio Group plc: (1) partner with the industry winners, and (2) increase channel equity by enhancing brands and creating consumer demand through promotion.

2 INTRODUCTION

Russia has been an intriguing target of study for the author for some time. The author's interest towards the country was initiated by the two years spent in various parts of the vast Russian Federation in the late 1990s. During this time first hand experience was gained on the rapid changes taking place in the operating environment. The implications of the 1998 crisis were surprisingly practical and concrete: skyrocketing prices, shortage of products in stores, and riots in banks, were some of the effects felt by ordinary people. The tension and disappointment could be felt in the air, as the hard earned wealth was in some cases wiped out completely. Since then the Russian economy has recovered to some degree, and the author considers it a privilege to be able to observe a developing economy in its growth struggles with a contextual experience of one's own. This experience has been useful in the author's academic pursuits as well as in work.

It is now the author's attempt to gain more insight into the Russian economy by studying one of the most important industries in a modern economy, namely food retail industry. The role of distribution in an economy is undisputedly important, retail function being an essential part of the distribution channel. In many ways the level of development of the distribution and retail function in the economy portray the overall level of development of the economy (Mallen 1977, 117). For example retail sales growth is a widely observed variable in economic news, due to its contribution to GDP. Russia is a special case due to its experiments with command economy (communism) in the not too distant past, and thus interesting target of study in the area of distribution and retail (see e.g. Ruohonen 1999, Lorentz 2002). It is hoped that the reader may benefit from this study by gaining insight into the retail industry development in general and the Russian food retail industry in particular.

In order to obtain a clear picture of the present state (as of Q4/03) of the food retail industry in the Russian cities of Moscow and St. Petersburg, and the chains' role in it, the author sets as his research goals the following: (1) *to provide a framework* for a holistic analysis of the food retail industry, (2) *to identify* the prominent trends, phenomena, and agents in the industry in question, and (3) *to describe* the prominent trends, phenomena and firms in the industry.

The study is descriptive in nature, employing qualitative and in limited scope also quantitative research methods (content analysis) in the pursuit of providing answers to the problem at hand. The author intends to focus on the retail chains (multiples) operating in the set geographical area, be they domestic or international in origin, in contrast to in-

cluding all the industry incumbents from a small scale outdoor market fruit selling business, to the multimillion and multimarket retail giant.

The study proceeds as follows: (1) the research framework will be provided through theory review (chapter 2), (2) methodological background for the consequent study will be reviewed (chapter 3), (3) the data (330 Russian language business newspaper articles from 07/2002 to 10/2003) will be analyzed by the means of content analysis (chapter 4), (4) results will be presented (chapter 5), and summary with conclusions will be provided to conclude the research (chapter 6). And lastly the appendixes provide detailed information on industry firms and research sources.

3 RESEARCH FRAMEWORK

3.1 The system hierarchy in the framework

For the purposes of the study, a framework for the holistic review of the industry was developed. The proposed framework is influenced by a number of scholars and their research, and is a combination of theories that concentrate on the various levels of the matter in hand. The framework eventually helps in grasping the complex retail industry in such a way that all the relevant issues can be considered and analyzed.

In their article, Roth and Klein (1993) attempt to provide a sophisticated theory of retail change that is based on the general systems theory introduced by Von Bertalanffy (1968). This theory regards the retail system to be an open system, since it is subject to influence from the environment. It also lacks the regularity of a closed system, such as phenomena explained by physical sciences, but involves complexity and variance even in similar to each other environments. The complexity of the retail system results from three facts: (1) many environments exist, (2) humans can introduce variation through their behavior and may also control it to certain extent, and (3) the outcome is the result of the interaction of the former two. The open system approach thus allows multiple outcomes, given the same environmental conditions. (Roth & Klein 1993, 173.)

The theory proposed by Roth and Klein (1993), recognizes the importance of environment in determining organizational survival, but also underscores the influence of decision makers in the evolutionary process. The open system of retailing interacts with the environment (supersystem), and also includes subsystems, which in fact are the individual stores or retail multiple organizations. The hierarchy of the proposed system can be observed in Figure 1.

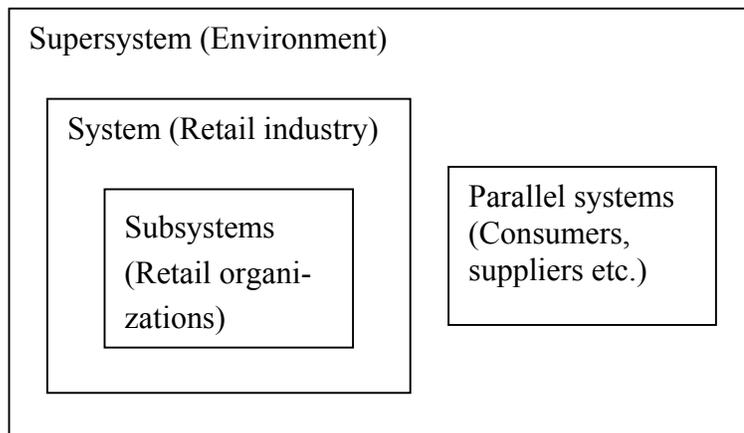


Figure 1 The retail system hierarchy (adapted from Roth & Klein 1993)

The eventual framework also includes consumers and other actors (e.g. suppliers) on the individual level and on aggregate level. It is assumed that no individual decision maker can change the environment through any activity, but such control can be exerted through collective behavior. Further, the environment sets the limits for the store or firm survival. (Roth & Klein 1993, 175.)

All the components of the system, including supersystem and subsystem levels, should be studied simultaneously and not separately, in order to develop insight into the interrelationships of the system. Porter (1980, 184) explains the perspective needed in order to understand changes in industries: “They do not change in a piecemeal fashion, because an industry is an interrelated system. Change in one element of an industry’s structure tends to trigger changes in other areas.” Furthermore to understand the dynamics of the system that define the possible outcomes of change, an understanding of causal relationships should be developed through research and study. It is important to note that through causal relationships no exact outcome of change can be predicted, but a feasible set of outcomes, leaving us better off than dealing ignorantly with all imaginable outcomes possible or impossible alike. (Roth & Klein 1993, 178.)

In the following subchapters the system hierarchy levels of the framework will briefly be discussed¹. The elements under discussion can be found in the research framework depicted in the Figure 2.

¹ For more comprehensive discussion on the theoretical base of the research framework, one may refer to the original work on the theme by Lorentz (2003).

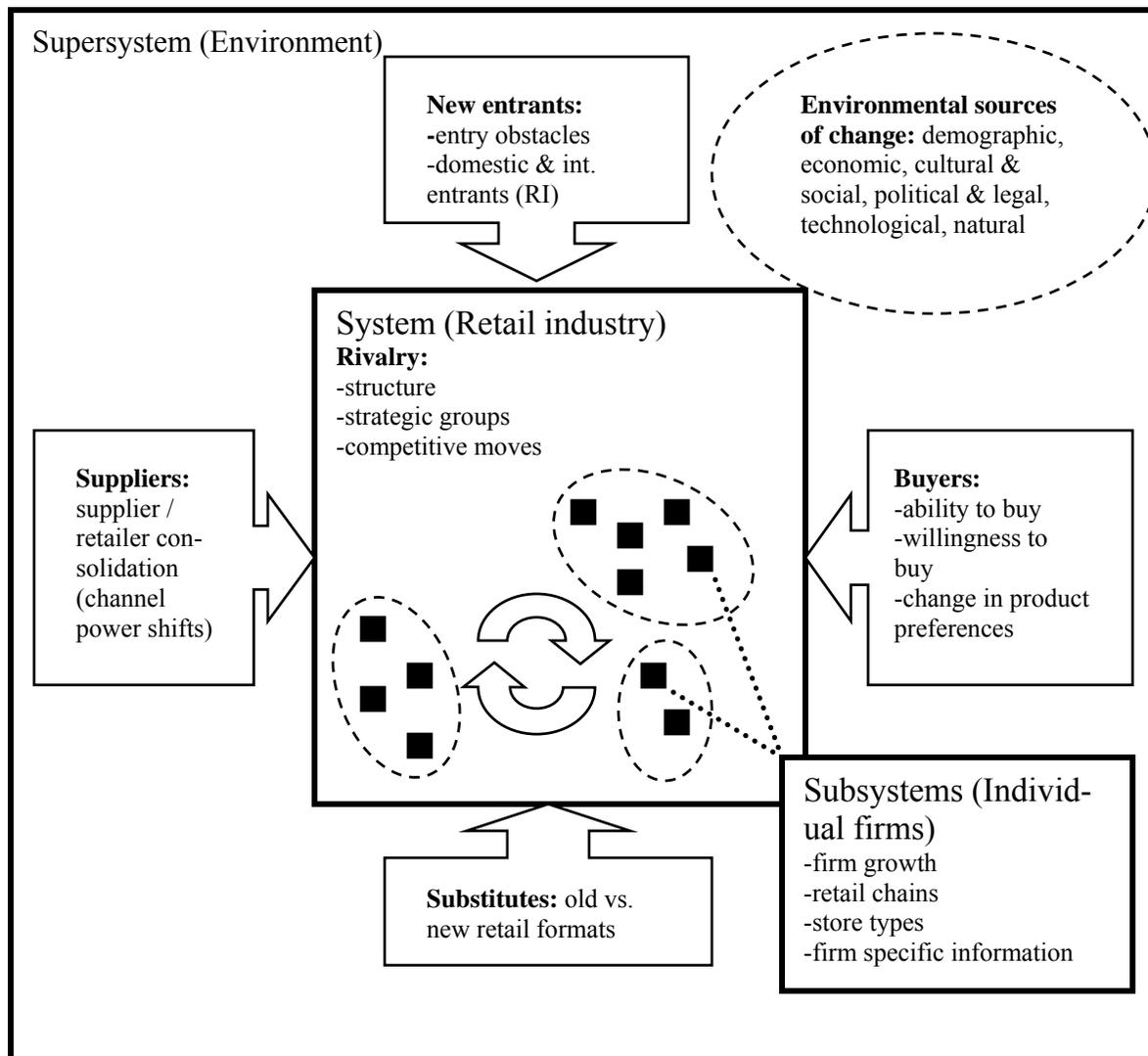


Figure 2 System hierarchy and firms (adapted from Roth & Klein 1993, Arnold et al. 1983, Porter 1980)

The three level system hierarchy can be observed in the Figure 2. It is important to notice that the framework is developed from the hierarchial presentation of Figure 1. The elements are derived from theoretical considerations of established scholars. Discussion on the three levels follows.

3.2 The operating environment

Retailers are part of the larger environment that endows them with resources, provides them with opportunities and impediments, and determines their success and survival. Certain factors exist in this level, over which the individual decision maker has no direct control, but can only take them as they are given, and adapt to the changes as one sees fit. This macroenvironment encompasses such sources of change as (1) demographic, (2) economic, (3) cultural and social, (4) political and legal, (5) technological, and (6) natural factors as is presented in Figure 2 (Arnold, Capella & Smith 1983, 107). All these factors (the sources of change) may influence the industry and its individual actors in significant ways, and thus efforts should be made in order to understand the influences and the trends that occur in the environment.

Roth and Klein (1993, 175-176) summarize the retail environment as follows: "...the environment provides potential expenditure, distributed over geographic space... Potential sales volume is largely determined outside the retail system. The system itself can increase volume to a limited extent by lowering the price per item or by other marketing action, but only at a cost in gross margin. The total amount of dollars available depends on the environment."

While there are obvious variables that contribute to the dollar amount available, such as disposable income, population density and so forth, all the above stated environmental sources of change affect in some direct or indirect way to the available expenditure in the supersystem. Some of these can of course be influenced by for example managerial action (e.g. marketing activities affecting need preferences), thus making the study of interaction among different levels of the system (super-, sub-) relevant.

According to Porter (1980, 4) the industry structure and competition is defined by five driving forces, namely (1) the threat of new entrants, (2) bargaining power of buyers, (3) threat of substitute products or services, (4) bargaining power of suppliers, and (5) rivalry among existing competitors (see Figure 2). The last one of the forces is considered by the author to be an inside the industry (system) force and thus is a subject touched upon in the next subchapter. The other four can be considered part of the supersystem, into which the focus system is embedded. These forces determine the profitability of the retail industry, i.e. the bargaining power of suppliers and buyers, and the threat of new entrants and substitute products set the margin levels available to the retail firms.

3.3 The industry

Industries can be organized in various ways. Factors such as the number of firms in the industry, product differentiation, entry barriers, level of consolidation or fragmentation etc. in practice define the industry structure. In economic theory the questions concerning the industry structure are approached mainly from the point of view of number of competitors in the industry and their size. The main models are as follows: perfect competition, monopoly, monopolistic competition, and oligopoly². The models are idealized versions of the reality and are mainly concerned of the problems of industry price setting of output.

The above listed economic models of industry fail to recognize the vast variety in firms, i.e. the firms are examined as homogenous groups. Clearly firms vary in relation to their characteristics or traits, and how firms conduct themselves or orientate strategically. While the outside industry forces appear to be the same for all the companies in the industry, there evidently are firms that manage these forces more successfully than others, or in other words, they manage to be more profitable than other companies. The firms in the industry can thus be categorized into groups that are defined by certain variables. A group consequently consists of firms that are along specified dimensions similar to each other. This concept of finer groupings in an industry has received wide interest and attention in many scholarly writings (e.g. Porter 1979, 1980; McGee & Thomas 1986; Caves & Porter 1977, 1978).

The concept of *strategic groups* has thus become familiar in management science. The term was first used by Hunt in his doctoral dissertation on white goods industry (Porter 1972, 215)³. The concept has been later applied to for example consumer goods industry (Porter 1979), pharmaceutical industry (Cool & Dierickx 1993), and retail industry (Lewis & Thomas 1990, Harrigan 1985).

The presence of several strategic groups generally speaking means that the competitive forces are not equally faced by all the industry firms. Profitability thus varies in the various strategic groups. The inside industry competitive rivalry corresponds with the

² For more detailed and technical definitions of the models one may refer to for example Dobbson et al. (1995, 147).

³ Original source: Hunt, Michael S. (1972) *Competition in the Major Home Appliance Industry, 1960-1970*, unpublished Ph.D. dissertation, Business Economics Committee, Harvard University, USA.

amount of strategic groups: variables such as price competition, advertising, service levels and so forth tend to increase as the variety of competitive strategies increases. (Porter 1980, 138.)

Porter (1980, 138-139) identifies four factors that set the level of strategic group competitive rivalry for customers attention: (1) the level of target market overlap among groups (market interdependence), (2) the achieved product differentiation in the industry, (3) the number of strategic groups and their relative market shares, and (4) the strategic distance between groups (the extent of non similarity in strategy).

The main themes defining rivalry in an industry are listed in the Figure 2. Through the study of industry structure, strategic groups, and competitive moves an understanding of the competitive rivalry in an industry can be developed (e.g. Porter 1980, 138-139). Consequently one increases in the ability to analyze the industry in its present state. The aforementioned elements in question are also graphically presented in the Figure 2. We now proceed to review the next level in our system hierarchy, namely firms in the industry.

3.4 The firms in the industry

In our analysis of system hierarchy we have come to the last, and the most focused level of analysis. Modern business organizations are complex systems indeed, and in our perspective, since we are focused on the industry itself, we define the firms in the retail industry as subsystems.

Without going further into detail in the theory review, we conclude that firms aspire to grow due to their management teams' underlying utility function maximization tendency (e.g. Williamson 1963, 241). Competition is thus part of the picture, making collusion evident. As Marris (1963, 197-198) points out, games are played among the competitors, in which individual competitors' characteristics (skills, determination, resource endowments) determine the outcome.

Marketing is a process that facilitates the exchange of buying and selling messages among firms, institutions, and individuals, and the distribution and availability of products and services. Marketing thus makes the ownership transfer activity possible, contributing to the level of economic activity in significant ways. Retailing is essentially a marketing activity, and has an important part in the formation of a distribution channel that facilitates the flow of goods and services (Mallen 1977, 2). Retailers as specialized firms perform vital functions at the very end of the channel, and consequently reduce the com-

plexity in the economic system. Since consumers demonstrate a specific time, place and product related demand, that demand must be met with a matching specific supply. By solving the complex problems of serving the customers' needs tied to location and time, retailers justify their existence in the channel. Further, by performing the *assorting* activity, the retailers match buyers' heterogeneous demand with potentially similar supply. (Bowersox and Cooper 1992, 92.)

Betancourt and Gautschi (1988) provide important insight into the nature of the retail firm, by following "the tradition started by Coase" (1937). They generally concur with the above considerations, and state the function of the retail firm to be the offering of a product at an observable market price to consumers, and providing services that reduce the distribution costs of the consumers if they were to deal directly with the producers. Thus the product offered is seen as the explicit product of the retail firm, while the distribution services as implicit products. Indeed, the various retail institutions in the industry can be characterized by the means of implicit product offering level.

Terms such as discount store, convenience store, supermarket, retail warehouse, hypermarket, department store etc. are often used in the literature without any further definition. The terms usually to some sufficient degree describe the format's strategic orientation towards pricing, distribution service, and size (breadth, depth, floor space). Table 1 summarizes briefly some distinctive characteristics of some of the generic store types.

Table 1 General store type definitions (e.g. Arnold et al. 1983, 19)

<i>Store type</i>	<i>Definition</i>
Discount store	Emphasis on "price below competition", utilizes large quantity procurement, low mark-ups
Convenience store	Emphasis on location close to customer and opening hours, "price with/above competition"
Supermarket	Large scale retailing, wide breadth, one-stop shopping, origins in the US
Hypermarket	Combination of discount store, supermarket, and warehouse operations in one place, origins in Europe (France)
Retail warehouse	Large scale, low rent and isolated buildings, minimal services, low price
Department store	Usually prime location emphasis, organized into departments by merchandise

Obviously the store format types presented in Table 1 apply mostly to markets with certain level of economic development. In most parts of the world more down to earth approaches to retailing exist side by side with the highly developed formats. For example in Russia a wide variety of retail establishments exist, even though the economic development experienced in the country will eventually narrow down the abundance in variety.

Particular interest is given to the subject of retail chains, due to the nature of this research. One might define a retail chain or store network to be a group of stores or outlets under the same authority of control. How many store units constitute a chain is also a relevant question. According to Hawes and Crittenden (1984, 278) four or more stores are commonly recognized to constitute a chain organization. Originated from a study of the US fast food industry Cliquet (2000, 376)⁴ presents findings that the management of a store chain means taking up four challenges, namely (1) adding new units to the chain, (2) maintaining uniformity throughout the chain, (3) responding locally if necessary, and (4) adapting the entire chain in the face of rising threats and opportunities. The challenges are influenced by the firm's strategic orientation, its stage of development, and industry dynamics. The challenges seem readily applicable also to food retailing.

How does one analyze the firms in an industry? Financial analysis is widely utilized in a variety of contexts as is evident from number of business periodicals. Ratios based on usually two pieces of financial data can be calculated for the benefit of the manager, owner, or investor (Van Horne 1995, 759). For the analysis of a retail firm several meaningful ratios could be identified, concerning for example profitability, efficiency, scope, or inventory levels.

Instead of concentrating efforts on detailed financial analysis of a firm though, one may focus on constructing a descriptive profile that would potentially have predictive powers to at least a limited degree. The framework for industry grouping analysis has already been explored, which helps in understanding competition and rivalry in the industry. In fact it is may still be important to go deeper, and focus on the individual firm as a unit of analysis. Competitive *games* are played out among the strategic group members, while other firms in the industry may participate as well. In order to understand these games and possibly even predict their occurrence or even outcome, we must concentrate on understanding the firm and its relation to each of the competitors, making the competitor analysis essentially a firm-specific analysis (Chen 1996, 103).

⁴ Original source: Bradach, J. L. (1998) *Franchise Organizations*, Harvard Business School Press, Boston, MA.

This study has been greatly influenced by the work of Porter (1980), which makes it appropriate to present the framework for competitor analysis by the same author. Porter (1980, 48) defines four diagnostic components which together make up the competitor response profile.

The knowledge of the *future goals* of the competitor helps the analyzer to determine if the focus firm is satisfied with its status, and what actions it may undertake in order to reach its goals. Insight can also be gained on the way that the firm may react to competitive moves by other firms.

Competitor *assumptions* fall in to two categories: about the competitor itself and about the industry and the other competitors. How one perceives one's position in the industry, what effect do values have on one's operations, what are the beliefs of future demand, how are the competitors strategies perceived, are among the questions that make up the focus firms assumptions, which in turn affect its response profile.

Current strategic orientation is a significantly important area in response profile determination. It gives the analyzer a good idea of the firm's attitudes towards various functions and their importance for the firm.

Finally the analyzer must realistically assess the *capabilities* of the focus firm. The goals, assumptions, and strategies will influence the probability, timing, nature, and intensity of the focus firm's reactions, while capabilities determine the ability to respond to strategic maneuvers and changes taking place in the operating environment.

In the light of the created response profile, an analysis should be made of the probable offensive moves that the firm might execute. On the other hand the firms defensive capability is also part of the analysis. Answers to the following four questions helps to grasp the essentials of response profile: (1) is the competitor satisfied with its current position; (2) what likely moves or strategy shifts will the competitor make; (3) where is the competitor vulnerable; (4) what will provoke the greatest and most effective retaliation by the competitor. (Porter 1980, 49.)

The main themes in the previous review touched upon the tendency of the firms to grow, retail chain organizations in particular, and various retail store types. The concepts of firm analysis were also elaborated on. (see Figure 2.) Utilizing these themes and points of interest, the author intends to describe the trends and entities in the industry currently under our focus.

4 METHODOLOGY OF THE STUDY

The purpose of the research was to study the food retail industry in Russia and gain a holistic understanding of the trends and phenomena taking place in it. A part of the picture is naturally the companies that operate in the industry. The interest is focused on the retail chain organizations, which can be defined as organizations operating in more than one location (more than one outlet) and engaged in the retailing of food to some degree. Due to our geographical focus only firms that have operations in Moscow or St. Petersburg (or both) are included. They might of course be expanding their operations in other regions of the Russian Federation also.

The theoretical approach in the study required the use of systems approach, and in the course of theory review a theoretical framework (Figure 2) was developed in order to address the first research question, but also to aid in the later analysis of the industry

4.1 The research data and the choice of analysis method

The need to understand the food retailing industry in Russia brought out the need to find information that would be relevant, accessible, and even possibly reliable. The time and resource constraints also set limitations for the available data and research method. It was expected by the author, based on own experience and scholarly writings (e.g. Liuhto 1999, 107), that it would turn out to be a difficult task indeed to gather primary data from the Russian companies. The available financial information can be considered somewhat unreliable, while some companies readily provide information, at least when it is positive.

As a result of a useful hint, it was determined by the author to base the study on readily available information in the Internet web site (www.product.ru), in which a vast database of business newspaper articles was available to any user. The site as a source is elaborated on in Appendix 2. The articles were organized by general topics, of which “retailing” (розничная торговля) proved to be adequate indeed. The articles ranged from the year 1999 until the present day. Included were all the topic related articles from various Russian newspapers and news agencies. As the sample of articles should include only relevant to the food retailing industry articles, a simple heuristic decision rule was defined: *if the article touches upon the themes that affect retail industry as a whole (super-system), or describe the food retail industry as whole (system), or the organizations in it (system), it should be included in the sample.* The sample articles were chosen from the

period of 1.7.2002 to 31.10.2003 (16 months), and using the sample decision rule, 330 articles were included in the sample that were published in the above defined period. Figure 3 presents the time distribution of sample articles.

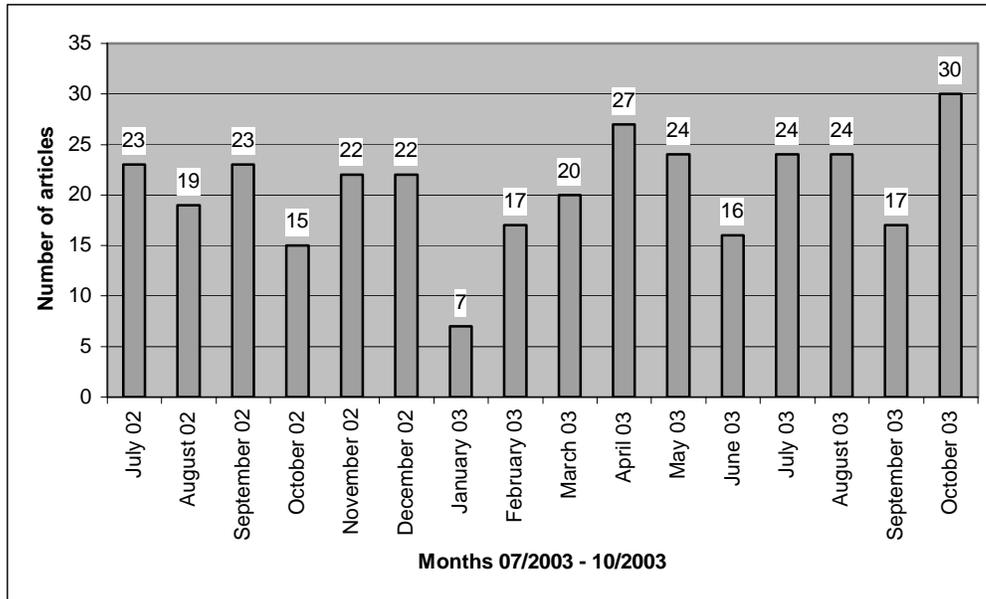


Figure 3 Time distribution of sample articles

As can be observed in the Figure 3 at least 15 articles describe the monthly events, except in January 03, when the small amount (7) articles may be explained by cultural reasons (in Russia national holidays take a significant part of January). It was expected that a time span exceeding at least one year would prove long enough to relay trends and phenomena in the system. The original sample period of 12 months was extended to 16 months as the research execution was prolonged due to author's limited resource capacity. It was felt that most up-to-date articles and information should be included in the study. Effectively a 4 month delay in research process resulted in a 4 month increase in sample period, which can be considered only positive from the point of view of research's descriptive power.

Table 2 lists the sources of articles in order of descending frequencies in the sample.

Table 2 Sample article sources

	Frequency	Percent	Cumulative Percent
Vedomosti	182	55,2	55,2
RBK	33	10,0	65,2
Izvestija	10	3,0	68,2
Gazeta	10	3,0	71,2
Kompanija	10	3,0	74,2
Finansovie Izvestija	9	2,7	77,0
RIA"Novosti"	9	2,7	79,7
Regnum.ru	7	2,1	81,8
Kommersant	6	1,8	83,6
ABN	6	1,8	85,5
Praim-Tass	5	1,5	87,0
Product.ru	4	1,2	88,2
Vremja Novostei	4	1,2	89,4
Ruskii fokus	4	1,2	90,6
Interfaks	4	1,2	91,8
Regions.ru	3	,9	92,7
Stolitsnaja vetsernaja ga	3	,9	93,6
Vedomosti-Nizhnii Novgoro	2	,6	94,2
Kommersant-Daily	2	,6	94,8
AK&M	2	,6	95,5
Ekspert	2	,6	96,1
RBC Daily	2	,6	96,7
Delovoi Peterburg	2	,6	97,3
CKRIN"Emitent"	1	,3	97,6
NEWSru.com	1	,3	97,9
Agenstvo Finmarket	1	,3	98,2
Kommersant-dengi	1	,3	98,5
Novosti trgovli	1	,3	98,8
Vedomosti-Spb	1	,3	99,1
Vedomosti-Zapadnaja Sibir	1	,3	99,4
Vremja MN	1	,3	99,7
FIS	1	,3	100,0
Total	330	100,0	

Evidently the articles are from a number of different sources, which contributes to the formation of unbiased view of the events in the industry. As can be observed in the Table 2, the daily business newspaper Vedomosti is the most significant source of the sample

articles with the share of 55,2 percent of the total. Ten most significant sources make 85,5 percent of the sample articles. In order to provide a way to evaluate the reliability of the sources, a brief description of the ten most significant sources is provided in the Appendix 2.

In considering the best way to process the data and analyze it, the author concluded on the use of *content analysis* as the method of research. The method provides appropriate tools for the analysis of great amount of varying in type data. Krippendorff (1980, 29-31) lists the major benefits of using the method to be as follows: (1) content analysis is an unobtrusive technique, (2) content analysis accepts unstructured material, (3) content analysis is a context sensitive and thereby able to process symbolic forms, and (4) content analysis can cope with large volumes of data. The author considers the use of vicarious data as an unobtrusive method of research as useful in this particular case. The perceived secretive Russian business culture may cause problems in obtaining accurate and reliable primary data through interviews, as the researchers motivations for conducting the research may be perceived suspicious by the interviewees. Of course other arguments support the choice made on data, as has been stated above. In the following the method of content analysis is described in both general and contextual level.

4.2 Content analysis as a method of research

Content analysis can be generally defined as a combination of qualitative and quantitative method for data analysis, through which one studies the form or content of written or spoken word. The content of the sample documents can be described verbally or statistically, which an approach brings quantitative flavor to the method. One may focus on analyzing the actual content (meaning of data) or the form of the data (structure: location, design, use of pictures etc.) in one's research approach. (Essential features of content analysis, 2003.) The data may be in the form of for example interview tapes (transcribed into text), letters, advertisements, newspaper articles, memos, essays, and so forth. For example Wahlroos (2003) conducted a qualitative content analysis on the EU's pharmaceutical legislative documents in his doctoral dissertation.

The options in one's research approach in content analysis are described in Figure 3.

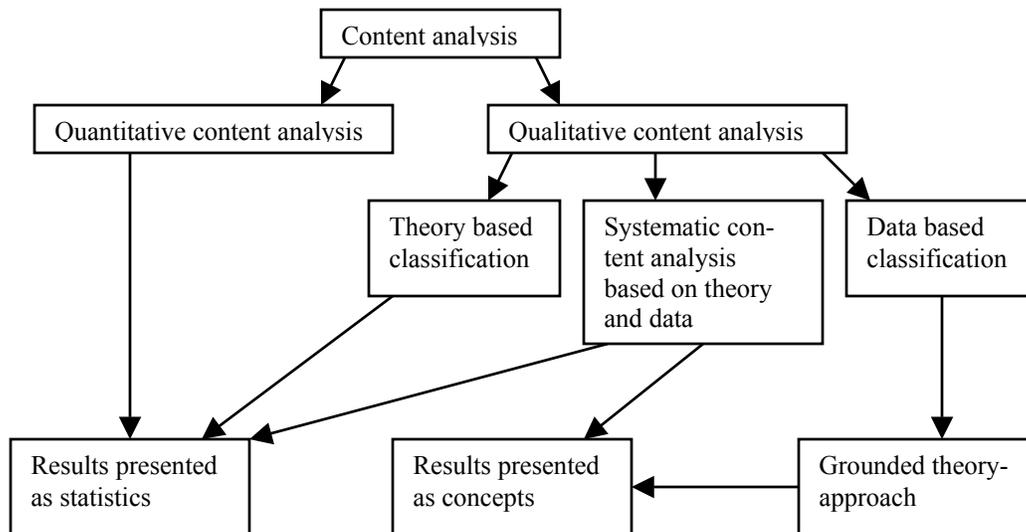


Figure 3 Content analysis approaches (Quantitative or qualitative approach in content analysis, 2003)

In quantitative content analysis the frequencies of specified words or phrases are analyzed through methods of statistical research. Results naturally fall in the numeric format. Classifications are usually selected beforehand and may not be changed in the course of the research. The qualitative approach can be divided into three categories depending on whether the content classification is based on (1) ex ante developed theory framework and classifications, (2) the classifications are derived from data (Grounded theory-approach), or (3) the data classifications are derived from the interactions of theory and data. The last option provides flexibility into the research, as the ex ante developed framework can be supplemented as important aspects arise from the data. As is evident from the Figure 3, it is possible to combine the quantitative and qualitative sides of the method, and as a result convey a better picture of the data. (Quantitative or qualitative approach in content analysis, 2003.) In this case we have an ex ante developed framework, from which we derive classifications for the data. In other words the developed framework is utilized in the holistic description of the focus industry.

4.3 Conducting a qualitative content analysis

Four general steps can be distinguished in conducting qualitative content analysis: (1) transforming data into text form, (2) developing a classification system and outlining a classification structure, (3) defining the analysis unit and segmentation of data, and (4) coding and reporting data. The first step is clear enough: if the data is for example on tapes (e.g. interviews) it must be transcribed into text form. (Conducting a qualitative content analysis 2003.⁵) The other steps are worthy of further attention, and are described below. In each case we first provide some theoretical considerations and proceed further by describing the actual research of this study.

4.3.1 *Developing a classification system*

The development of a classification structure has crucial implications, and should be conducted carefully. The classification system should be based on the research questions and possible theory framework. The data is read through several times, and classified or coded in order to assign it to the defined classes for the purpose of further study. Often new classes arise as one reads through the data. Memos may be written in the process, which helps later to summarize the important themes. Classification rules, helping categorization along certain variables, should be drafted. (Developing a classification system and outlining a classification structure, 2003.)

In order to provide answers to the second research question, namely the identification of prominent trends, phenomena, and agents in the industry, a logic of measurement must be established. The author attempts to follow the simple line of thought, which goes as follows: the news relayed by the mass media will to some degree reflect the actual state of the society of which it is a part of. Thus by studying the relevant sample of news, one may obtain a picture of the society, industry, or phenomena of which one is interested of. More so, if the news included in the sample come from a number of different sources, perceived as reliable, thus relaying the unbiased view of number of writers, editors, and experts. Intuitively such a collection of perspective and experience, should on average relay a relatively correct and truthful reflection of the reality worthy of study and analysis. The study is founded on this base of logic.

⁵ Original source: Chi, M. (1997) Quantifying qualitative analyses of verbal data: A practical Guide. The Journal of the Learning Sciences, Vol. 6, No. 3, 271-313.

As one operationalizes the logic, the idea is to simply measure the frequencies certain topics appear in the data, and thus determine the particular topic's or entity's significance in the industry. If for example a number of articles, paragraphs or sentences touch upon the topic of retailer consolidation, it could be concluded that the bargaining power of suppliers seem to be diminishing, i.e. channel power is shifting towards the retailers, an important piece of information for one studying the industry. In this way we may determine the prominent sources of change, forces, intensity of rivalry, and powerful agents in the industry.

It is important to note that for example in the case of rivalry, we cannot by the means of this method measure the actual intensity of it, but merely the frequency the topic of industry rivalry is discussed in the material under scrutiny, i.e. the authors of the articles perceive it to be important factor in the industry. Of course it may give us an idea of the general level of rivalry, but still much depends on the interests and the perceptions of the article authors. After all, our data is secondary in nature. Thus, in order to determine the degree of rivalry, a closer look is needed. The idea is also to collect information and provide summaries on topics and profiles of companies that are perceived to be salient (a number of hits in the content analysis) in the industry at this point in time.

In order to code and further segment the data, a classification system is needed. Based on the research framework, certain categories, classes or topics can be identified, of which we are interested in. By creating the classification system with rules or at least guidelines, it is possible to assign the unit of analysis into a class, i.e. code it according to its content. When the unit of analysis is labeled, it can be subjected to further analysis. In the Table 3, the system hierarchy elements are provided, with classification guidelines.

Table 3 Classification system

<i>System hierarchy element / Code</i>	<i>Operationalization / Classification guideline</i>
Supersystem	
Sources of change	
Demographic (DEM)	Population growth/decline, urbanization, age distribution.
Economic (ECO)	Inflation, GDP, interest rates, exchange rates, increased retail turnover, investment climate etc. (focus on the retail firms, compare with System/Buyers).
Cultural & Social (C&S)	Consumerism, time-poverty, socio-economic status.
Political & Legal (P&L)	Government regulation & restrictions, taxes, bureaucracy.
Technological (TEC)	Computerized check-outs, barcodes, electronic point-of-sale equipment, electronic fund transfer, inventory & logistics handling, consumer mobility, communication, storage ability.
Natural (NAT)	Energy costs, recycling, pollution, disasters, climate, contamination etc.
Forces	
New entrants (ENT)	International entrants, domestic entrants. Entry obstacles: economies of scale, product differentiation, capital requirements, access to distribution/supply channels, cost disadvantages independent of scale, government policy, expected retaliation.
Buyers (BUY)	Willingness to buy / ability to buy: national economic situation, household finances, inflation, unemployment, a good time to buy, saving conditions, ICS. Change in product preferences. (focus on consumers, compare with Supersystem/Economic)
Substitutes (SUB)	Old retail formats (e.g. markets, kiosks, street vendors) vs. New retail formats (e.g. chain organizations, supermarkets, hypermarkets, discount stores, deliveries, e-commerce etc.) related discussion.
Suppliers (SUP)	Consolidation / shifts in channel power: alliances, volume in purchase, long-term relationship management, manufacturer's brand vs. private label, promotional cost sharing, relationships.
System	
Rivalry	
Structure (STR)	Market shares and sizes of firms (monopoly, joint oligopoly, equal oligopoly, fragmented structure).
Strategic groups (GRP)	Strategies: growth, selectivity, productivity, retailing mix (location strategy, merchandise strategy, pricing strategy, communication strategy).
Competitive moves (MOV)	Entries, mergers, acquisitions, aggressive pricing, advertising campaigns, geographical expansion, local store network expansion, investments, cooperation initiatives brand launches etc.
Subsystems	
Firm growth (GRO)	Horizontal-, vertical-, integration, organic-, in turnover, in volume, etc.
Retail chains (CHA)	Store networks, control: franchising vs. firm ownership, chain maintenance.
Store types (TYP)	Discount stores, convenience stores, supermarkets, hypermarkets, department stores etc. related analytic discussion.
Firm specific information (INF)	Future plans & goals, current strategy, financial information, market shares etc. Identification of individual retailers.

Each of the elements has been assigned a three letter code (e.g. DEM, ECO), the use of which is considered helpful in the coding process. The respective guidelines are attempts to operationalize the system hierarchy elements. Their purpose is to give the author-analyzer guidelines that would help in the process of putting labels or assigning codes to the each of the units of analysis.

4.3.2 Defining the unit of analysis

The third phase in the content analysis execution is the definition of the relevant unit of analysis. The unit of analysis can be for example words, phrases, etc. that convey a meaning, theme or an idea. Segmentation is partially determined by the unit of analysis, “and the data is segmented into relevant pieces according to these units.” (Defining an analysis unit and segmentation of a data, 2003.)

At this point, the unit of analysis is defined for our research purpose. It is clear that we are studying individual articles that could naturally be perceived as feasible units of analysis. However, one article may contain information on more than one topic or element, and thus we must define as the unit of analysis a word, a phrase, or a paragraph that conveys a distinctive enough meaning, that it can be assigned a code, such as was defined in the Table 3 classification structure.

4.3.3 Coding and reporting in content analysis

The fourth phase in the method of content analysis is the activity of coding the data. This in the context of content analysis means the process of writing memos or interpretations of the text or the unit of analysis, or simply assigning labels for the units of analysis. Coding can be extended to several different levels in the unit of analysis. For example in a general level codes can be assigned to for example to individual newspaper articles, or further to each paragraph, phrase or even word of the article. (Coding and reporting a data, 2003)

In order to code the sample articles the author produced printed copies of the articles from the source web page. The articles were placed in binders in a chronological order. To help in the later analysis and data retrieval, a Microsoft Access -database was created, each article forming a database record with a number of fields containing information on the article. Table 4 lists the database fields.

Table 4 Database fields and descriptions

<i>Database field</i>	<i>Description of content</i>
No	An assigned serial number for the article
Date	The publishing date of the article
Source	The original source of the article
Theme 1-8	System element / theme in line with classification guideline identified
Company 1-5	Company name detected in article
Notes	Notes on the article
Heading	Article heading in Russian

The number of database fields in the case of themes (8) and companies (5) was predetermined. Last ones of these particular fields were programmed to be able to contain more information or codes, in case an article contained more than 8 themes. Each article was assigned a serial number (1-330) for the purpose of exact identification and reference. The publishing date and the original source were determined and recorded. The article was read through once, and after second reading, was assigned codes according to the classification guidelines defined in the Table 3. If the unit of analysis contained exact words or expressions (their Russian equivalents), or seemed to relate to the element or topic as defined in the guideline, the respective code could be assigned. All the detected company names were also recorded in the database. Finally a short summary on the article was written in the Notes section of the record, as it would enable later search of particularly interesting articles. The paper version of the article was marked the assigned serial number and the theme codes, and the detected company names were underlined. Other markings of free form were used to emphasize relevant parts or words from the article text. Figure 4 illustrates the processing of a sample article.

ЛЕНТА
НОВОСТЕЙ



Дата

Архив

Рассылка

**Торговая сеть "О-Кей" планирует к 2006 г
построить в Санкт-Петербурге 10
гипермаркетов**

АБН, 21 августа 2003 г

Торговая сеть "О-Кей" планирует к 2006 г построить в Санкт-Петербурге 10 гипермаркетов общей стоимостью около 80 млн долл. Как сообщил сегодня, 21 августа, на пресс-конференции административный директор компании Владислав Курбатов, уже в сентябре на углу ул. Типанова и пр. Космонавтов будет открыт третий гипермаркет общей площадью 12 тыс. кв. метров. Торговая площадь составит 6 тыс кв м. Объем инвестиций в каждый новый гипермаркет сети составляет порядка 8 млн долл. В магазине будет представлено порядка 25 тыс. наименований продукции. В дальнейшем компания планирует открывать по два новых гипермаркета в год до 2006 г. Застройщиком по проекту выступит ЗАО "Доринда". Кроме того, у сети "О-Кей" есть планы по созданию сети супермаркетов. Но объем инвестиций в проект и сроки его реализации пока не разглашаются. Напомним, что сеть "О-Кей" создана в Санкт-Петербурге в мае 2002 г. В настоящее время в городе работает два гипермаркета компании. Контрольный пакет акций компании принадлежит компании "Dorinda" (Люксембург).

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CMS, MOV, GPO, 1, 2F

Figure 4 Illustration of sample article coding

The assigned serial number (275) is marked in the upper right corner of the document with assigned codes marked underneath. The original source and the publishing date can be identified below the article heading. Company names and important information are marked as was discussed previously. Table 5 presents the information recorded in the article database.

Table 5 Example of Access database record content

<i>Field name</i>	<i>Field content</i>
No	275
Date	21.8.2003
Source	ABN
Theme 1	CHA
Theme 2	MOV
Theme 3	GRO
Theme 4	INF
Company 1	Okei
Notes	“Spb hypermarket chain plans to open 10 hypermarkets in Spb by 2006, investments \$80 million. 3rd one will open in September 2003. Plans to introduce a chain of supermarkets also. Company ownership discussed.”
Heading	Торговая сеть "О-Кей" планирует к 2006 г построить в Санкт-Петербурге 10 гипермаркетов

In the above describe manner, the sample of 330 articles were processed in a time period of 16 days during October 2003. Although the analysis schedule may seem intense indeed, the author felt that an appropriate level of accuracy was maintained in the article analysis and coding.

Finally, the reporting of the data can be done in several formats. As one can easily derive quantitative data using content analysis, statistical calculations and methods such as frequencies, cross-tabulations, and variance analysis can be utilized in the reports. Samples and quotations can be used to describe data and strengthen the reporting in verbal form. Summaries may be drafted on classification topics or themes perceived important. (Coding and reporting a data, 2003.) In this case, the author utilized computer software (Microsoft Excel, SPSS) to extract quantitative results from the database. The created Microsoft Access -database proved to be useful aid in data retrieval as the process of summary writing was initiated. Query- and Find-functions ensured quick access to the relevant records. Consequently quick reference could be made to the printed articles themselves. The content analysis results are reported in the next chapter.

4.4 Establishing research trustworthiness

It is the aim of every scholar to establish a level of trustworthiness in one's research. In simple terms one seeks to persuade the given audience that the presented results are worth paying attention to, that the researcher has not been simply making merely subjective observations lacking scientific discipline what so ever. In the following, certain aspects, pertaining to the validity and reliability of this research, are elaborated on briefly, in order to present sufficient arguments for the establishment of the required level of research trustworthiness.

Some basic concepts have been established in the phraseology of research evaluation discussion (see e.g. Hirsjärvi, Remes & Sajavaara 2001, 213-215; Eskola & Suoranta 1998, 214-215; Lincoln & Guba 1985, 398-399). The research *reliability* refers to the ability of the used research method to reproduce sufficiently similar results from the same data in some other point in time. The concept is readily applicable to quantitative methods, but can be determined in qualitative analysis methods also: for example two individual researchers may extract sets of results from the same data, which can be compared for the purpose of determining reliability. Additionally we may assess a research through the concept of *validity*. This refers to the research method's or variable's ability to measure the intended phenomena. In the case of using inappropriate tools or data in order to measure or study the occurring phenomena, strongly biased results may be obtained. (Hirsjärvi et al. 2001, 213-214.)

Clearly in some cases the research reliability and validity can be hard to establish. The lengthy procedure of qualitative data gathering and processing may not readily replicable, at least not as easily as some computer aided quantitative analysis of data. Typically limited human cognitive resources may for example cause validity reducing misunderstandings in an interview situation. According to Hirsjärvi et al (2001, 214), the reliability and validity of the research can be enhanced by reporting the research execution in detail. This reporting should extend to all the phases of the research. The conditions, sources, and locations are all practical and important information for the evaluator of results. Possible misunderstandings, false perceptions, and healthy self-criticism also have their place in the report. By presenting the arguments from which the conclusions are drawn, the researcher may further contribute to the trustworthiness of the research.

Krippendorff (1980, 21) defines content analysis as "a research technique for making replicable and valid inferences from data to their context." The quote has important implications. As in any scientific research one does need tools in order to conduct research, and while individual scientists may conduct research with the same data in different cir-

cumstances and in different points in time, the results that surface from the data should effectively be the same. Or in other words the research should be replicable. It is the same with content analysis; it should be systematic and comprehensive as a method of research. (Krippendorff 1980, 21.)

The author has attempted to report the research execution in sufficient detail. The research is built on a sound base of theory, of which the presented theory review and the derived framework (Figure 2) is a proof. In the end, the research will stand or fall with the classification system presented in the Table 3, as the study and analysis of the data is strongly based on it. It is clear that during the tedious analysis of the sample articles the author was subject to possible omission of facts and incorrect coding. This is unfortunately the nature of man. The effort was made to utilize computer as an aid in data processing in order to reduce the most blatant mistakes. The original sources of the articles may be appraised by referring to the Appendix 2. Appendix 3 provides the references of the articles used in the sample, thus providing an opportunity to replicate the research. The number of articles in the sample (330) was considered sufficient in relaying a truthful picture of the reality. It was felt that a sufficient amount of information was obtained as the sample articles spanned a 16 month time period to the present (31.10.2003); all the classification themes were covered to some degree, and no major events or phenomena in the past (outside our sample period) were referred to in the sample articles.

Few words on making valid inferences from data. It is clear that much depends on the abilities and experiences of the individual conducting the research how he will interpret the data, or whether he distinguishes the possible symbolisms and hidden messages in the data (Krippendorff 1980, 23). If one contemplates too much on one's limited cognitive resources and abilities to conduct objective research, the task may be perceived as impossible indeed. Still some principles aid in at least partially fulfilling the scientific requirements. Grönfors (1982, 178) elaborates on the validity of the qualitative research and states that practically the only way to prove the validity of the research is to describe the research process in a detailed manner, thus giving the reader an opportunity to evaluate for example the inferences made through a content analysis. The greater the amount of detail of the research process, the greater the validity of the research (Grönfors 1982, 178).

The author's ability to process a volume of Russian language newspaper articles may clearly serve as a source of low reliability and validity in the research. Having spent two years in the country and actively pursuing to master the language, and later participating in the high standard Russian classes of Turku School of Economics and Business Ad-

ministration, the author considers his acquired language proficiency sufficient for the task.

5 THE STATE OF RUSSIAN FOOD RETAILING IN Q4/03

As has been described earlier, codes have been assigned to the sample articles according to their content. The total amount of codes assigned reached 1109. As we look into the assigned code frequencies or percentage shares, we may draw conclusion of the overall content of the sample articles, i.e. we may identify the prominent events, phenomena, and themes in the Russian food retail industry that have been discussed in the media during the 16 months of July 2002 to October 2003. Figure 5 presents the results in percentages of total.

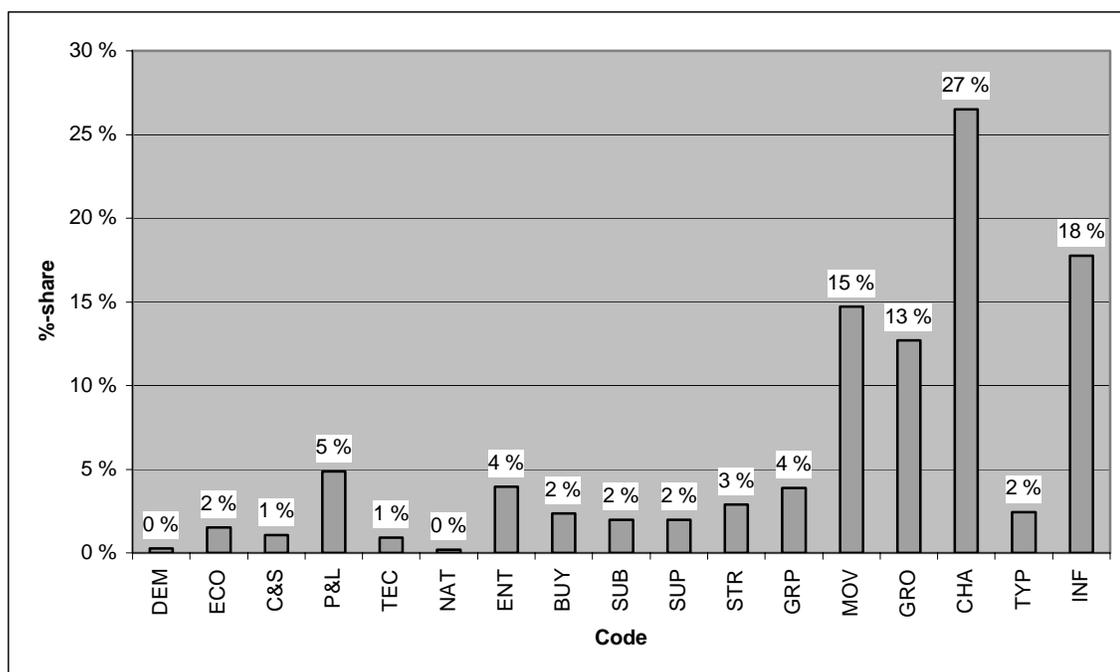


Figure 5 Percentage share of code frequencies in the sample articles

From Figure 5 it is clear that some topics have been discussed more extensively than others. The different system hierarchy levels have also been discussed to varying extent: supersystem variables (Demographic, Economic, Cultural & Social, Political & Legal, Technological, Natural, New entrants, Buyers, Substitutes, Suppliers) have a 19% share, system variables (Structure, Strategic groups, Competitive moves) have 21% share, and subsystem variables (Firm growth, Retail chains, Store types, Firm specific information) a healthy 60% share of the total amount of assigned codes. Thus the subsystems, i.e. re-

tail firms, have received more attention from the media during the focus time period. Other system hierarchy levels, i.e. sources of change and forces in the environment, and inside industry rivalry, have more or less equal shares.

In the following all the supersystem, system, and subsystem elements in the given research context will be discussed in more detail. The extent of elaboration on specific topic will be in somewhat direct relation to its percentage share, i.e. how extensively the topic was discussed in the sample articles. Of the supersystem sources of change the economic (2%), and the political and legal (5%) sources of change seem to stand out as significant ones. In the case of supersystem forces the new entrants (4%) stands out as a salient force. Buyers, substitutes, and suppliers have all a 2 percent share of the total. In the system level we can perceive one major topic with 15 percent share. Competitive moves can thus be perceived as a particularly important topic. Of the system variables structure (3%) and strategic groups (4%) have a significantly lower share of the total. Lastly in the subsystem level we have three major topics (firm growth 13%, retail chains 27%, firm specific information 18%) that seem to have the most significance. Store types with a 2 percent share (a minor topic in subsystems) will be given attention due to perceived Russian peculiarities. The author now proceeds to discuss the system hierarchy topics in the research context. References will be made to the sample articles by using their assigned serial numbers (see Appendix 3).

5.1 Supersystem elements in Russian food retailing

5.1.1 Demographic (DEM)

The demographic source of change refers to such topics as population growth, urbanization rates, and age distribution. Only three articles in the sample made reference to the topic, making it a minor source of change in the supersystem (environment) level. It seems that no drastic events can be perceived that would threaten the food retailers or create lucrative business opportunities. The article 237 elaborates on the Moscow's poor, invalids, and veterans, which according to some accounts make 22-23% of the capital's population. As will be discussed further, local authorities plan to establish a special store chain to serve the needs of this segment of low purchasing power.

In connection with regional expansion to other parts of Russia, the retail firms evaluate cities along certain variables, including population. Commonly only cities with a population of more than a million will qualify. Some analysts recommend cities with a population of 500 000 – 1000 000 people, where competition is yet nonexistent and population's interest is guaranteed. (article 259.) One article referred to the share of urban population in the Leningradskaja Oblast⁶ as one retail firm was planning entry into the regional centers (article 290). From the theoretical point of view it is sensible for the Russian retail chains to focus on the urban centers (starting from Moscow and St. Petersburg), as the high concentration of people in a geographical area makes retailing as distribution function more effective and consequently more profitable.

In addition to the information gathered from the sample articles, the author will present basic demographic information pertaining to the focus area (Table 6).

Table 6 Demographics in the focus area in 2001 (Venäjä – Baltia –tietokanta, Tilastokeskus)

	<i>Russian Federation</i>	<i>Moscow</i>	<i>St. Petersburg</i>
Population	144 million	8,54 million	4,60 million
Pop.growth/decline %	-0,6%	0,1% (2000)	-0,7% (2000)
Share of urban pop.	73%	100%	100%
Pop. / km ²	8,5	318,8	73,2
Life expectancy M/W	58,9/72,4 (2000)	60/72 (2000)	61,8/73,8 (2000)

Russia is a vast country with a 144 million population, of which a majority lives in the cities or towns, Moscow and St. Petersburg being the major most populous by far. Total population is on decline, with Moscow still holding on with 0,1% annual increase.

5.1.2 Economic (ECO)

The economic source of change refers to the such economic variables as inflation, GDP, interest rates, exchange rates, investment climate etc., that have an impact on the retail industry as a whole and also to the retail firms. Consumer purchasing power and willing-

⁶ oblast – area, administrative area (область)

ness fall under the topic of buyers (BUY). 17 sample articles made reference to the topic with a 2% share of the total amount of assigned codes, making it the second most important source of change in the Russian retail supersystem (Figure 5). Three major themes dominated the economic environment related discussion in the sample articles: (1) retail market potential and turnover, (2) Russia as an attractive retail market for investors, (3) inflation.

Market potential is perceived to be “huge” with lots of untapped sources of revenue. In July 2002 the Moscow and St. Petersburg combined retail market potential was assessed to be \$16,5 billion (article 16). In January 2003 the volume of retail trade during 2002 was announced to have reached 3,72 trillion rubles, a 9,1 percent growth from previous year. Share of food retailing was 46,4 percent. (article 130.) The growth has been steady throughout the sample period: in May 2003 the Goskomstat announced a healthy 8,9 percent growth in retail turnover during 1Q/03, the share of food retailing being 46,8% (article 209). And again the same source published 1-3Q/03 retail figures in September 2003 suggesting an 8,2 percent growth from last year. The share of food was 45,6 percent of the total of 3,193 trillion rubles. The strong growth is projected to continue in the near future. (article 322.)

The second major theme touched upon the *attractiveness of Russian retail trade market for investors*. Due to the strong growth in Russian retail turnover and poor economic performance in other parts of the world, Russia is perceived by some as an attractive market for foreign investors (article 73). On the other hand for example European retail firms may have to delay their entry to Russia and defend their market position in the European home markets due to the worsened economic situation (article 76). Undisputedly the Russian retail market is perceived as lucrative. The GRDI (Global Retail Development Index) results were published again in July 2003, and this year Russia took the first place as the most attractive retail market in the world. In 2002 Russia held the 4th position. The improvement in position was largely due to the improved country risk. The GRDI is published annually by A.T. Kearney, and it measures retail market attractiveness through three variables: (1) country risk, (2) level of market saturation by modern retail formats, and (3) time factor measuring the speed of market saturation by modern retail formats. The massive entry of foreign retail chains into Russia is expected to happen in the near future. (article 249.)

Third major economic theme in the media discussion was determined to be the *inflation* in the economy. Prices for services and other inputs are rising. Consumers feel the inflation in product prices. (article 258.) Quite exceptional is the August of 2003 development in consumer good prices: prices went down for 0,4 percent on average due to an

exceptionally good crop (article 284). Increased competition for location among the chains raises prices of real estate in major urban centers (article 261). As was presented earlier in theory review, inflation hinders the development of retail function by causing uncertainty in the consuming public and raising retailer costs (consider for example the raising prices on real estate in Moscow).

The economic outlook for Russian food retailing can thus be determined to be relatively positive. The amount of available money in the supersystem is on the rise and foreign investment is flowing in due to the improved investment climate, which may of course be soured by the recent Jukos incident. We proceed to provide some recent economic data, since it is believed that such information may be useful in understanding the state of the Russian retail system. The Russian macroeconomic indicators can be observed in Table 7.

Table 7 Russian macroeconomic indicators (Russian Economy, The Month in Review 10/2003; Venäjä – Baltia –tietokanta, Tilastokeskus; Main macroeconomic indicators 2002, Goskomstat)

	1998	1999	2000	2001	2002	2003	
GDP, %	-5,3	6,4	10,0	5,0	4,3	7,0	H1/03
Industrial production, %	-5,2	11,0	11,9	4,9	3,7	6,6	1-8/03
Retail trade, %	-4,0	-7,0	9,0	10,8	-	9,0	H1/03
Inflation, % (con. goods)	84,4	36,5	20,2	18,6	15,1	10,3	1-9/03
Fixed investments, %	-12,0	5,3	17,4	8,7	2,6	12,0	1-8/03

It is clear that the Russian economy has made strong progress since the 1998 crisis: all the indicators in Table 7 show significant improvement. The government forecast for this year's GDP growth is 6 percent, a view that is shared by the IMF. The short term forecast by the IMF for 2004 is 5 percent GDP growth, precondition being the slight decrease in oil prices. The government also forecasts 5 percent growth for 2004, and 6 percent growth for 2005. The forecast is based on Urals-grade crude oil prices staying in the range of \$22-23 a barrel. (Russian Economy, The Month in Review 9/2003; Idäntalouksien viikko 44/2003.) The relation of oil prices to Russian GDP growth is considered significant. According to a Bank of Finland study, "a 10% permanent increase (decrease) in international oil prices is associated with a 2,2% growth (fall) in the level of Russian GDP" (Rautava 2002, 5).

The strongest industries contributing to the industrial production growth rate this year have been the crude oil production (up 12%), metallurgy (up 9%), and machine building (up 8%). Retail trade, freights, and construction also contributed to this year's GDP growth significantly. Inflation has been on the usual track: the Russian Central Bank expects this year's inflation to reach a level of 14-15 percent, which will exceed government's inflation goal of 12-14 percent. (Idäntalouksien Viikko 41, 43/2003.)

Investments also show strong increase this year, while the investment structure of Russian companies shows some country specific peculiarity. In H1/03 a 47 percent share of the companies fixed investments were financed by retained earnings, 18 percent share by federal and regional budgets, and 14 percent share by parent companies and organizations. Much can be learned from the state of the Russian financial sector by looking into the share of bank loans of the investments: a mere 5 percent. (Russian Economy, The Month in Review 10/2003.) According to the Russian research institute Ekspert RA, the underdeveloped Russian financial sector seriously hinders companies' ability to develop and grow (Idäntalouksien viikko 31/2003). The Russian investment climate has been enjoying a boost due to Moody's upgrade of Russian foreign currency bonds and notes into Baa3, the lowest investment grade rating. (Russian Economy, The Month in Review 10/2003.) This may attract more foreign investors, which consequently may help Russian firms to finance growth and invest.

It may be expected with reasonable certainty that the above described positive phenomena in the Russian economy, such as GDP growth, will positively contribute to the development of the retail function, as has been elaborated on earlier in the theory review. Retail industry is also relatively independent of economic downturns.

5.1.3 Cultural and social (C&S)

The cultural and social source of change refers to such concepts as consumer culture, socio-economic status, and other cultural factors. The sample included 12 articles with reference to the topic, with 1 percent share of the total amount of the assigned codes (Figure 5). As a source of change it may be considered moderate. Two major themes could be perceived to be prominent in the sample articles: (1) consumer culture and (2) corporate culture.

The *consumer culture* as habits and preferences were discussed in several articles (e.g. articles 33, 44, 45, 65, 110, 229). The Russian consumers were described to be enthusiastic in trying out new products and preferring well known brands (article 33). In connec-

tion with the discussion on new hypermarkets outside city limits, some analysts had doubts on consumers' willingness to change into "weekend shopping", i.e. traveling to the distant location and doing the week's shopping once in an all inclusive hypermarket. Consumers are used to shop in small neighborhood stores and close by outdoor markets (ринок / rinok). The relatively small amount of cars with the population (25 cars per 100 families), may also contribute to the slow adoption of European weekend shopping (article 45). The increasing time poverty with consumers is contributing to the creation of so called deluxe stores by one retail chain, with emphasis on saving the customers' time (article 65). The phenomenon of time-poverty, and its importance in the modern society has been recognized in theory, and Russia does not seem to be left out from this global trend. One cultural fact worthy of notice is also the holidays' effect on retail turnover, which doubles during the New Year holiday season (article 110).

Some articles referred to the Russian corporate culture (see e.g. articles 169, 194), which makes it hard for foreigners to manage a local firm. Many of the big retail firms have foreigners in the leadership positions to bring in experience from the European markets. The Russian corporate culture is somewhat secretive, and requiring western standard full financial disclosure is proving difficult in most of the cases, while the major players are forced to renew their culture in hope of obtaining foreign finance.

5.1.4 Political and legal (P&L)

The political and legal source of change in the supersystem refers to the actions and regulations of the government and authorities, which have significance from the point of view of the retail industry and its incumbent firms. 53 sample articles made reference to such themes, making it the most significant source of change in the environment. Its share of the total amount of assigned codes was 5 percent (Figure 5). Again some major topics could discerned in the media discussion during the focus period: (1) government bureaucracy, (2) authorities' role in the retail development, and (3) taxes, laws, regulations, and inspections.

Firstly, the *government bureaucracy* is perceived as an obstacle in operating effectively in the Russian market. Some foreign companies, retailers included, prefer to work with a local partner with connections and good relationships to the authorities in order to overcome the effects of bureaucracy (e.g. articles 13, 54). There are also a number of examples of regional city authorities blocking the entry of for example a Moscow chain by refusing to provide real estate. The reasons are obviously protective in nature, benefit-

ing the local chains' market position. (e.g. article 196) According to the Transparency International, Russia is currently on 86th position in the country corruption index list (Idäntalouksien viikko 43/2003).

The second major theme demonstrates the *authorities' significant role in the retail development*, especially in Moscow. More or less all the activities in this field are initiated by the authorities' desire to renew and restructure the capital's retail trade into more "civilized" direction favoring retail chains (e.g. article 144). The old Soviet type formats and the typical to the 1990s kiosks, pavilions, and rinoks are seen as unfit or uncivilized. Kiosks and pavilions are filling up streets and metro stations in an unorganized manner, and all this type of uncivilized trade is hard to control, inspect, and collect taxes from. The Moscow authorities have initiated several programs in connection with the restructuring. New shopping centers are planned to be built around the city (e.g. articles 84, 307), land use is directed carefully to make preference to civilized and modern retail chain organizations (e.g. articles 18, 137), and a socially oriented convenience store chain is planned to offer low priced necessities for the unprivileged of the city (e.g. articles 126, 164, 237, 296). For example in September 2003 the authorities announced of their plans to have about 800 socially oriented stores in the capital by 2006. Companies to execute the project will be chosen through a competition. A particularly interesting project is the Utkonos store chain, which is in principle backed up by the local authorities. The project includes the establishment of hundreds of trade points around the city for the product order placement to serve the needs of the lower social class. The unique store concept will be more extensively discussed later under the heading of substitute products (SUB). The idea of establishing the socially oriented store chain is to offer a substitute to the retail formats unattractive to the authorities. The authorities' wish to develop the retail function is understandable: it brings in more tax revenue and improves people's daily lives.

During the focus period, the Moscow government was quite active in introducing *regulations*. New laws were passed, regulating the small scale retail business, requiring licenses for operation, registry, and fulfillment of various criteria such as presentable appearance, friendly and professional staff, and sufficient sanitary conditions (e.g. articles 200, 248). The entrepreneurs regard the new legislature destructive on entrepreneurial business, and that it is aimed to liquidate the retail formats in question. On a national level the discussion in the media has been active on various topics. The insufficient law against dumping is considered to enable foreign retail giants to wage price war at will, and thus force domestic chains out of the market. The Russian Association of Retail Trade Companies (AKOPT) has been actively lobbying for home market protection from

foreign entry, and some authorities are considering restrictions. Insufficient government support in the form of high taxes and administrative barriers is said to restrain the domestic chain development. (e.g. article 121.) In connection with this a discussion was initiated in the media in May 2003 on discontinuing the 5 percent sales tax from 1st of January 2004. Consequently the major retail chains promise to lower taxes by full 5 percent if the tax is discontinued. The Gosduma supports the tax and the matter is still open. (articles 207, 208, 211.)

Other government activities include the more strict regulations on product safety and sanitary inspections, and the introduction of markings indicating import status and the use of genetic engineering, and on the other hand the use of natural growing methods. (e.g. articles 19, 25, 281.) Additionally the federal government minister of agriculture called for restraining of retailer appetites in the setting of margins in July 2003. Currently the retailer margins are said to be too large (even 50%), and in the case of bread should be set to a maximum of 10 percent. The minister called for government price regulations (article 251).

As the theory implies, the government regulation and activity affect both the supply and demand side of the exchange process. As has been described above, Russian authorities take an active role in regulating the retail industry, thus affecting for example retail formats. Demand side is affected by the sales tax, which may for example reduce demand and profits.

5.1.5 Technological (TEC)

The technological source of change refers to the new equipment and systems that would improve or otherwise change retailers operations and methods. Only 10 articles in the sample made reference to the related themes, giving it only a 1 percent share of the total amount of assigned codes (Figure 5). The technological source of change in the supersystem can thus be considered weak.

The majority of the sample articles with reference to technological topics, contained news on retail chains introducing new checkout equipment and installing video and audio systems in their stores for promotional purposes (e.g. articles 93, 271, 272, 301). Some considered these technological advancement projects as ways to improve chains attractiveness and worth for potential investors (article 53). The Perekrestok supermarket chain launched a retail management software package for sale, intended to be of use to small retail establishments. The system was developed in cooperation with Columbus IT Part-

ner. (article 38.) The planned order based chain Utkonos has plans to employ modern technology (internet etc.) in order to establish an effective order and inventory handling (article 164).

The most interesting reference to technology was made in articles 36 and 147, where the role of technologically advanced logistics and inventory handling systems was considered as a source competitive advantage or even precondition for survival in the future. This is especially important as the retail chains expand their store networks in the home market and to other cities and regions. Currently many deliveries are not fulfilled and consequently stores are forced to keep extra stocks that take up valuable store space, in order to ensure product availability to the customers.

5.1.6 *Natural (NAT)*

The natural sources of change include all the related themes that concern the interaction of retail system with its natural environment. Such topics were hard to find in the sample articles; only two articles contained relevant to the topic information. The natural source of change can thus be considered almost insignificant in the retail system.

One of the articles referred to the hot summer of 2002 and the spread of disease and food poisoning through contaminated food (article 25). Authorities recommended to the population to shop in stores with better refrigeration equipment. Unfortunately in some cases also stores sold spoiled food.

The popularity of naturally grown or produced food is growing, and the authorities have introduced a logo to be used on such products (article 281). The significance of such foods may be increasing in the future, and as a result the natural source of change may increase in significance.

5.1.7 *New entrants (ENT)*

The supersystem force of the threat of new entrants includes such themes as international and domestic industry entrants, and entry obstacles that may hinder or block their entry. The sample articles from the focus period contained 43 articles with reference to the topic. The share of the total assigned codes was 4 percent, making the threat of entry the most significant supersystem force (Figure 5). We proceed to elaborate on the identified themes more closely in order to determine the nature of the force in more detail.

As has been discussed before, Russia is perceived from the point of view of foreign retailers and domestic investors as a highly lucrative market with great potential. The entry related discussion in the sample articles was characterized by the continuous speculation of foreign retailers' entry. In some cases the rumors were of particular companies and in others, a massive invasion of foreign retail giants was forecasted to take place in the near future. For example in April 2003 Auchan forecasted foreign chains' share of the Moscow retail market to be 30 percent by 2005 (article 178). The reality of foreign entry was considered a major trend of the year 2002 by the media (article 114). In connection with this, the July of 2002 saw the retailer association's (AKOPT) active lobbying for home market protection, i.e. government restrictions on foreign retailer entry, as has been discussed earlier (e.g. articles 3, 19, 121). The call for protection resurfaced in December 2002. Representatives of foreign companies considered it strange to wish for a controlled market, as the benefits of free market are visible to all (article 12). Otherwise the Russian retail market is open for foreign entry, with no perceived entry obstacles. The market has room for entrants, and usually the foreigners have the sufficient financial resources at their disposal, which is generally not the case with the domestic chains (e.g. articles 36, 48). Domestic chains are drafting plans to deal with the issue of finances; some plan for IPOs, others issue bonds or seek investors from the affluent group of oil companies, metallurgy conglomerates, or banks (e.g. articles 1, 53, 82, 189, 218, 325).

Interesting discussion in the sample articles concerned possible entry strategies of foreign retail firms. The German company Metro AG (entry in November 2001) is famous for firstly introducing cash & carry wholesale operations in countries with underdeveloped retail function, selling to for example small retailers, restaurants, and hotels, i.e. only to legal entities. This provides a useful opportunity to study the market, and as the time matures, full scale consumer retail operations are launched. Currently Metro is doing just that in Russia: cash & carry has proven very successful and consequently the introduction of hypermarket brand Real has been planned since September 2002, and the first store may open this year. (articles 57, 202.)

The world's largest retail chain, the American Wal-Mart, prefers to enter in full scale and go straight to market leader position. According to rumors, Wal-Mart plans to cooperate with Metro by buying the Real chain after it has gained a proper foothold in the market. Some analysts consider it possible for Wal-Mart to buy a local chain, and in some cases there might be willingness from the Russian side to sell. The target of acquisition should have at least 20 hypermarkets and unfortunately such a chain is currently nonexistent in Russia. (articles 36, 94, 101.) In July 2003 Wal-Mart announced of its plans to finally enter the market in the spring of 2004 (article 241). Other foreign entrants

have preferred a more cautious approach: the French Auchan (entry in August 2002) and German Marktkauf (entry in February 2003) entered by building one hypermarket in order to study the profitability of the possible future expansion. The Netherlands chain Spar is operating by the means of franchising (e.g. article 220). Russian retail chains accuse foreigners of using destructive entry strategies of dumping and price war. Backed by abundant resources, the foreign chains may sell goods at loss to gain market share, consequently driving out domestic competitors from the market (e.g. article 20).

The company PricewaterhouseCoopers published its own views on the matter. Foreign retailers prefer to make greenfield investments when entering Russia. They will be unlikely to buy or acquire Russian chains. The preferred segment of entry is the hypermarket business. PwC considers domestic chains competitive enough in order to withstand the competitive pressures from foreigners. (article 292.) To find out more on potential or rumored foreign entrants, please refer to Table 11 in the later subsystem section.

The activities of international entrants have interesting connections to the theory. European retailers, especially the French and the Germans, seem to be more active in Russia, in comparison with retailers from other continents. This may be due to the somewhat more close geographic and cultural proximity of the Western European countries to Russia. According to previous research the French are also perceived as having a more aggressive attitude on retailer expansion.

During the focus period, 7 domestic retail chain companies, plus 1 Ukrainian turned Russian company, planned for, or actually entered the Moscow or St. Petersburg food retail market. The convenience store chain Magnolija started operations in September 2002 (article 52). Ice-cream manufacturer Ramzai planned for a convenience store chain in the same month (article 58). The earlier discussed order based, socially oriented store chain Utkonos, started planning for entry in October 2002 (article 75). The major supermarket chain Sedmoi Kontinent and developer Gipertsentr initiated the planning process for Mosmart hypermarket chain in November 2002 (articles 88, 92). Ukrainian supermarket chain Silpo entered Moscow in December 2002 with high hopes (article 118), but was later forced to withdraw from the Russian capital. The remaining operations were taken over by new Russian owners, launching the Semen Semenits brand in August 2003 (article 270). Better known as prestige apartment brand, the Alie Parusa will also enter the high-end retail market with deluxe type stores adjacent to its apartment complexes (article 234). Due to high market saturation (90%), chains from Kaliningrad also planned on entry to the capital. Two other chains from the Baltic Sea coastal city already have a foothold in Moscow (Viktorija and Deshevo). (article 161.) And finally in October 2003

a new cash & carry hypermarket chain Riomag started operating in St. Petersburg (article 317).

Other interesting news on market entry related themes include the trend of regional chains entering Moscow (article 161), the interest of Lithuanian chains towards the Moscow market (article 166), and the possibility of Chinese and South-Korean retail invasion to the Russian Far-East (article 143).

5.1.8 Buyers (BUY)

The supersystem force of the bargaining power of buyers includes such themes as consumers' ability to buy, consumers' willingness to buy, and the changes in consumers' product preferences. It is important to note that some obvious economic indicators such as disposable income belong to this category and not under ECO. The sample articles contained 26 references to the buyers and their bargaining power in relation with the food retail industry. Its share of the total amount of the assigned codes was 2 percent, making it a moderate force in the supersystem (Figure 5).

The common denominator in the sample articles with reference to the bargaining power of buyers was the increasing purchasing power of the Russian consumer, i.e. the consumers' increasing ability to buy. The phenomenon was considered as one of the major trends of the year 2002 (article 114). Economic growth and increasing foreign direct investment are contributing heavily to the improving income levels, while the total Russian retail turnover is still far behind the western European levels (Russia \$102,9 billion, Germany \$615 billion, UK \$368 billion, France \$327 billion). There are of course some regional differences in the income level development; Moscow has naturally the highest income levels (during 1H/03 real income up 29,9%), while St. Petersburg area (7300 RUB/month), the Volga area (Samara, 7300 RUB/month), and Urals (Yekaterinburg 12 000 RUB/month) show good levels also. Most of the regional capitals (e.g. Novosibirsk) are also experiencing increasing purchasing power. (e.g. articles 123, 238, 242, 258.) In preparing to enter a city, the retail chains use as one of the entry criteria the city's income level (article 259). The range of income levels in Russia is quite wide. For example of the Moscow chains, some target the middle class, while some target the unprivileged with socially oriented operation method, and some chains launch stores serving the rich and the famous with wide and pricey product assortment with abundance of services. (e.g. 164, 197.) Table 8 provides past personal income related figures for further study.

Table 8 Income development in Russia (Venäjä – Baltia –tietokanta, Tilastokeskus)

	1998	1999	2000	2001	2002
Real disposable income change, %	-16	-14	9	6	na
Average wage/month (RUB)	1051,5	1522,6	2223,4	3282	na
Real average wage change, %	-13,3	-22,0	21,0	20,6	na

While it is obvious from the above considerations that the Russians' ability to buy is on the rise, we can also recognize their willingness to purchase goods. According to estimates, the Moscow population spends 85 percent of income in stores, and 50% of income on food (articles 156, 178). People are willing to try new products and favor well known brands (article 33). Russian brands are closing the quality and image gap to international brands (especially during 2002), and many Russians perceive the local brands to be of good value for money, and more suitable to the Russian taste. The post 1998-crisis increase in wealth also enables people to consume the prestigious foreign brands with recognized reputation. (Belkina 2003.)

Based on theory and empirical findings, it can be concluded that the Russian consumer trends will continue to change, as the consumer power is increasing and purchasing activities expand. Increased competition expands the choices available to the consumer and consequently his bargaining power. Increased consumer income raises the demand of more sophisticated products with added characteristics, providing opportunities for both the retailer and the manufacturer.

5.1.9 *Substitutes (SUB)*

Themes such as comparisons of old retail formats (uncivilized: street trade, kiosks, rionoks) versus new formats (civilized: modern stores), and description of innovative retail formats fall under the heading of supersystem force of the threat of substitutes. The terms civilized and uncivilized are adopted for use, since the terms are widely used in Russian language sample articles. The uncivilized retail formats are clearly part of the industry, but our focus on the chains treats them as a strategic group of substitutes to the other strategic group of civilized retail. The threat of substitutes can be considered weak to modern chain organizations as the share of uncivilized trade is diminishing, for example as a re-

sult of government action, as has been discussed earlier. It must be admitted though, that uncivilized trade still has the largest share of the market. 22 sample articles made reference to the above described themes, with a share of 2 percent of the total amount of assigned codes, indicating relatively minor interest of the media (Figure 5).

The major discernible themes in the sample articles included (1) discussion on Moscow authorities' plans to "civilize" the retail function in the capital, (2) description of chain stores' upper hand against the rinoks and kiosks, and (3) description of new innovative retail formats as substitutes to more common stores. We have already elaborated on the pressures that the street traders, kiosks and rinoks are experiencing from the Moscow government. The authorities' plans include the closing down of rinoks (firstly privatizing them), closing down 100 000 trading points around the capital, and requiring licenses of operation from the entrepreneurs. All this is made possible through new laws and regulations. The authorities admit that the restructuring must be made gradually, keeping in mind the low purchasing power of many Moscow citizens. (e.g. articles 81, 141, 182, 200, 257.) One of the reasons that the uncivilized trade has fallen into such unfavor, is that it fails to generate tax revenue for the government. It thus hinders the development of effective modern retailing having "illegal" competitive edge on the tax paying chain organizations. (article 121.)

The increasing consumer wealth and the actions of authorities contribute to the success of modern retail chain stores. In many ways the year 2002 saw Moscow moving towards civilized retailing. The share of self-service retail outlets reached 12 percent, while the respective figure is only 2 percent for Russia as a whole (article 123). In the current market situation the competition is largely between the two often referred to retail formats: the civilized and the uncivilized (article 132). There are even comments from the domestic chains, welcoming the entry of foreign retailers, as they will help drive out the uncivilized trade with their low price level hypermarkets. Russian chains are currently not too strong in the hypermarket segment, letting the foreigners fight the war with rinoks. Foreign chains admit that in fact they see rinoks as their main competitors instead of the Russian chains. (article 36, 108, 260.) The development of different retail formats in 25 biggest Russian cities can be observed in Table 9.

Table 9 Market shares of retail formats in 25 biggest Russian cities in 2001-2002 (article 119)

	2001	1-9/2002
Rinoks	15,1%	15%
Small stores	21,8%	21,6%
Universams	6,9%	8,3%
Supermarkets	3,8%	4%
Hypermarkets	0,1%	0,3%

The share of rinoks is still significant, while civilized trade is to some degree gaining share. Other estimates say the current share of formats in Russia in December 2002 was as follows: rinoks 50 percent share, kiosks and pavilions 33 percent share, chains and independent stores 17 percent share (article 114). In Moscow the figures look quite different: in 1Q/03 74,8 percent of retail turnover came from organizations of various type (9,1% growth from last year), while rinoks generated 25,2 percent of the retail turnover (4,1% growth from last year). Food sales grew 6,6%. (article 226.)

According to the analysts, the dominating trend is clear. BBPG Consulting analyst thinks the future of retailing is not in rinoks but in retail chains (article 29). BiznesAnalitika confirmed that the shopping centers share of the market will grow (article 119). In October 2003 Goskomstat came forward with facts indicating strong growth in Russian/Moscow civilized retail trade share (article 322). The Moscow chains' share is highly speculative: some present figures indicating 10-12 percent of the capital's retail market, while others bet on shares more like 5-7 percent (articles 45, 73). In St. Petersburg the worth of food market is about \$3 billion, of which the chains take about 7-8 percent (article 135). In Kaliningrad the chains have been exceptionally successful in taking control of the market: in March 2003 they generated 90 percent of the local market's retail turnover (article 161).

Recently most of the major chains have launched e-commerce services that enable customers to order food items via the internet. The concept is seen as more of a marketing tool and image enhancing service targeting the narrow segment of affluent and innovative consumers, than as a serious source of revenue. (article 37.)

Quite interesting is the often mentioned concept of Zelenograd chain Utkonos, which is planning to establish a strong presence in the Moscow market, after receiving an invitation from local authorities. The Soviet time inspired concept has originally evolved

around desks where orders for goods took place. The goods could be picked up the next day. The authorities' new plan (it is still unclear if Utkonos is the company executing this Moscow authorities' project) includes order-delivery-payment processes utilizing computerized order points spread around the city (metro stations, post offices, shopping centers) to collect orders from the consumers. The orders will be processed by the means of advanced logistics systems, and delivered to pick-up locations or straight to the customers doors, where payment will take place. The customer may decline in accepting the goods without further discussion. The low prices (10-15% lower) are supposedly made possible by not having to rent locations and maintain large inventories. (article 164.)

5.1.10 Suppliers (SUP)

The bargaining power of suppliers is the remaining supersystem force in our analysis. Such themes as consolidation, shifts in channel power, and manufacturer-distributor-retailer relationships fall under the topic. This force is of particular importance for the author and the parties involved in this research. Raisio Group plc, as a manufacturer of food products, is clearly affected by the power shifts in the distribution channel.

The sample articles contained 22 references to the topic of supplier relationships, with a 2 percent share of the total amount of assigned codes (Figure 5). Its importance in the system is thus recognized in the system by the media, while not many articles touch upon topic. The main discernible trends in the sample articles with reference to the topic were as follows: (1) supplier relationships, (2) development of more effective distribution and logistics systems, (3) private labels.

A number of articles described the *relationships between the retailer and the supplier* (wholesaler or manufacturer). The big retail chain organizations are in increasing frequency reforming the supplier contracts to achieve more favorable terms, sometimes in a quite unilateral way. Retailers require shelf rents from manufacturers, insist on having considerable volume discounts, require the sharing of promotional costs and payment of fines in case of incomplete deliveries (e.g. articles 5, 6, 12, 67, 134, 145). For example the discount store chain Pjaterotska sent an ultimatum to all of its suppliers in August 2002, requiring 10 percent cuts on purchase prices. When Procter & Gamble refused to grant the discount, Pjaterotska discontinued its relationship with the multinational manufacturer of well known brands (article 29). German Metro is notorious for its tough attitude towards suppliers. It is tired of incomplete deliveries, and plans to introduce consid-

erable sanctions and fines for underperforming suppliers (article 145). Some chains attempt to form strategic partnerships with suppliers and manufacturers (article 134).

The modern retail trade has *great needs for effective logistics and reliable deliveries*. Currently the deliveries are in many cases quite unreliable, which make large inventories mandatory in every store, taking up valuable store space (even 40-50%). According to some accounts, approximately 70 percent of the deliveries are complete, while during holiday seasons the figure goes down to 50 percent. A retail chain organization may be working with 100-200 suppliers, and at the same time its own store network is expanding at an increasing rate over a considerable geographical area. Taking all these facts into consideration, it is obvious that a shorter distribution channel is required with fewer middlemen and with more effective logistics. (article 147.)

This requirement has given rise to the trend of building distribution centers or terminals by both retailers and manufacturers alike (articles 147, 152). These warehouses are designed to perform much of the wholesaler function (manufacturers integrate forward and retailers integrate backward). A distribution center is said to be necessary for an organization that operates a chain with 50 or more stores (article 147). Wholesalers are in increasing degree forced out of the channel, as retailers and manufacturers prefer to deal with each other directly in their pursuit to make the distribution channel shorter. For example in Pjaterotska, 60 percent of products are manufacturer supplied and the number is said to be increasing (article 244). Wholesalers are consequently seeking to integrate either backwards (becoming manufacturers or holders of own brands) or forward, by establishing for example own retail chains from yet independent small stores. Others seek ways to justify their existence in the channel by for example making transport operations more effective. Currently the wholesaler margin is squeezed to mere 1-2 percent. (article 111.)

Private labels are becoming increasingly popular among Russian and foreign retail chain companies (article 68). Retailers consider the positive effects to affect both retailers and the manufacturers. Retailers enjoy the lower purchase prices, while manufacturers enjoy higher volumes. While many manufacturers doubt the logic, the retailers' bargaining power is demonstrated by the increasing amount of private labels in the market. (article 187.)

Through the analysis of the sample articles, the author was left an impression that the supplier bargaining power is diminishing, as consolidation takes place among retailers and the balance of power is consequently shifting to the very end of the channel. The theoretical cycle of retail concentration presented by Brown and McDonald (1994, 126) well describes the development of the Russian food retailing. Empirical evidence has

been presented in support of perceived retailer strength, resulting in volume discounts from the manufacturers, which consequently provides opportunities for retailers to develop and invest, as profits increase.

5.2 System elements in Russian food retailing

5.2.1 Structure (STR)

The system element of industry structure refers to such themes as company and retail format market shares, company sizes in relation to other competitors, and firm numbers in the industry. Understanding industry structure may contribute to our understanding of the degree of rivalry in the industry together with other variables. Of the sample articles, 32 made reference to the industry structure related themes. The share of the total amount of the assigned codes was 3 percent making it a minor source of information in understanding industry rivalry (Figure 5).

According to the relevant sample articles it is clear that the food retail industry is divided into several segments, or strategic groups. Kiosks with kiosks and pavilions have a major share of the market, while various formats of stores also have a significant share. Chains' share of the total is still minor but growing. Currently the competition is mainly felt between the strategic groups of civilized and the uncivilized retailing. This study focuses on the modern retail chains and the structure in that particular strategic group. Later the strategies inside the strategic group of civilized retailing will be examined. The prominent themes in the sample articles were perceived to include the following: (1) considerations on the degree of competition, (2) market saturation / expansion possibilities, and (3) companies current and planned market shares.

Generally there seems to be great variation in the *degree of competition* depending on location and store type segment / strategic group. The common perception about the market is that there is still plenty of room in the market, i.e. expansion of industry incumbents and the entries of new companies will hardly cause any major collusions or destructive competitive moves (e.g. articles 45, 73). For example Auchan representatives say that competitors will start noticing each other, and feeling the impacts of each others' moves when chains' share of the market will reach 40 percent (article 45).

In December 2003 analysts considered the Moscow retail *market open for expansion* for at least for two more years (article 123). The hypermarket segment was only recently created with the entry of Auchan, and has great potential for growth and no serious competition (articles 45, 107). The other undeveloped store type segment is the convenience store business, which has received a lot of attention lately (article 270). Discount stores have been in the market for some time now, and the St. Petersburg segment of the type is considered full and competed. Still it must be said that the competition is definitely increasing, especially for favorable locations as the chains strive to expand and fulfill their ambitious plans for getting a major share of the market (e.g. articles 20, 53, 114).

Some articles (e.g. articles 33, 36) referred to companies' *market shares* and market leadership positions. It probably is reasonable to say that currently the market is somewhat fragmented with many firms competing for the consumers' ruble on more or less equal terms. Depending on location (city, suburb), a particular chain may enjoy strong leadership position; for example Pjaterotska enjoys a strong position in St. Petersburg discount store market (e.g. article 168). According to market research company Roland Berger, the total revenue of leading Russian retail chains was divided as follows (August 2002): Perekrestok 20%, Ramstor 17%, Sedmoi kontinent 16%, Megamart 13%, Pjaterotska 12%, Kopeika 8%, Prodmak 7%, Lenta 4%, and Diksi 3% share (article 33). In Moscow the leading pair was considered to be Perekrestok and Ramstor, while runner ups Pjaterotska and Sedmoi kontinent are coming close (article 36). The situation has been developing since then and still no company has a clear upper hand in the game. More information on particular companies will be given in later sections.

5.2.2 *Strategic groups (GRP)*

The system element of strategic groups refers to the themes that elaborate on various company strategies detected in the focus industry. The identification of strategies helps us to define industry strategic groups and understand inside industry rivalry. Of the 330 sample articles 43 had reference to the topic, with a 4 percent share of the total amount of assigned codes (Figure 5).

In general, a good indication of the retail company's employed strategy is the firms dominant store format. There is a clear connection of store type (discount store, convenience store, supermarket, hypermarket etc.) and various retail mix strategies, namely lo-

cation strategy, merchandise strategy, pricing strategy, communication strategy. The store type theory was discussed earlier and contextual information on the subject will be given later under the topic of store types (TYP). We proceed to elaborate on the other strategic considerations discerned in the sample articles.

The common perceptions on the elements of a successful retailer strategy in the Russian market were elaborated on in the article 36. The successful development of the chain in the environment of ever increasing competition requires minimization of costs, quality maintenance, low price level, and wide assortment. Successful strategy also includes effective logistics with properly functioning distribution centers. While this generic strategy may really prove successful, many employ specialization strategies targeting for example affluent people with above average income.

In fact one of the major discernible trends in the focus period was diversification, as chains introduced new store formats and targeted various consumer segments especially during 2003 (e.g. articles 49, 168, 177, 201, 214, 288). It is admitted that in order to get a large share of the market, one has to employ many store types and formats in order to attract a large segment of the population (article 45), and consequently achieve sufficient volumes. As incomes increase, discount stores are becoming increasingly unattractive, as people seek to satisfy needs with products and services that are more rich in characteristics (implicit product), forcing for example Pjaterotska to diversify into hypermarkets (article 191). Sedmoi kontinent (7th continent), as an active supermarket operator, is planning to launch new brands and store formats to attract different consumer segments. For example the new convenience store chain will be named “7 Shagov” (7 steps). Further, Perekrestok’s (originally supermarket operator) new convenience store project will be named “Rjadam” (nearby). (articles 214, 296.)

As has been laid out earlier, the threat of increasing foreign entry is imminent. In order to prepare for the increasing competition, the chains have been implementing strategies designed to strengthen market position. These include such measures as extensive growth, market segmentation, and service improvement. (article 45.) In the sample articles, the companies desire to grow was clearly discernible, and various growth strategies were actively implemented. Companies’ growth goals and plans were openly discussed in the media. In order to expand geographically some entered alliances with developers operating around the country, some concentrated on attracting investors in order to finance growth, and some relied on franchising as the driver to expand brand locally and into the regions. (e.g. articles 27, 242, 254, 300, 328.)

In conclusion it can be said that the major strategic trends among the Russian food retail chains are (1) focused implementation of store format through retail mix, (2) diversi-

fication in to many store formats, and (3) growth locally and regionally to gain market share in the face of increasing competition. As the theory implies the level of competition increases as strategies vary in the industry. Russian chains employ different strategies in attracting customers and generating revenue, which heats up the competition, while the unsaturated market decreases the collision of interests.

5.2.3 *Competitive moves (MOV)*

The system element of competitive moves is designed to measure the competitive activity in the industry. It may also enlighten one's understanding on the intensity of rivalry in the system. Competitive moves include for example such firm activities as mergers, acquisitions, aggressive pricing, advertising campaigns, geographical expansion, local store network expansion, investments, and cooperation initiatives. Of the 330 sample articles 163 made reference to competitive moves as described above. The topic's share of the total amount of assigned codes was 15 percent, making it major indicator of competition and rivalry in the system (Figure 5). It seems that the media is active in describing the particular topic, and/or the competitors in the dynamic industry are active in developing their firms. If the sample article contained information on executed or planned competitive move, it qualified as worthy of the code MOV.

The competitive activity during the focus period is characterized by strong orientation for growth. The majority of the qualified articles describe expansion of store networks both locally (home market) and regionally (e.g. articles 2, 27, 30, 55, 192). Planned and actualized investments in new outlets were commonly covered by the sample articles (e.g. articles 13, 55, 113, 165). 13 articles referred to mergers and acquisitions: big Moscow and St. Petersburg chains acquired other home market chain organizations, or facilitated entry into regional capitals by acquiring a local chain (e.g. articles 36, 87, 95, 282, 298). The largest acquisition since 2001 when Petrovskii (then BIN) acquired a chain of six Magnolija stores, was the Spar-brand subfranchisee Marta's acquisition of Moscow chain Stolitsa (Capital), increasing the number of Spar stores by six. The new stores will start operating under the Spar brand on 1st of January 2004. (article 282.)

The expansion into the regions is seen as imperative, and all major chains have been expanding outside home markets. The phenomenon is considered as one of the characterizing trends of 2002. (article 114.) The company specific competitive moves and rates of growth will be covered in a later subsystem section with company information.

Other prominent competitive move categories discerned in the sample articles were price wars, and cooperation initiatives. A major series of aggressive price cuts were initiated by the entry of Auchan into Moscow (e.g. article 65). Auchan's prices are set to equal the market price level. Cooperation was initiated by several companies.

The Moscow discount chain Kopeika, has a tradition with strategic investors. Shortly after the break-up with Jukos in September 2003 (article 300), the retailer found a willing investor from NIKoil (major financial corporation) in October 2003 (article 303). The now outdated plan to include Kopeika stores by Jukos service stations is now being re-considered with NIKoil. Paterson, the Moscow supermarket operator with a priority on regional expansion, has been entering into cooperative agreements with several entities including Korston, the hotel developer.

5.3 Subsystem elements in Russian food retailing

5.3.1 Firm growth (GRO)

The subsystem element of firm growth was designed to measure the industry incumbents' tendency and rate of growth. A noteworthy amount of 141 sample articles made reference to firm growth, making it a significant phenomenon and trend in the industry, with a 13 percent share of the total amount of the assigned codes (Figure 5).

As has been discussed earlier the market has a lot of room for growth, both locally (Moscow and St. Petersburg) and regionally. Growth is perceived as an imperative or even as a precondition for survival among retail chain firms. The growth and expansion must be achieved while the time is right, i.e. no particular firm has a dominative share of the market and the massive invasion of foreign retail giants has not become reality yet. It is in the firm's nature to grow, as was argued in the theoretical section of this study, and this characteristic to firms phenomenon can be considered a salient one indeed among the industry incumbents. Companies' plans for growth are discussed in the media extensively, while some of the plans lack accuracy and the prospect of succeeding. In fact analysts are becoming annoyed by the ever changing plans of the companies (article 51). Still the extent of media coverage on planned growth or actual growth indicates the drive and dynamism in the industry. We proceed to discuss the characteristics of growth in

more detail. Individual company growth histories and prospects will be provided later. The main characteristics of growth among industry firms are (1) horizontal chain expansion, (2) geographic expansion, and (3) turnover growth (e.g. article 114).

It is recognized that the home market position must be strengthened, and thus the firms strive to add more outlets to their existing network, i.e. they *expand horizontally* (article 48). New already built store locations were acquired or rented, and new buildings erected. In relation to this, companies had varying location strategies, some preferring to own the sites (Perekrestok), some rent for example old soviet time sites (Pjaterotska), while some preferred to build their own (foreign retailers). (e.g. articles 30, 44, 171, 292.) In some cases other chains were acquired or mergers negotiated in order to increase the number of outlets rapidly. For example in April 2003 the Moscow discounter Kopeika simultaneously negotiated the acquisition of two Moscow chains and two regional chains from Yekaterinburg and Samara (article 172).

The second characteristic of growth among industry incumbents is the aspiration to ultimately achieve the status of a national chain by *expanding operations across Russian Federation*. Due to the enormous size of the country the task is an ambitious one indeed. The year 2003 saw many retail chain organizations expanding to regional capitals (Nizhniy Novgorod, Yekaterinburg, Samara, Krasnoyarsk, Novosibirsk etc.). For St. Petersburg chains the first target of geographic expansion was usually Moscow and vice versa. (e.g. 2, 9, 23, 26, 44, 233, 273.) The issues of chain maintenance and expansion tools will be elaborated on further under the topic of retail chains (CHA).

Naturally the drive to increase the number of outlets in the store network both locally and geographically is based on the company's aspiration to *increase the chain's total volume and turnover*, as was discussed in theory. During the focus period the chains' achievements in this respect have been impressive indeed. The year 2002 saw many chains growing 1,5-2 times in turnover (article 114). The chains rely on future success also; many plan for the growth rate to continue for the next few years. For example in August 2003 Pjaterotska published company projection for growth to be 300-400 percent in the next two years (article 273). It is clear that the reader must carefully evaluate the published company growth forecasts, and not accept them on face value only, as companies tend to overemphasize the positive growth prospects.

5.3.2 *Retail chains (CHA)*

The subsystem element of retail chains was designed to measure the extent of retail chain organization related discussion in the sample articles. If the article contained reference to the chain organization related issues, it qualified for the code CHA. In all, 294 articles of 330 made reference to the topic, making it the single most prominent topic of discussion in the sample articles during the focus period with a share of 27 percent of the total amount of assigned codes (Figure 5). Chains' significance in the industry is thus quite significant (at least according to the media), although their share of the market is still minor. Apparently the industry analysts and the media consider them a major future power in the Russian food retail industry worthy of extensive media coverage.

We have already discussed the chain organizations' aspirations to grow and the tendency to expand store networks. As the theory implies, the chain organization's strengths lay in its increased volume and consequent bargaining power in relation to for example suppliers, leading to cost reductions. It is clear that independent stores lack that particular power, wherein lays their weakness as compared to the chains. Furthermore chains enjoy yet other economies of scale, and costs and risks can be spread over a large amount of operations. What are the vehicles of expansion for the Russian chains? Many chains, for example Paterson, seem to prefer company run stores if only possible. But of lately, some companies are introducing franchising programs in order to continue the expansion, especially into the regions (Pjaterotska), but also in Moscow (Kopeika and Perekrestok). (e.g. articles 26, 196, 220, 232, 266, 311.) It is common knowledge that Russian companies lack the financing to introduce overnight establishment of presence all over Russia, although some of the biggest retailers are now backed by major foreign or domestic investors (EBRD, Templeton strategic emerging markets fund, NIKoil, etc.). The inadequacy of the financial sector has been touched upon earlier, and thus companies such as Pjaterotska, Kopeika, and Sedmoi kontinent have relied on franchising outlets. Pjaterotska is especially active in this field, employing aggressive methods in order to gain presence in the regions. Its Voronezh franchise operation, opened in October 2002, was the first one in Russia (article 72), apart from Spar's operations, which are solely based on franchising.

The other reason for the dawning popularity of franchising, apart from the financial one, is the harnessing of local partners' knowledge and relationships in to the advancement of regional expansion. In many cases the Moscow retailers' knowledge of the regional markets is limited, and the local partner helps to minimize the local bureaucracy originating threats to successful entry. For example Pjaterotska's entry to Yekaterinburg

was blocked for many years, until the discounter found a local chain prepared to enter into franchising contract. Pjaterotska's path in the Ural region capital will be paved by the franchisee's good relationships with the local authorities. It is suspected that Pjaterotska plans to buy the franchised outlets in a couple of years. (article 196.) In some cases a well known Moscow retail brand has been hijacked by regional entrepreneurs. For Example the famous Sedmoi kontinent brand is in use without the consent of the Moscow chain in such cities as Barnaul, Taganroge, and Lipetsk (article 174.)

In April 2003, Kopeika led negotiations with three Moscow chains in order to strike a franchising deal with them. The size of franchising fees had been somewhat reduced from the previous level and now were as follows: 1,5-3% of turnover in discount stores, and 4-5% in supermarkets. The price for the brand Kopeika-Mini reached \$25 000-30 000. The store equipment may be leased from Kopeika. (articles 180, 184.) Pjaterotska has more strict terms for its franchising deals: the price was raised from \$350 000-400 000 to \$750 000 for ten years contract period and the franchising fee is set on 1,5-2% of turnover. Analysts doubt the success of the program with such terms. Pjaterotska also employs equipment lease services. (articles 184, 196, 320.)

According to Sedmoi kontinent, the management of brand quality is seen as problematic in the case of expansion in to the regions by the means of franchising. Assortments, products, and premises may deteriorate as the control of quality issues cannot be maintained properly in far away regions. (article 78.)

The amount of wide chains (with many stores/outlets) is still quite small. For example in Moscow some sources have identified 35 different chain organizations, while the number of chains with more than 10-12 stores is only ten (article 270). The currently (September 2003) largest chain in store numbers and in turnover, is the St. Petersburg discounter Pjaterotska, with 203 stores spread around the country, generating a \$512 million turnover (article 288).

In conclusion it can be said that Russian retail chains are seen by the media as a growing power in the industry. The chain organizations' main problems are connected with facilitation and strategy of growth, for example with such issues as finance, partners, franchising or company control, and sustaining of quality as the chains expand rapidly.

5.3.3 Store types (TYP)

The subsystem element of store types was designed to measure the interest of the media towards the topic, and the topic's significance for the industry. It seems that the topics

importance in relation to other themes is minor with only 27 articles making reference to the topic. The share of the total amount of the assigned codes was only 2 percent (Figure 5). The article qualified for the code TYP, if it contained store type related discussion, deeper than merely a mention of some store type or format.

The introduction of the variety of modern store types in the Russian market has been gradual. The increasing consumer purchasing power, and especially its unequal development by consumer segment, together with the authorities strive to disband uncivilized retailing has contributed to the introduction of new types of stores. From the start of new millennium to this date the discount stores have been quite popular in the Moscow and St. Petersburg markets. The low price level, relatively wide assortment, and self service made it appealing to the middle class, who consider normal supermarkets too expensive and targeting more affluent people. The high-end status supermarkets have been in existence for most of the nineties. The discount stores have also been enjoying the favor of the authorities (e.g. article 18). The discount stores still have their place, which is proven by the success of the leading discounter Pjaterotska (article 288).

The rising incomes have contributed to the population's aspiration for wider assortments, initiating the diversification of for example discounters to the supermarket and new hypermarket segment. A Moscow supermarket operator is planning on launching a national chain of hypermarkets, with first Mosmart (in region Rosmart) opening in June 2003 (article 123, 223). St. Petersburg hypermarket chain Okei has been operating since mid 2003, and Pjaterotska will launch a hypermarket construction this year in St. Petersburg and next year in Moscow (articles 315, 288). The year 2002 was the year that Auchan come to Moscow, which more or less started the hypermarket segment development (article 45). According to some estimates, Moscow will have more than 300 hypermarkets in the near future (article 60). Hypermarkets are characterized by an extensive retail floor space with a wide assortment of products, and with adjoining services (restaurants, cleaners etc.) under the same roof.

The new rising trend in store types is the convenience store, which according to some fits well into the Russian impulsive shopping culture (article 58). This store type has succeeded to draw the favorable attention of the Moscow authorities, who see the type as substitute for the annoying uncivilized kiosk and pavilion trade. (e.g. articles 159, 160.) The convenience stores, with their favorable locations and sufficient assortments are competing for the popularity with discount stores, which according to some are losing ground (article 263). The increasing purchasing power makes the convenience stores' slightly higher price level possible.

The developments in the Russian retail trade connected with store types seem to be in line with the theoretical point of view, which implies that the level of development of the retail function reflects the overall development of the whole economy. As the economy develops and consumers increase in wealth, retail function becomes more sophisticated with various types of operation and offering.

5.3.4 Firm specific information (INF)

The subsystem element of company information refers to themes that relay specific information about food retail chain organizations. Such information categories as future plans and goals, current strategy, financial information, and market shares qualified an article for the code INF. 197 articles referred to the identified themes, with an 18 percent share of the total amount of assigned codes, making it the second most frequent topic in the sample articles. Based on the information in the articles, the author will provide information and profiles (Appendix 1) on the most important companies in the industry. The chosen group of companies is presented in Figure 6.

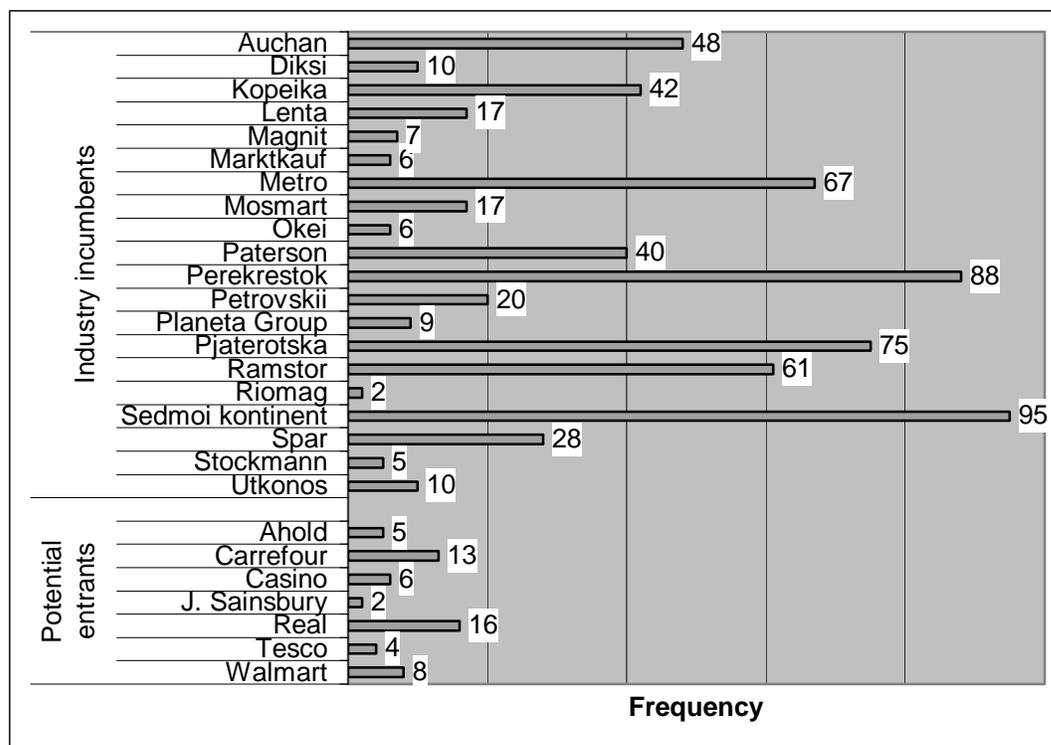


Figure 6 Some company frequencies in sample articles

The content of the group of important companies chosen for further investigation is based on the frequency of appearance (above average, >8) in the sample articles. It is thought that important actors in the industry receive relatively more coverage in the media. Some are added to the group based on the author's subjective judgment of the company's importance. For example some late entrants have not been able to enjoy long term media coverage, but are still perceived as potential industry success stories. The reader should note that successful retailers may arise from outside this group also. The companies chosen for further examination are divided into (1) industry incumbents, and (2) potential entrants (Figure 6).

In the following the current industry incumbents are elaborated on briefly. For further information on the companies one may turn to Appendix 1. Table 10 presents some basic facts on the above identified retail chain organizations.

Table 10 Information on prominent industry incumbents

<i>Company</i>	<i>Home market</i>	<i>Store type (in Russia)</i>	<i>Cities with operations</i>	<i>Number of stores in Russia</i>
Auchan	France	hypermarket	Moscow	3
Diksi	Moscow	discount store	St.Petersburg, Moscow, Moscow oblast, Tula, Tselyabinsk	66
Kopeika	Moscow	discount store	Moscow	40
Lenta	St. Petersburg	cash&carry	St. Petersburg	4
Magnit	Krasnodar	discount store	Krasnodar, Rostov-na-Danu, Sotshi, Saratov, St. Petersburg, Voronezh, Moscow	250
Marktkauf	Germany	hypermarket	Moscow	1
Metro	Germany	cash&carry	Moscow, St. Petersburg	6
Mosmart/Rosmart	Moscow	hypermarket	Moscow	1
OKei	St. Petersburg	hypermarket	St. Petersburg	3
Paterson	Moscow	supermarket	St. Petersburg, Moscow, Kazan, Tver, Samara, Ljubertsi,	>20
Perekrestok	Moscow	supermarket	Moscow, St. Petersburg, Samara, Toljatti	46
Petrovskii	Moscow	supermarket / convenience store	Moscow	17
Pjaterotska	St. Petersburg	discount store	St. Petersburg, Leningradskaja Oblast, Moscow, Voronezh, Tseljabinsk, Ufa, Perm	215
Planeta group	Podmoskov	discount store	Moscow	70
Ramstor	Turkey	supermarket / hypermarket	Moscow, Krasnoyarsk, Kazan	>20
Riomag	St. Petersburg	cash&carry	St. Petersburg	2
Sedmoi kontinent	Moscow	supermarket	Moscow	41
Spar	Netherlands	supermarket / convenience store	Moscow	11
Stockmann	Finland	department store / supermarket	Moscow, St. Petersburg	4
Utkonos	Zelenograd	"order table"	Zelenograd, Mendeleev	5

Each industry incumbent company is presented with information on home market, typical store type, cities with operations, and current level of turnover. Sample article references on the provided information can be found in the company profiles (Appendix 1). Seven of the prominent companies are Moscow based while four are based in St. Petersburg. Only two chains originate from the areas other than Moscow or St. Petersburg (Magnit, Utkonos), and six are foreign in origin.

The most popular store type seems to be the supermarket format with seven companies employing that particular strategy. Discount stores are operated by five chains, hypermarkets by four, and cash & carry type operations by three chains. (Table 10.) As has been elaborated on previously, the current trend is towards diversification in store types,

and therefore companies may soon launch operations in other than typical to them store types.

Nine of the prominent industry chains have operations outside their home market, of which seven have operation in cities other than Moscow and St. Petersburg (Table 10). The group of chains with potential for becoming a national retailer is thus quite narrow. Of course many promising chains are currently planning expansion, making the prediction of industry winners difficult. For example by obtaining the right strategic investor or partner, practically any retailer may expand rapidly, provided that the chain is supplied by sufficient funds, market knowledge, and relationships.

The chain width (number of outlets) varies greatly among the chains chosen for closer examination. Some have just started operations, or are otherwise employing careful or restricted expansion strategy, and thus have a narrow chain. The chain width is of course in correlation with employed store type: for example one hypermarket can satisfy demand in a geographic area with a certain amount of population, where one should erect several smaller outlets (discount store, convenience store) to do the same. A more suitable variable for company comparison would be the total employed retail floor space.

In order to obtain a better picture of the scale and effectiveness of domestic retailer operations, Figure 7 is provided with turnover information on the companies.

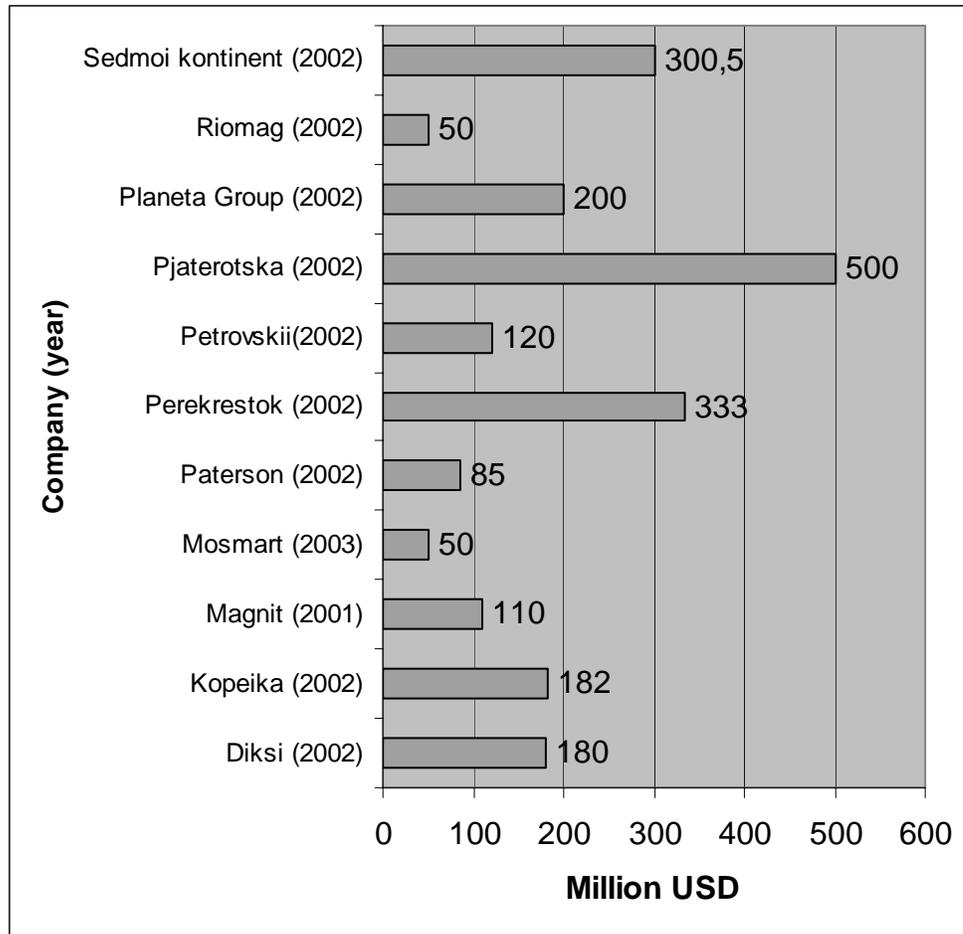


Figure 7 Domestic chains' turnover

Only domestic chains with available information are included in Figure 7. The reader should also note the different years of turnover information, which makes the direct comparison of companies somewhat difficult. Three chains can be identified with distinctively large turnover in comparison with the others, namely Sedmoi kontinent (\$300,5 million), Pjaterotska (\$500 million), and Perekrestok (\$333 million). Still others are not far behind, and as was considered earlier, rapid growth of turnover for a chain organization is matter of sufficient resources. Foreign industry incumbents are backed by seemingly abundant financial resources. For example Metro AG's turnover in 1999 was \$44 113,6 million, and Marktkauf's \$4530,2 million in 1999. In Table 11, the potential foreign entrant retail firms are presented with relevant information. The Finnish Kesko is included in the table as a point of measurement and reference, as the author presumes that the operational scale of Kesko might be familiar for the reader.

Table 11 Potential foreign entrants (McGurr 2002; e.g. articles 36, 169, 224, 228, 229, 241, 249, 253, 255, 280, 292; www.ahold.com; www.carrefour.com; www.rewe.de; www.kesko.fi; www.tesco.com;)

<i>Company</i>	<i>Country</i>	<i>Sales (million \$)</i>	<i>Net profit (million \$) (year)</i>	<i>Areas with operations</i>	<i>Number of stores</i>	<i>Company in Russia</i>
Ahold	Netherlands	33 810,6	757,7 (1999)	Europe, USA, Latin America, Asia-Pacific	6846	Marta's possible new franchisor, has not published plans on Russia.
Carrefour	France	37 621,9	760,5 (1999)	Europe, Latin-America, Asia	5828	Has been aggressive in Eastern Europe (e.g. Poland). No published plans. Rumors of entry.
Casino	France	15 747,7	296,6 (1999)	na		Rumors of possible entry.
Kesko	Finland	6 153,5	85,5 (1999)	Finland, Estonia, Latvia	1177	No plans for Russia.
Real (Metro)	Germany	44 113,6	367,1 (1999)	26 (Metro)	2300 (Metro)	First hypermarket in Moscow in 2004, and by the end of 2005, 4-5. Metro AG's next step in Russia, chain may be later sold to Wal-Mart.
Rewe	Germany	60 billion euros	na	Germany	11 196	Planned to enter with c&c in 2002. Plans to open Penny discount supermarkets in Podmoskove soon.
Sainsbury	UK	25 680,5	550,8 (2000)			No published plans
Tesco	UK	29 665,7	1063,8 (2000)	UK, Europe, Asia	2443	No published plans
Wal-Mart	USA	166 809,0	5377,0 (2000)	US, Asia, Latin-America, Europe	4600	Hypermarket operator. Will enter in spring 2004, may buy a local chain, analysts doubt: will make Greenfield investment.

As can be observed in Table 11, the sales volumes (turnover) of international retail giants are of quite larger size as compared to the Russian retail chains' respective figures. Their investment power is quite significant, and their threat to the domestic chains in Russia is real, in case they seriously decide to compete for market share.

As the reader may be interested in particular companies, an index of companies is provided in Appendix 4, which facilitates easy access to company specific information.

6 SUMMARY WITH CONCLUSIONS

6.1 Summary

The purpose of this study was to provide insight into the Russian food retail industry and its state in Q4/03. A holistic approach was needed in order to include all the relevant information pertaining to the theme. The results should be pragmatic in nature and help in the strategic decision making of the commissioning party. Three research objectives were set by the author: (1) to provide a theory based framework for the holistic analysis of the food retail industry, (2) to identify the prominent trends, phenomena, and firms in the food retail industry, and (3) to describe the prominent trends, phenomena, and firms in the food retail industry. The focus of the research was on the chain organizations of the focus industry.

A three level system hierarchy framework was developed for the purpose of industry review. The industry is considered an open system, which is subject to influences from outside. This “outside” is the industry environment or supersystem, where several sources of change (demographic, economic, cultural and social, political and legal, technological, natural), and forces (threat of new entrants, bargaining power of buyers, threat of substitutes, bargaining power of suppliers) influence and form the industry. Additionally we can identify inside industry subsystems, i.e. industry incumbent firms, which operate and compete in the industry. Firms have a natural tendency to grow and pursue profits. This competition defines the degree of rivalry that can be considered an inside industry force. Ways to describe the system, include industry structure, strategic groups, and the already mentioned rivalry or competitive moves. The thus derived framework is considered to include all the possible elements that affect and define an industry, making it an appropriate tool for industry review and analysis.

A sample of 330 Russian language business newspaper articles with reference to Russian food retailing, or Russian retailing in general, was analyzed, by utilizing the method of content analysis. The sample articles were assigned codes according to their content. The codes were based on a classification system, which in turn originated from the research framework. Code frequencies were calculated, and consequently salient topics during the focus period (July 2002 – October 2003) were identified. Frequencies of the firms appearances in the sample articles were also calculated. Thus the second research objective was duly addressed.

Elaboration and additional information has been provided by presenting summaries on all the system hierarchy elements of Russian food retailing. Some attention has been directed to the industry firms as well as to possible foreign entrants. Detailed company profiles have been provided in Appendix 1.

In conclusion it can be stated that in order to address the stated research objectives, the author has (1) presented a framework (Figure 2) for the analysis of the Russian retail industry, (2) identified the prominent trends, phenomena and firms in the industry, and (3) described the identified trends, phenomena, and firms in a compact form, by presenting summaries and company profiles. In the empirical work a method of content analysis has been utilized, as has been described previously. It is now the author's intention to present the research results and findings in the framework, thus bringing it to the context of the research. The combination of framework and results can be observed in Figure 8.

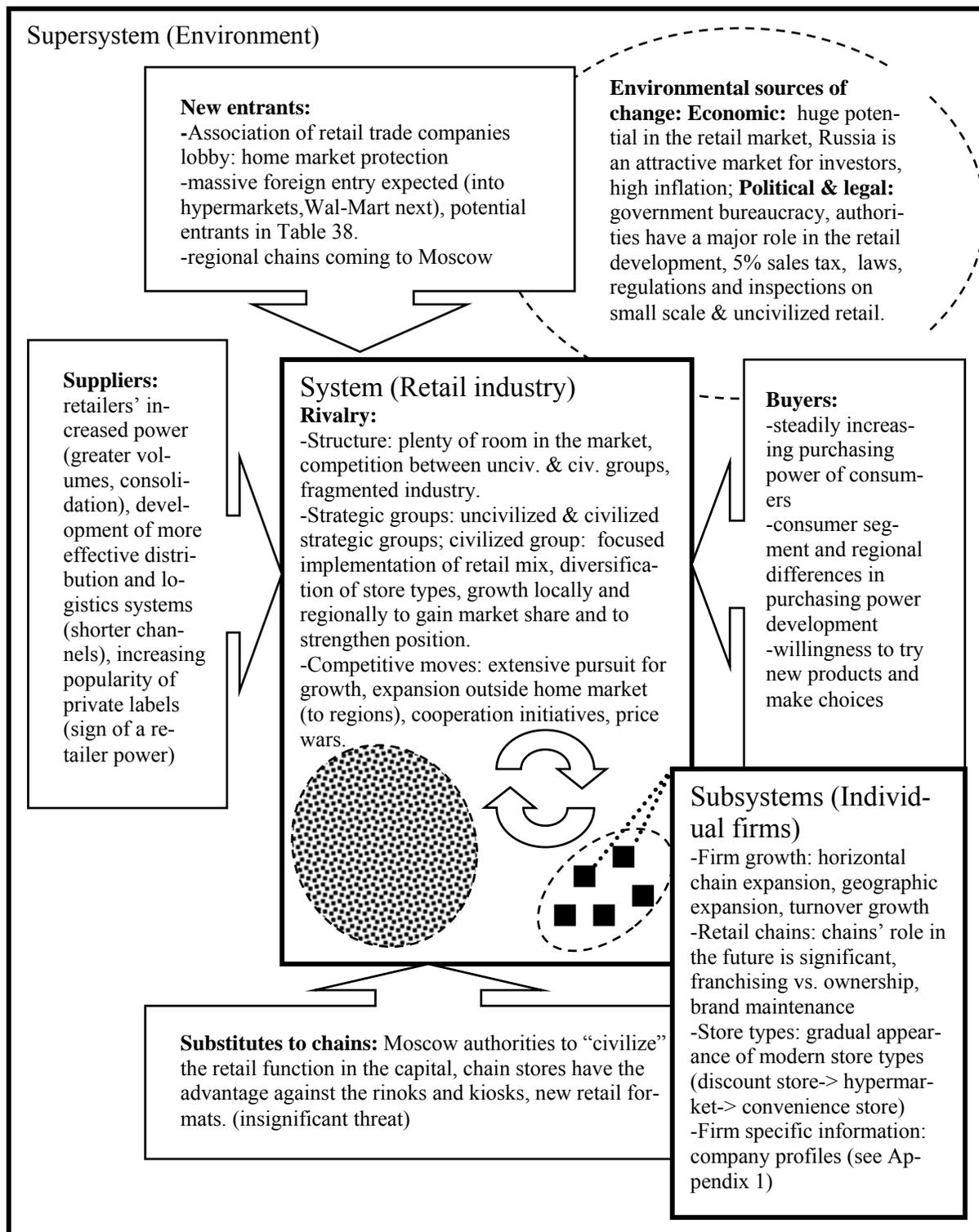


Figure 8 Theory framework in the research context with results

All the relevant system hierarchy elements are described in the research context (Figure 8). In order to receive more insight to each of the elements one may refer to the respective element description in the State of Russian food retailing in Q4/03 -chapter. As the research has been conducted along sound principles (that is the author's perception at least), the author now deems it safe to make the following summary on the importance of the system hierarchy elements.

The most salient sources of change in the supersystem are the economic, and political and legal ones. The Russian economy is growing, making positive contribution to the retail market. Investment climate is becoming increasingly positive, and it is hoped the development will continue on. The retail industry is becoming an increasingly attractive target for foreign companies. Inflation among other potential problems in the economy, continue to hinder this positive development.

Of the supersystem forces the threat of entrants is the most significant one. The invasion of European and American retail giants is widely expected in the industry. The size difference of the foreign and domestic chains is a major concern for the Russian chains. It must also be taken into consideration that the consumers are becoming more affluent, but also more sensitive to the possibilities in the consumer goods market. With increasing purchasing power comes the demand for additional services and product characteristics. Retailers are also becoming stronger in their bargaining power towards suppliers. Increased firm size and volumes gives the retailer the power to negotiate volume discounts, more favorable delivery terms, and the sharing of promotional costs. Private label production can be negotiated more often.

The system is characterized by two major strategic groups, namely civilized and uncivilized. They are still unequal in terms of market share to, but the civilized group's share is increasing due to its effectiveness, appeal to the consumer, and favorable attitude of the authorities, especially in Moscow. The market has room for more chains, expansion and growth, and the rivalry level can be considered low. As the market shares increase, the industry incumbents are more likely to collide and have overlapping interests. Major strategies in the industry are growth and diversification of store types, since a major market share is only achievable through diverse offering of store concepts for the consumer. Chains also aim to strengthen their market position in the home market and in the regions. Supply chains are becoming shorter and more effective with backward integration and more effective logistics. The industry is quite dynamic with a lot of activity along the previously mentioned dimensions.

The rate of growth among some of the industry incumbents is phenomenal, finance and local market knowledge being the major obstacles for growth. Growth is mostly or-

ganic, but M&A activity is also taking place. Expansion inside the vast Russian federation is the imperative for most of the chains. Many have implemented franchising programs, while some prefer the company ownership of stores. Store types are introduced gradually as the consumer demands change and purchasing power increases. The industry is fragmented (especially the uncivilized strategic group), while some companies seem to be more successful than others. Their growth strategies are more aggressive, and they enjoy the access to resources such as finance and regional market knowledge.

6.2 Conclusions with managerial implications

The conclusions and implications are considered from the point of view of a food manufacturer. The choice of perspective is due to the interest and stake of Raisio Group plc in the research. The research objective has been to provide useful information for the basis of strategic decision making.

It is apparent from the research results that (1) the share of retail chains of the total retail turnover is growing in the urban areas of Russian Federation, at least in the Moscow and St. Petersburg areas, and (2) the retail chain organizations are becoming larger in terms of turnover and market coverage. In the past it has been a challenge to gain access to a distribution channel that would be effective in the distribution of for example food products in large volumes around a number of Russian cities or even regions. It seems that major city wide chains have appeared, and that chains with national or multiregional coverage are emerging. This provides opportunities for the manufacturer in terms of effective product distribution. While the chains' share of the total of Russian turnover may be considered small, great volumes can be achieved even in Moscow alone, by tapping into an effective channel with a wide chain of outlets at the very end. It is thus considered important by the author to invest into the acquisition of major chains (possible industry winners) as customers and partners in the distribution channel, thus preparing for the future. At the same time it is also challenging to deal with apparent industry consolidation. The cycle of retail concentration (Figure 4) well describes the recent developments in Russia, and implies for disproportionately large discounts from manufacturers. The contextual examples have been presented previously.

It is still unclear who will be the winners of the race to become a national chain. Many contenders are in the race and some insight into them may be gained through the provided company profiles in Appendix 1, or through further study. It is considered helpful to fol-

low the advice of Fein and Jap (1999, 64) for dealing with industry consolidation, presented already in the theory review of this study. In this case it would probably prove fruitful to *partner with the winners*, by seeking the position of a key supplier for some major chain, which has prospects in the race for market shares and position in the Russian market. Relationships may be nurtured with a long-term perspective, by providing for the demands of the retailer by (1) maintaining quality in produce and delivery (advanced logistics, efficient customer response), (2) supporting in promotion, and (3) offering volume discounts. The positive effects of this kind of relationship could potentially be felt by both the retailer and the manufacturer.

The other potential perspective in dealing with industry consolidation and the bargaining power of the retailer is the process of *increasing channel equity* (Fein & Jap 1999, 64). The manufacturer may strengthen its brands by suitable marketing methods and thus increase the demand from consumers, thereby creating a pull effect from the consumer market. Consequently the manufacturer increases in bargaining power towards the retailer, as the retailer is pressured to offer certain branded products that enjoy consumer preference and a high level of demand.

Will the described trend of retail chain growth continue in the future? Will it be worthwhile to concentrate marketing and sales efforts on the chain organizations and not on the traditional or the “uncivilized” retailing? It seems that the positive outlook of the Russian economy will result in investments and in increased purchasing power of the consumer, as has been the case before, which consequently boosts the growth of retail chains. So how will the Russian economy do in the future?

The question would require a profound review of studies and statistics in order to satisfy the reader completely. The dependence of the Russian economy on raw material prices (e.g. oil) has already been mentioned. At this point it is sufficient to say that there does not seem to be a similar to the 1998 crisis in sight, and that while Russia faces a number of challenges (such as badly needed legal and political reforms, more efficient financial sector, unequal distribution of wealth etc.) that must be properly addressed in order to remain in the growth trend, it is likely that Russia will experience growth due to its strong fiscal position and balance-of-payments. The bank of Finland long-term scenarios of Russian GDP growth are as follows (if the investment climate stays more or less the same): (1) pessimistic (low investment): +2,0%, (2) baseline (status quo investment): +3,0%, and optimistic (high investment): +4,7%. (Komulainen, Korhonen, Korhonen, Rautava & Sutela 2003, 5-6, 14-15.) In this light the above mentioned strategy outlines seem reasonably safe in terms of economic growth.

6.3 Future research on the subject

The subject offers interesting opportunities for further study. It was originally planned by the author to study the future of the industry by utilizing multiple scenario method. The industry is in a dynamic state of development, and the potential rapid changes may continue to take place in the future, having major implications for a company such as Raisio Group plc, or any manufacturer willing to conduct successful business operations in the area. This study offers a good starting point and basis for the study of the industry's future.

Another interesting area of research might be the definition of industry strategic groups among the food retail chains. The kind of study would follow in the footsteps of for example Hawes and Crittenden (1984) and Harrigan (1985). More information on the companies would be collected along certain strategy defining variables, and a study utilizing multivariate cluster analysis might be consequently conducted, in order to define the strategic groups and their performance. Forecasts could be drafted in order to determine the potential "winners" of the industry.

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APPENDIX 1 COMPANY PROFILES

The presented company profiles follow a certain predesigned and regular form. Information is relayed along certain variables such as (1) retail store brand name, (2) frequency of appearance in the sample articles, (3) internet site, (4) home market (city, country), (5) turnover/sales, (6) number of stores (in Russia), (7) geographical coverage, (8) typical store type and floor space, (9) typical assortment, (10) notes (history, strategy, ownership structure, finance, franchising, main competitors etc.), and (11) references. In some cases the relevant information may not be available. Again the author reminds the reader not to take company forecasts and projections as absolute truth. In the case of foreign companies the chosen variables may slightly vary.

The industry incumbent company profiles are presented in alphabetical order, with following companies included: Auchan, Diksi, Kopeika, Lenta, Magnit, Marktkauf, Metro, Mosmart, OKei, Paterson, Perekrestok, Petrovskii, Planeta Group (Ekonom, Pjatatsok, Kompas), Pjaterotska, Ramstor, Riomag, Sedmoi kontinent, Spar, Stockmann, Utkonos.

<i>Company / Retail brand</i>	<i>Auchan (Ашан)</i>
Frequency in articles	48
Internet site	www.auchan.com
Home market	France
Turnover/sales (\$/year)	27 600 million euros
Number of stores in Russia	3
Geographic coverage (planned)	Moscow (St. Petersburg, Kazan)
Typical store type, floor space (m ²)	Hypermarket-discounter, 16 000
Typical assortment	40 000
Notes	First hypermarket opened in Moscow on August 2002, second in December 2002, and third in June 2003. Started the hypermarket segment in Russia, and initiated changes with entry. Plans to extend operations to Spb (2005) and to regional capitals. Prices set on low rinok level (10-15% lower than in other chains) and considers rinoks as main competitors. Has been accused of dumping. Supermarket chain Atac is planned for Moscow suburbs.
References	e.g. articles 35, 39, 40, 45, 59, 113, 123, 146, 179, 227; www.auchan.com

<i>Company / Retail brand</i>	<i>Diksi (Дикси)</i>
Frequency in articles	10
Internet site	-
Home market	Moscow
Turnover/sales (\$/year)	\$180 million / 2002
Number of stores in Russia	66
Geographic coverage (planned)	St. Petersburg, Moscow, Moscow Oblast, Tula, Tselyabinsk
Typical store type, floor space (m ²)	discount store
Typical assortment	a few thousand
Notes	Moscow share of chains' turnover: 3%. Company owner Junilend with 25% share (big holding company, distributor, wholesaler) was looking for a strategic investor in 2002. German Tengelmann showed interest in 2000. Published plans to build a distribution center in Moscow in February 2003. Competes with other discounters.
References	e.g. articles 33, 42, 238, 78, 126, 147

<i>Company / Retail brand</i>	<i>Kopeika (Копейка)</i>
Frequency in articles	42
Internet site	-
Home market	Moscow
Turnover/sales (\$/year)	\$182 million / 2002
Number of stores in Russia	40
Geographic coverage (planned)	Moscow, (Samara, Tver, Yekaterinburg, Toljatti)
Typical store type, floor space (m ²)	Discount store, 800
Typical assortment	4000
Notes	In operation since 1998. Currently 5 th biggest chain in Moscow. Oil company JUKOS used to own 50,5% of shares. Kopeika was planned to be part of JUKOS's AZS service stations. 50% of shares were sold to NIKoil in September 2003. Managers have 50%, and founder Samonov and partners 0,5%. Other chains maybe interested in buying Kopeika. Service station plans continue with the new owner, seen as a way to expand to the regions. Chain is considered to have a competent management. Member of AKOPT. Planned to enter Samara and Yekaterinburg through acquisitions of local chains. Has franchise operation in Moscow and in the regions (Kopeika-Mini). Consideres expansion in Moscow possible only through franchising, share of turnover from franchisees may reach 15% this year. The average operative margin of the company was 18%, projected investments in 2003, \$40 million. Pjaterotska is considered the most important competitor. Plans to expand to Podmoskov (June 2003). Plans for IPO in 1,5-2,5 years. In 3Q/04 organization changes from ZAO to OAO. During 2H/04 plans to issue RUB bonds.
References	e.g. articles 5, 33, 51, 53, 69, 103, 163, 173, 177, 180, 228, 259, 300, 303, 316, 325

<i>Company / Retail brand</i>	<i>Lenta (Лента)</i>
Frequency in articles	17
Internet site	-
Home market	St. Petersburg
Turnover/sales (\$/year)	-
Number of stores in Russia	4
Geographic coverage (planned)	St. Petersburg
Typical store type, floor space (m ²)	cash&carry hypermarket, 12 000
Typical assortment	8000
Notes	In operation since 2001, owner ООО"Пионер". Construction of 5 th and 6 th hypermarkets during 2003 in Spb (6 th will open in December 2003). Plans to have 10 in 2 years, and invest \$100 million. Strained relationships with Metro over personnel issues (January 2003). Company's stores are open 24 hours a day, club cards, good parking. Successful strategy based on (1) timing, (2) assortment, (3) price and quality, (4) adequate management. Plans to expand to Leningradskii Oblast.
References	e.g. articles 55, 86, 129, 153, 204, 269, 288, 319

<i>Company / Retail brand</i>	<i>Magnit (Магнит)</i>
Frequency in articles	7
Internet site	-
Home market	Krasnodar
Turnover/sales (\$/year)	\$110 million / 2001
Number of stores in Russia	at least 250
Geographic coverage (planned)	Krasnodar, Rostov-na-Danu, Sotshi, Saratov, St. Petersburg, Voronezh, Moscow (Samara, Toljatti)
Typical store type, floor space (m ²)	discount store, 200-300
Typical assortment	3000
Notes	Came to Moscow in 2002, example of regional chain's expansion to the capital. May be the biggest Russian chain in store numbers (October 2002). The chain is owned by Krasnodar wholesaler Tander (in operation since 1994). Currently operates 7 stores in Spb. In Moscow operates 15 stores under brand Nesterovskiy. Plans to enter Samara and Toljatti by the end of 2003. Stores smaller than for example Pjaterotska's.
References	e.g. articles 20, 33, 78, 123, 161, 238, 243, 259

<i>Company / Retail brand</i>	<i>Marktkauf (AVA AG)</i>
Frequency in articles	6
Internet site	www.marktkauf.de
Home market	Germany
Turnover/sales (\$/year)	\$4530,2 million / 1999 (AVA AG)
Number of stores in Russia	1
Geographic coverage (planned)	Moscow
Typical store type, floor space (m ²)	Hypermarket
Typical assortment	-
Notes	First hypermarket was opened in February 2003 in Kotelniki, Podmoskov. Cooperation of German owner AVA AG and Russian Avtogarant Grupp. Planned on serious competition against other hypermarkets. Marktkauf differs from others with especially wide assortment of fruit, vegetables and fresh meat. Well accepted by Moscow consumers. Three more stores planned, first will open in fall 2004, total investment worth 150 million euros. Weekly turnover of the one operating store is 1,5 milion euros.
References	e.g. articles 123, 133, 260, McGurr 2002

<i>Company / Retail brand</i>	<i>Metro</i>
Frequency in articles	67
Internet site	www.metro-kaufhof-bkk.de
Home market	Germany
Turnover/sales (\$/year)	\$44 113,6 million / 1999 (Metro AG), in Russia 287 million euros / 2002
Number of stores in Russia	4 in Moscow, 2 in Spb
Geographic coverage (planned)	Moscow, St. Petersburg (Yeakaterinburg, Nizhniy Novgorod, Kazan, Rostov-na-Danu)
Typical store type, floor space (m ²)	Cash&carry hypermarkets, 10 000
Typical assortment	20 000
Notes	Trademark of German retailer giant Metro AG (largest in Europe), in Russia since the fall of 2001. Plans to have 50 stores in Russia in the future. March 2004 will see project launch in Yekaterinburg. During 2004 plans to build two outlets in Nizhniy Novgorod in September, one in Kazan in August, and one in Rostov-na-Danu in Sepetember. Each will require an investment of 17-20 million euros. Moscow stores cost 40-50 million euros. In June company representatives promised to invest \$1 billion in Russia during 4-5 years, of which 60% to Metro cash&carry, and 40% to Real. Main competitor is the French Auchan. Company favors local suppliers and private labels. Tough attitude towards suppliers, with sanction for incomplete deliveries. In 2002 was under investigation by authorities of selling to private persons instead of wholly to legal entities (cash&carry format). Local competitors started rumors on the company's misconduct.
References	e.g. articles 117, 145, 187, 224, 279, 280, 308, 319, McGurr 2002

<i>Company / Retail brand</i>	<i>Mosmart / Rosmart (Мосмарм / Росмарм)</i>
Frequency in articles	17
Internet site	www.mosmart.ru
Home market	Moscow
Turnover/sales (\$/year)	\$50 million / 2003 (forecast)
Number of stores in Russia	1
Geographic coverage (planned)	Moscow
Typical store type, floor space (m ²)	hypermarket, 16 500
Typical assortment	-
Notes	Originally a cooperation of Sedmoi kontinent (supermarket operator) and Gipertsentr (developer) to have a first Russian hypermarket chain with national coverage: Mosmart in Moscow, Rosmart in the regions. Planning started in December 2002. First store opened in June 2003, \$30 million investment. Second planned to open by the end of the year, third in the beginning of 2004. Pricing: "a kopeika lower than Auchan". The joint-venture was disbanded in September 2003 due to differences in views on development of chain and financial issues (different business cultures). Mikhail Bezeljanskiy will continue to manage the now independent future chain. Sedmoi kontinent out of the project, Gipertsentr will remain as an owner. Previously the plans included the opening of 100 hypermarkets in Russia during next 10 years, and forecasted turnover in 2004 \$200 million, in 2005 \$500 million. To help in the project an ex-Carrefour manager was hired with experience from Poland. Due to the disbanding of joint-venture the plans may drastically change. Was/Is seen as the only serious domestic hypermarket operator.
References	e.g. articles 230, 294, 295

<i>Company / Retail brand</i>	<i>OKei (ОКей)</i>
Frequency in articles	6
Internet site	-
Home market	St. Petersburg
Turnover/sales (\$/year)	-
Number of stores in Russia	3
Geographic coverage (planned)	St. Petersburg (Moscow, Rostov)
Typical store type, floor space (m ²)	hypermarket, 15 000
Typical assortment	25 000-32 000
Notes	Owner ZAO "Dorinda" operates the relatively new domestic Spb based hypermarket chain. First hypermarket opened in Spb in May 2002 (11 000m ² , assortment 25 000), second in May 2003 (15 000 m ²), third in October 2003. By the end of 2004 will open hypermarkets in Moscow, Rostov (investment \$36,6 million). The total of new stores opened in 2004 is projected to be 5, and by 2006 10. By 2006 the market share of the chain is projected to be 12-14%, with \$1 billion turnover. Company's hypermarkets have a variety of adjoining services and advanced technology, with a 2500 car parking lot. Plans to diversify and launch a chain of supermarkets.
References	e.g. articles 275, 215, 321

<i>Company / Retail brand</i>	<i>Paterson (Патерсон)</i>
Frequency in articles	40
Internet site	www.paterson.ru
Home market	Moscow
Turnover/sales (\$/year)	\$34 million / 2001, \$85 million / 2002, \$140 million / 2003 (forecast), \$270 million / 2004 (forecast)
Number of stores in Russia	At least 20 (15 in Moscow, 2 in Spb)
Geographic coverage (planned)	St. Petersburg, Moscow, Kazan, Tver, Samara, Ljubertsi (Nizhnii Novgorod, Sotshi, Astrakhan, Voronezh, Lipetsk)
Typical store type, floor space (m ²)	supermarket, 1600
Typical assortment	12 000 – 30 000
Notes	One of the biggest in Moscow has been operating since 1998. Has an aspiration to change from 2 nd class Moscow supermarket operator to 1 st class regional supermarket retailer; feels the pressure to expand out of Moscow. Is becoming an attractive target of acquisition due to its ambitious expansion, second only to Pjaterotska. Was second to open store in Kazan (October 2003), a \$1 million investment. 3 more to follow in Kazan. Company prefers to own the stores instead of franchising. In October 2003 company published plans to invest \$10 million dollars in Spb, in order to open 10 supermarkets by the end of 2004. Principles: standardized assortment in every store, own preparation of ready meals, open 24h, consistent price policy, check out technology. Owner: ООО "Фирма Omega-97" with strategic partner ЗАО "Адамант" (provides long term rental locations). Utilizes strategic alliances (with Detskii Mir, Eldorado, Adaman, Korston the hotel developer) as a tool for regional expansion. Is planning for an IPO.
References	e.g. articles 254, 266, 277, 289, 301, 304, 311, 324

<i>Company / Retail brand</i>	<i>Perekrestok (Перекресток)</i>
Frequency in articles	88
Internet site	www.perekriostok.ru
Home market	Moscow
Turnover/sales (\$/year)	\$333 million / 2002
Number of stores in Russia	46
Geographic coverage (planned)	Moscow, St. Petersburg, Samara, Toljatti, (Yekaterinburg, Volgograd)
Typical store type, floor space (m ²)	Supermarket, 8000
Typical assortment	-
Notes	ZAO "Torgoviy dom Perekrestok" is a market leader in Moscow, considered a prestige chain with more expensive products, also deluxe stores. Part of Alfa Group. A quality conscious company has been awarded with several prizes: e.g. The best chain in the Central Region. Owns food delivery service Sluzhba 77. Has diversified into convenience store segment with the brand Rjadam. Has been taking audits to prepare for foreign investors. Opened stores in Samara and Toljatti in September 2003, with \$12 million investment. Is engaged in an office-shopping center construction as a developer. Operates a store in affluent Rublevka area and a VIP-store in Gorki-2, Moscow. Strategic partnership since July 2003 with developer Vremja will help in regional expansion. Company mentioned as possible target of acquisition by Wal-Mart. Plans for an IPO during 2005-2007. Templeton Strategic Emerging Markets Fund owns 7,7% of shares, considers the worth of the company \$200 million. Templeton ownership helps to finance the planned construction of bigger stores. During 2003 company plans to open 20 stores, most of which are in Moscow. Negotiates the acquisition of both Moscow and regional chains.
References	e.g. articles 124, 176, 189, 197, 210, 241, 242, 259, 277, 278, 285, 292, 296, 306, 310

<i>Company / Retail brand</i>	<i>Petrovskii (Петровский)</i>
Frequency in articles	20
Internet site	www.petrovski.ru
Home market	Moscow
Turnover/sales (\$/year)	\$120 million / 2002
Number of stores in Russia	17
Geographic coverage (planned)	Moscow
Typical store type, floor space (m ²)	supermarkets/convenience stores, 600-1800
Typical assortment	-
Notes	In operation since 1997, among the “six big” retailers in Moscow. Originally operated under the brand BIN, but was too closely associated with a bank with similar brand. The bank and the retailer belong to the same holding company PFK”BIN” (owner is Gosduma representative Sait Gutseriev). Changed brand into Petrovskiy in March 2003, a costly operation. Made one of the largest acquisitions in the industry in the fall of 2001, by acquiring a chain of six Magnolija stores. Price level targets middle-class. By the end of 2004 plans to open 14 supermarkets. Plans to increase the share of Russian products in assortment, launches private labels of fish and meat products. Petrovskiy shopping centers planned for 2004.
References	e.g. articles 149, 234, 263, 282, 296

<i>Company / Retail brand</i>	<i>Pjaterotska (Пятёрочка)</i>
Frequency in articles	75
Internet site	www.e5.ru
Home market	St. Petersburg
Turnover/sales (\$/year)	\$500 million / 2002, \$630 million / 2003 (forecast)
Number of stores in Russia	215
Geographic coverage (planned)	St. Petersburg, Leningradskaja Oblast, Moscow, Voronezh, Tseljabinsk, Ufa, Perm, (Uljanovsk, Yekaterinburg)
Typical store type, floor space (m ²)	discount stores, 1000-1200
Typical assortment	3500
Notes	<p>Established in January 1999. A successful and rapidly growing St. Petersburg discount chain. This year's investments will reach \$70 million. Opened 70 stores in the first 9 months of 2003 (30 in Moscow, 6 in Spb, 7 in Voronezh, 13 in Tseljabinsk, 7 in Perm, and 8 in Ufa). By the end of 2005 plans to open 10 shopping centers and 46 stores in Spb alone. With an investment of \$110 million, the Spb project is the biggest project among Russian food retailers. Will open stores in Uljanovsk and Yekaterinburg by the end of 2003, in total 10-15 stores in the big cities of Russia. Plans for national coverage of chain, by the end of 2005 plans to open 50 stores in Sverdlovskaja Oblast, and 30 in Volgogradskaja Oblast. Plans for taking the Leningradskaja Oblast market. Each new store is a \$400 000 investment. First of the big chains to start a massive expansion into the regions. Expansion based on franchising, on terms of: initial payment \$750 000, royalty/fee 1,5-2% of turnover. Ownership structure: EBRD (European Bank for Reconstruction and Development) with majority share, OOO"Argotorg" in Spb, OOO"Agroaspekt" in Moscow, and OOO"Ekonomtorg-Pjaterotska" in Yekaterinburg, and additionally 2 unknown Netherlands companies. Price level 10-15% lower than in normal stores. Is notorious for controversial ad campaigns. Some cases of bad quality products sold are known to have taken place. Had trouble in getting into Yekaterinburg for 2 years. In its desire to diversify into other store types, cash&carry type Karusel was launched, later proved unsuccessful. Now plans to enter the hypermarket segment with a new brand. Construction starts this year in Spb, and plans include 10 stores in Moscow, and 10 in Spb. Each will require an investment of \$12-15 million (the project a \$240 million in total), and has a floor space of 8000-12 000 m², and an assortment of 12 000-15 000 products. Pjaterotska brand knowledge in Moscow was 87,6% and in Spb 99,7%. Goal to get a share of 15-18% of the Russian food retail market in 10 years</p>
References	e.g. articles 177, 289, 293, 310, 311, 320, 326, 327

<i>Company / Retail brand</i>	<i>Эконом (Эконом), Pjatatsok (Пятачок), Kompas (Компас); (Planeta group)</i>
Frequency in articles	9
Internet site	-
Home market	Podmoskov / Nizhniy Novgord
Turnover/sales (\$/year)	\$200 million / 2002
Number of stores in Russia	about 70
Geographic coverage (planned)	Moscow, (Nizhniy Novgorod, Yekaterinburg, Krasnoyarsk, Samara, Omsk)
Typical store type, floor space (m ²)	discount store
Typical assortment	-
Notes	The Planeta Group (close to owners of Sibneft) shook the retail industry in July 2003, by announcing plans of ambitious expansion in retail sector. Has a major foothold in food manufacturing business. By 2007 the group will manage 500 stores, generating \$1,5 billion in turnover. The information was part of Planeta Finans prospectus. ООО "Planeta menedzment" operates the chains Ekonom, Pjatatsok, and Kompas. The "global chain" is planned to be expanded to Nizhniy Novgorod, Yekaterinburg, Krasnoyarsk, Samara, and Omsk. Previously growth has been slow. Ekonom opened 14 stores in 2 years. Almost 50 stores were included through the acquisition of Aljans in 2002. Now plans to take number 1 or 2 position in the industry.
References	e.g. articles 245, 247

<i>Company / Retail brand</i>	<i>Ramstor (Памстор)</i>
Frequency in articles	61
Internet site	www.ramstore.ru
Home market	Turkey
Turnover/sales (\$/year)	\$300 million / 2002, \$400 million / 2003 (forecast)
Number of stores in Russia	At least 20 (5 hypermarkets, 15 supermarkets)
Geographic coverage (planned)	Moscow, Krasnoyarsk, Kazan, (St. Petersburg, Nizhniy Novgorod, Novosibirsk, Rostov-na-Danu, Ufa, Irkutsk, Omsk, Volgograd)
Typical store type, floor space (m ²)	supermarket and hypermarket, 650-6000
Typical assortment	40 000
Notes	The Ramstor chain is operated by the company OOO "Ramenka" (since 1997), which has 100% Turkish owners: Enka Holding (construction company) and KOC holding (huge Turkish industrial-trade-financial conglomerate). Mainly operates in Moscow (strong position, well-known brand), opened 2 hypermarkets in Krasnoyarsk in March 2003, and in Kazan in April 2003. First store in Spb will open in March 2004, 2 more will follow later during the year (may be late in getting to Spb). Nizhniy Novgorod will see one in the beginning of 2004 also. Projected growth for turnover in 2003 will be 50%. Will be main retailer in new Novosibirsk hypermarket "Levoberezhniy". Stores have modern technology, good parking etc. Prices above average. Has a strategic alliance deal with the developer MIG, who will build sites for the regional expansion projects. Investments in 2002 were \$100 million, same amount forecasted for 2003. Since 1997 the total investments have been \$250 million. Builds also shopping centers, the latest investment in Podolsk \$10 million.
References	e.g. articles 132, 135, 205, 233, 250, 266, 297, 312, 330

<i>Company / Retail brand</i>	<i>Riomag (Риомаг)</i>
Frequency in articles	2
Internet site	-
Home market	St. Petersburg
Turnover/sales (\$/year)	\$50 million / 2002
Number of stores in Russia	2
Geographic coverage (planned)	St. Petersburg
Typical store type, floor space (m ²)	cash&carry hypermarket, 7000
Typical assortment	8000
Notes	Operated by ZAO "RBD" (Rossiisko-Bavarskii trgovii dom, since 1995). Originally a store of a same name in Pushkin. Was changed to the new format and brand Riomag. New store was opened in October 2003 (a \$4 million investment). Plans to bring the number of Spb stores to 4 in two years. Prices 14% lower (cash&carry -> no sales tax). Format very popular in Spb.
References	e.g. articles 317, 319

<i>Company / Retail brand</i>	<i>Sedmoi kontinent (Седмой континент)</i>
Frequency in articles	95
Internet site	www.7cont.ru
Home market	Moscow
Turnover/sales (\$/year)	\$300,5 million / 2002, \$420 million / 2003 (forecast), \$650 million / 2004 (forecast)
Number of stores in Russia	41
Geographic coverage (planned)	Moscow
Typical store type, floor space (m ²)	Supermarket 15 000-25 000
Typical assortment	
Notes	<p>Considered as one of the leading food retail chains in Russia and as one of the market leaders in Moscow. Considered the “most expensive supermarket chain in Moscow”. Owners: ZAO”7K Invest-holding” and OAO”Stolitsnie gastronomi”. Plans to open more than 20 stores during 2004. During the first 9 months of 2003 opened 10 stores in Moscow. 8 more planned by the end of the year. Investments during 2003 will reach \$70 million. Due to chain development costs have increased 32,79% during 2Q/03 as compared to 2Q/02. During 2004 company plans to open 20-22 stores. Has a quality assurance program. Is diversifying into other store types: convenience stores “7 shagov” (target segment: people with >\$400/month income, margin 25%), and deluxe stores “5 zvezd” (target segment: people with >\$1500/month income, margin 50%). Supermarkets target people with incomes between \$400 and \$1400, with 40% margin. Company’s plans for hypermarkets were postponed after the disbandment of joint-venture with Gipertsentr (Mosmart) in September 2003, plans to introduce a new hypermarket project. Company’s regional expansion plans has been so far limited to the Mosmart/Rosmart project. In order to attract larger segments of consumers, a new program of “one price section” will be introduced (everything will cost for example 33 RUB). Has a loan from OAO “AKB Rosbank” worth of 350 million RUB, plus \$20 million. Company has been named in connection with Wal-Mart’s possible entry. In connection with trying to attract investors, the company plans to renew ownership structure and management. ZAO”7K-invest” is currently owned by a Cyprus off-shore company Admona, additionally complicated cross ownership of different entities. Founder is Mosgorduma member Vladimir Grusdev. Through the improved transparency, company plans for an IPO and attracting long term strategic investors in 1-2 years. Company is known for issuing RUB bonds in order to finance operations (3 year bonds in MMVB, total 1,5 billion RUB, during fall 2003).</p>
References	e.g. articles 212, 214, 218, 221, 234, 241, 259, 267, 283, 291, 294, 295, 296, 310, 314

<i>Company / Retail brand</i>	<i>Spar</i>
Frequency in articles	28
Internet site	www.spar.at; www.deltacap.ru; www.marta.ru
Home market	Netherlands
Turnover/sales (\$/year)	\$100 million / 2003 (forecast)
Number of stores in Russia	11
Geographic coverage (planned)	Moscow, (St. Petersburg, Tatarstan, Yoshkar-Ola)
Typical store type, floor space (m ²)	supermarket/convenience store, 3000
Typical assortment	-
Notes	<p>The Netherlands brand's recent history in Russia is characterized by disputes between the main franchise holder in Russia/Moscow, Spar Retail (owned by investment group Delta Capital), and its subfranchisee Marta (also in the construction and polymer packaging materials manufacturing business). Delta Capital also owns the Spar-Srednjaja Volga. Delta Capital receives funds from US pension funds. In August 2003, the two published plans of a merger, result of which would have been Spar Moscow Holding, with exclusive rights to the brand Spar in Russia. Marta's share was to be 79%, while Delta Capital would have got 21%. In September Delta Capital suddenly informed of change in the merger plans. The merger would not take place, since a new unnamed partner was found. Marta has been more active in developing the chain in Russia, and has been willing to get the full rights to the brand from the Netherlands headquarters. Marta is getting an \$8,5 million loan from a syndicate of banks (organized by IMPEKSBANK). The international brand grows mainly by franchising. First store in Russia was opened in 2001. Two of the 11 stores operating in Moscow are operated by Delta Capital and 9 by Marta. In August 2003 Marta acquired the chain Stolitsa (6 stores, \$37 million turnover) from Northern Moscow with \$20 million (biggest acquisition in the Russian retail industry), and plans to increase its store numbers in Moscow to 20 by the end of 2003. Stolitsa stores will come under Spar brand in 1.1.2004. Deal takes Spar in the group of ten biggest retailers in Moscow by turnover. Projected investments by Marta during 2003-2004 are about \$150 million. Marta plans to open 20-30 supermarkets by 2006. Hurries to establish strong position in the market.</p>
References	e.g. articles 282, 296, 298, 305, 309, 318

<i>Company / Retail brand</i>	<i>Kalinka-Stockmann (Stockmann)</i>
Frequency in articles	6
Internet site	www.stockmann.fi
Home market	Finland
Turnover/sales (\$/year)	1 582,3 Million euros (concern total)
Number of stores in Russia	4 (2 in Moscow, 2 in Spb)
Geographic coverage (planned)	Moscow, St. Petersburg
Typical store type, floor space (m ²)	department store; supermarket, 1800
Typical assortment	-
Notes	Subsidiary of the Finnish department store chain ZAO "Kalinka-Stockmann" opened another delicacies gastro-nom in shopping center Mega in Moscow (July 2003). Targets the elite customers with high purchasing power. Operates one department store in Moscow, and 3 specialty food stores in Moscow (1) and St. Petersburg (2).
References	e.g. articles 253, 255

<i>Company / Retail brand</i>	<i>Utkonos (Утконос)</i>
Frequency in articles	10
Internet site	www.utkonos.ru
Home market	Zelenograd
Turnover/sales (\$/year)	Every trade point \$4000 per day
Number of stores in Russia	5
Geographic coverage (planned)	Zelenograd, Mendeleev (Podmoskov), (Moscow)
Typical store type, floor space (m ²)	"Order table"
Typical assortment	Narrow
Notes	The Utkonos chain is the inheritor of Soviet style pre order system of food retailing. The customer leaves an order for products and collects them later with payment. No need for large premises, utilizes effective order handling and logistics systems, and own central warehouses. Moscow authorities invited the somewhat reluctant chain to come to Moscow to solve the problem of lack of stores for the low income populace, as the authorities plan to bring down the uncivilized retail in the capital. The government supported chain plans (September 2003) to open 440 trade points in the near future. Owners include the managers of Severstal Group. Chain is operated by OAO "Noviy impuls". Prices 15-20% below the average.
References	e.g. articles 286, 127

APPENDIX 2 SAMPLE ARTICLE SOURCES

Product.ru (the main source of sample articles)

This *commercial and independent* Russian site is directed to users involved with the food industry in general. Information is provided on manufacturing, trade, equipment, packaging, and transport services. The site maintains a register of companies, a bulletin board, a database of newspaper articles on various topics with significance to the industry, and a register of trade shows. The newspaper article database is updated daily with 15 to 20 new articles that are retrieved from Russian business newspapers and information agencies with national coverage. The use of the database is free, while the full service package is provided against a yearly payment.

(www.product.ru)

Vedomosti

Founded in 1999. A joint venture of Dow Jones, Pearson PLC and Independent Media. Vedomosti (The Record) is an independent Russian business newspaper, cooperation with The Financial Times and The Wall Street Journal. Achieved profitability in 2002, ahead of schedule. Circulation: 33,000.

(www.vedomosti.ru, Dow Jones & Company 2002 Annual report)

RBC (RosBusinessConsulting)

RosBusinessConsulting (RBC) is Russia's leading Internet holding company. Founded in 1993, and currently is one of the major information providers in Russia, the internet site has more than 200 000 hits daily. Company cooperates with such news and information agencies as Bridge Telerate, Tenfore, Reuters Business Briefing, CQG and AFX News. Relays volumes of Russian business and financial news. Partners: London City Brokers, The Moscow Times etc.

(www.rbc.ru)

Izvestija

A major Moscow based newspaper, with national coverage. Circulation is 234 500, published daily. Covers both politics, society, and business news.

(www.izvestija.ru)

Gazeta.ru

Major on-line news site since 1999. Founded by professional journalists. Covers both political and business news. The site has received several awards for quality work (e.g. international NetMediaAward 2002). Daily hits of site 88 100.

(www.gazeta.ru)

Kompanija

A weekly business news publication based in Moscow. Publisher ЗАО "Издательский дом "Курьер".

(www.ko.ru)

Finansovie Izvestija

A subsidiary of Izvestija with focus on economics, industry reviews, and markets.

(www.finiz.ru)

RIA"Novosti"

Russian Information Agency Novosti has been operating since 1991. It is the state news and analytical agency of the Russian Federation. Offers a range of periodicals, press and photo services. Covers political, business, scientific, and financial news daily.

(www.rian.ru)

Regnum.ru

Regnum.ru is a Moscow based information agency, with national coverage. Has several subsidiaries in major Russian cities and correspondents in most. Special emphasis on business and politics.

(www.regnum.ru)

Kommersant

The company ИД "КОММЕРСАНТЪ" publishes a variety of magazines and news publications. Kommersant is a daily business newspaper since 1992. Other well known company publications are the weekly Kommersant Dengi and Kommersant Vlast.

(www.kommersant.ru)

ABN

ABNews.ru is the leading business news agency in St. Petersburg and North-Western Russia. The site has 14 000-15 000 hits daily.

(www.abnews.ru)

APPENDIX 3 SAMPLE ARTICLE REFERENCES (source: www.product.ru)

No	Date	Source	Heading
1	3.7.2002	Vedomosti	"Седьмой континент" выпускает облигации
2	4.7.2002	Vedomosti	Московским универсамам тесно. Столичные супермаркеты выходят на питерский рынок
3	8.7.2002	Vedomosti	Розничное лобби. Российские ритейлеры занимают оборонительные позиции
4	9.7.2002	Vedomosti	"Рамэнка" вложит в Петербурге \$60 млн
5	9.7.2002	Kompanija	Диктатура розницы: производители и розничные сети пытаются доказать друг другу, кто главнее
6	10.7.2002	Vedomosti	Десять пунктов "Седьмого континента"
7	11.7.2002	Vedomosti	Люкс с социальным уклоном
8	15.7.2002	Vedomosti	"Гвоздь 2" сорвался с "якоря". Основным арендатором комплекса станет "Перекресток"
9	15.7.2002	Vedomosti	"Рамстору" тесно в Петербурге. Не хватает площадок под застройку
10	15.7.2002	Interfaks	"Перекресток" планирует в 2002 году увеличить объем продаж до \$310 млн
11	16.7.2002	Vedomosti	Супермаркет на сваях. Построит Абрамович в своей столице
12	16.7.2002	Vedomosti	Интервью: Томас Хюбнер, председатель правления Metro cash & carry
13	16.7.2002	Izvestija	Патрик Ланге, генеральный директор Auchan в России: "Нас здесь не ждали"
14	23.7.2002	Vedomosti	Общий директор
15	23.7.2002	Izvestija	Деньги в авоську
16	23.7.2002	ABN	Ежемесячный объем продаж московской сети "Пятерочка" достиг 12 млн долл
17	24.7.2002	Vedomosti	Русский Auchan готовится к открытию
18	25.7.2002	Vedomosti	216 "Пятерочек". Может появиться в Москве

No	Date	Source	Heading
19	29.7.2002	Vedomosti	Metro отбилась от МАПа. Теперь российские торговцы надеются, что победить конкурента им помогут налоговики
20	29.7.2002	Vedomosti	Битва дискаунтеров. Разворачивается на берегах Невы
21	31.7.2002	Vedomosti	"Рамстор" взялся за кино. Трехмерное
22	31.7.2002	AK&M	Чистая прибыль Metro AG во II квартале упала на 13% до 58,8 млн евр
23	31.7.2002	Regions.ru	Нижегородскую область с деловым визитом посетит делегация "METRO Cash & Carry"
24	1.8.2002	Izvestija	Открытый материк. "Седьмой континент" хочет продаться иностра
25	1.8.2002	Gazeta	Под прицелом. Окажутся московские магазины
26	1.8.2002	Prain-Tass	"Седьмой континент" планирует увеличить торговый оборот
27	2.8.2002	Vedomosti	"Седьмой континент" собрался в провинцию
28	7.8.2002	Vedomosti	Санэпиднадзор не узнает. Сколько "пищи Франкенштейна" продается в России
29	8.8.2002	Vedomosti	"Пятерочка" разошлась с Unilever
30	12.8.2002	Vedomosti	"Седьмой континент" купил пару "Перекрестков"
31	12.8.2002	ABN	Metro построят в районе "Ржевка – Пороховые"
32	13.8.2002	Vedomosti	Metro договаривается с Нижегородской областью
33	13.8.2002	Vremja MN	Грошовые сети
34	13.8.2002	Interfaks	Metro и Нижегородская область подписали протокол о сотрудничестве
35	14.8.2002	Vedomosti	Auchan собрался в российские регионы
36	14.8.2002	Gazeta	Сети расставлены
37	19.8.2002	Vedomosti	Супермаркеты пошли в Сеть. За обеспеченными клиентами
38	23.8.2002	Vedomosti	"Перекресток" высоких технологий. Сеть супермаркетов приторговывает программным обеспечением

No	Date	Source	Heading
39	27.8.2002	Vedomosti	Auchan открывается
40	28.8.2002	Vedomosti	Auchan написался кириллицей
41	28.8.2002	RBK	Розничная сеть "Рамстор" запустила новую маркетинговую акцию
42	29.8.2002	Vedomosti	"Юнилэнд" ищет инвестора
43	3.9.2002	Vedomosti	Точка перелома рынка. Торговля держится за "якорь"
44	3.9.2002	Vedomosti	Точка перелома рынка. Альтернатива: стагнация или спад цен
45	3.9.2002	Ekspert	"Гипермаркет с гиперсервисом"
46	4.9.2002	Vedomosti	Ритейлеры получили землю в Петербурге
47	6.9.2002	Vedomosti	В Подмосковье придет Атаc. Область выделила 50 участков под новые торгцентры
48	10.9.2002	Izvestija	Деньги на полках. "Седьмой континент" размещает облигации
49	10.9.2002	Kompanija	"Плати и уноси"
50	11.9.2002	Vedomosti	"Рамстор" выходит в регионы. Сеть магазинов протянется от Калининграда до Красноярска
51	16.9.2002	Vedomosti	"Розница - это хлопотный бизнес". Сети "Продмак" и "Столица-Север" выставлены на продажу
52	17.9.2002	Vedomosti	Магнолия" снова расцветает. Менеджеры "Дикой орхидеи" создают сеть мини-маркетов
53	17.9.2002	Kompanija	"Копейка" доллар бережет: розничная сеть не спешит тратить деньги, обещанные ЮКОСом
54	19.9.2002	Vedomosti	Чигиринский привел Real. Чтобы строить 20 гипермаркетов
55	20.9.2002	Vedomosti	Новые cash & carry Петербурга
56	23.9.2002	Vedomosti	"Дядю Ваню" зовут в Германию. Metro хочет продавать наш хрен
57	24.9.2002	Ruskii fokus	Лужков не против немецких гипермаркетов
58	25.9.2002	Vedomosti	"Рамзай" создает новую розничную сеть

No	Date	Source	Heading
59	26.9.2002	Vedomosti	Ритейлеры атакуют Auchan
60	26.9.2002	RIA"Novosti"	В ближайшие годы в Москве будет построено 300 новых гипермаркетов
61	27.9.2002	Interfaks	"Седьмой континент" вложил в 2002 г в развитие торговой сети более \$45 млн
62	27.9.2002	Vedomosti	Открылся еще один "Рамстор"
63	27.9.2002	Prain-Tass	Торговый дом "Перекресток" планирует в ближайшие 3 года открыть 10 магазинов в Санкт-Петербурге
64	30.9.2002	Vedomosti	"Капитал Групп" занялась торгцентрами
65	30.9.2002	Izvestija	Мода на супермаркеты
66	1.10.2002	Kommersant	Георгий Полтавченко уходит в торговлю
67	9.10.2002	Vedomosti	Metro ужесточает условия
68	10.10.2002	Vedomosti	У "Перекрестка" будет свое пиво
69	11.10.2002	Kommersant	Тяжелый опыт мелкого опта
70	14.10.2002	Vedomosti	Банк Москвы взялся за гастроном
71	18.10.2002	Vedomosti	Седьмой континент" нашел инвестора
72	18.10.2002	ABN	Годовой оборот компании "Пятерочка" составил 407 млн долл
73	21.10.2002	Product.ru	Магазинов не хватает даже богатым
74	21.10.2002	RBK	Торговая сеть "Рамстор" продолжает маркетинговую акцию по снижению цен
75	22.10.2002	Vedomosti	Утконос" движется на Москву
76	22.10.2002	Izvestija	Поход на Восток откладывается. У гигантов ритейла слишком много проблем в Европе
77	23.10.2002	Vedomosti	ЕБРР прокредитует "Пятерочку" на \$30 млн
78	29.10.2002	Vedomosti	"Пятерочка" опередила всех. Компания пришла в регионы раньше крупнейших столичных сетей

No	Date	Source	Heading
	7929.10.2002	RIA"Novosti"	Еще три магазина "МЕТРО Кэш энд Керри" войдут в строй в Москве в 2003 году
	8031.10.2002	Vedomosti	"Перекресток" идет в Ростов-на-Дону
81	4.11.2002	Vedomosti	Торговцев гонят за "красную линию"
82	5.11.2002	Vedomosti	"Перекресток" готовят к IPO. Для начала 5% акций торгового дома предложат иностранным инвесторам
83	5.11.2002	Vedomosti	Началось строительство "Планеты Нептун". Закончится ли оно, зависит от торговцев
84	5.11.2002	RIA"Novosti"	В районе МКАД и третьего транспортного кольца планируется начать строительство крупных торговых комплексов
85	6.11.2002	Vedomosti	"Перекресток" зашел в ГУМ. Ритейлор купил 10% акций самого знаменитого универмага
86	6.11.2002	RBK	Супермаркет "Лента" на Пулковском шоссе окупится через 4 года
87	13.11.2002	Vedomosti	Перекресток" купит службу доставки. К которой присматривался "Седьмой континент"
88	14.11.2002	Vedomosti	Гипермаркеты на двоих. Создадут "Седьмой континент" и бывший глава "Перекрестка"
89	15.11.2002	Vedomosti	Глава "Перекрестка" обосновался в ГУМе. На правах замгендиректора
90	18.11.2002	Vedomosti	Седьмой континент" вступает в борьбу. За акции ГУМа
91	18.11.2002	Vedomosti	Интервью: Лев Хасис, председатель совета директоров ТД "Перекресток"
92	20.11.2002	Vedomosti	Сбербанк кредитует "Гиперцентр"
93	20.11.2002	Vedomosti	"Пятерочка" заработает на рекламе
94	20.11.2002	Kommersant	Wal-Mart въезжает в Россию на Metro
95	21.11.2002	Vedomosti	"Планета" сближает сети
96	25.11.2002	Gazeta.ru	Оборот розничной торговли в России за 10 месяцев 2002 года вырос на 9%
97	26.11.2002	Regnum.ru	"Пятерочка" расширяет торговые площади в Москве
98	26.11.2002	Regnum.ru	ТД "Перекресток" открыл новый торговый центр в Москве

No	Date	Source	Heading
	9926.11.2002	Gazeta.ru	IFC помогла компании "Рамэнка" получить пакет займов на \$70 млн
	10027.11.2002	Vedomosti	"Пятерочка" на Урале
	10127.11.2002	Kompanija	Соломка для Wal-Mart
	10229.11.2002	Vedomosti	Универсамы зовут в "Союз"
	103 2.12.2002	Vedomosti	"Копейка" в Самаре
	104 3.12.2002	Vedomosti	НЛМК занялся розничной торговлей. Почти случайно
	105 3.12.2002	Vedomosti	"Перекресток" отправляется в регионы
	106 3.12.2002	RBK	"Пятерочка", сеть универсамов экономкласса, открыла в Москве 50-ый магазин
	107 5.12.2002	Vedomosti	Конкурент для Auchan появится через дорогу от него
	108 5.12.2002	Izvestija	Российский гипермарш. "Седьмой континент" объявил о создании новой сети гипермаркетов
	10910.12.2002	Vedomosti	"Мега" встречает покупателей
	11011.12.2002	Vedomosti	Субботник для партнера. Устроил "Седьмой континент"
	11111.12.2002	Kompanija	Бес посредников. Перед торговыми компаниями остро встал вопрос выживания
	11216.12.2002	Vedomosti	Orbit остается без "Копейки". Ее получит Dirol
	11317.12.2002	Vremja Novostei	"Ашан" продолжает бить по ценам
	11417.12.2002	Novosti trgovli	Год за два. На российском розничном рынке
	11519.12.2002	Vedomosti	Еще в двух городах откроются "Рамсторы"
	11620.12.2002	ABN	Сеть универсамов "Патэрсон" (Москва) инвестирует в развитие в 2003 г 15-17 млн долл
	11723.12.2002	Vedomosti	Метро вкладывает в Россию \$600 млн. И привыкает к налоговым проверкам
	11823.12.2002	Vedomosti	В Москве появилось "Сільпо"

No	Date	Source	Heading
119	23.12.2002	Izvestija	Наши люди в булочной. Оливье-2003 опять будут покупать на рынках
120	24.12.2002	Vedomosti	Центральному рынку не везет. Его владельцев просят поделиться
121	25.12.2002	Vedomosti	Розничный патриотизм. МЭРТ разрабатывает концепцию развития внутренней торговли
122	25.12.2002	Vedomosti	"Мы вынуждены перейти к этапу инвестирования" - "Рамстор"
123	25.12.2002	Ruskii fokus	Цивилизованная торговля наступает
124	26.12.2002	Regnum.ru	ТД "Перекресток" подводит предварительные итоги года
125	10.1.2002	RBK	Рост продаж компании Metro AG в 2002 г составил 4% вместо ожидаемых 5%
126	14.1.2002	Vedomosti	"Утконос" зовут в столицу
127	15.1.2002	Vedomosti	"Утконос" нашел защиту от МАПа. В лице Юрия Лужкова
128	15.1.2002	Vedomosti	"Седьмой континент" отчитался
129	23.1.2002	Vedomosti	Metro ищет себе сотрудников в Санкт-Петербурге. Петербургские торговцы очень обижаются
130	24.1.2002	AK&M	Оборот розничной торговли в РФ в 2002 году вырос на 9,1% до 3,72 трлн руб
131	30.1.2002	RBK	Компания "Рамэнка" открывает новый супермаркет в Зеленограде
132	3.2.2003	Izvestija	Торговля уходит из Москвы
133	3.2.2003	Kommersant-	В Москве появится немецкий гипермаркет
134	4.2.2003	Vedomosti	"Пятерочка" требует жертв. От своих лучших поставщиков
135	4.2.2003	Vedomosti	"Рамстор" споткнулся. Открытие его магазинов в Петербурге откладывается
136	4.2.2003	Product.ru	Событие: международный форум "Российский рынок розничной торговли"
137	4.2.2003	Ruskii fokus	Москва в торговом кольце
138	5.2.2003	RBK	Супермаркеты и рынки Москвы торгуют некачественными продуктами

No	Date	Source	Heading
139	5.2.2003	Regnum.ru	Госторгинспекция Москвы не имеет претензий к "Перекрестку"
140	7.2.2003	Regions.ru	К 2005 году в Казани появятся шесть гипермаркетов
141	12.2.2003	Vedomosti	Московские рынки приватизируют
142	13.2.2003	Vedomosti	"Рамзай" построит распределительный центр
143	13.2.2003	FIS	Сети компаний розничной торговли юго-восточной Азии могут начать работу в Приморском крае раньше
144	14.2.2003	Vedomosti	Сюрприз для ларечников готовят в столичном правительств
145	14.2.2003	Kommersant	Поставщиков прокатили в "Метро". За недопоставки товаров придется платить дополнительно
146	18.2.2003	Finansovie	Компании Ramenka, Ikea, Auchan, Metro Cash&Carry откроют в Казани гипермаркеты
147	19.2.2003	RBK	Торговые сети начинают развивать логистику
148	26.2.2003	Vedomosti	Метро выгоняет мерчендайзеров. Наняв специальное агентство
149	3.3.2003	Vedomosti	"БИН" меняет цвет и название. Сеть переименована в "Петровский"
150	3.3.2003	Vedomosti	"Патэрсон" пошел в Подмосковье
151	5.3.2003	Vedomosti	"Перекресток" пытается стать удобным. Компания открывает магазины новой концепции
152	5.3.2003	Vedomosti	"Черкизовский" строит терминал в Петербурге
153	6.3.2003	Vedomosti	"Лента" растет
154	6.3.2003	Product.ru	ТД "Перекресток" оптимизирует ассортимент в секторе соевых продуктов
155	6.3.2003	Finansovie	Рамстор добрался до Красноярска
156	13.3.2003	RIA"Novosti"	Москвич тратит на покупки в магазинах вдвое больше средств, чем житель Праги или Варшавы
157	13.3.2003	RIA"Novosti"	Малышков: реорганизация столичных рынков идет целенаправленно
158	14.3.2003	Vedomosti	Новое кино "Перекрестка": ритейлер и его поставщики снимают мыльную оперу

No	Date	Source	Heading
159	14.3.2003	RBK	Москва отказывается от супермаркетов
160	20.3.2003	Vedomosti	Правительство Москвы намерено открыть 2000 - 2500 "магазинов на углу"
161	20.3.2003	Vedomosti	Калининград подкинет Москве "Алтын"
162	20.3.2003	CKRIN"Emitent"	28 апреля 2003 г в Санкт-Петербурге откроется центр мелкооптовой торговли ЗАО "Метро"
163	25.3.2003	Vedomosti	"Копейка" и "Патэрсон" делят Тверь. Город становится полигоном для сетевых ритейлеров
164	25.3.2003	Finansovie	В Москве появятся автоматизированные магазины предварительных заказов
165	26.3.2003	RBK	У "Патэрсона" большие планы
166	27.3.2003	Vedomosti	В Россию идут литовские ритейлеры: первопроходцем стала Norfa, за ней может последовать Vilniaus Prekyba
167	27.3.2003	ABN	Сеть универсамов "Патэрсон" начала масштабную реструктуризацию
168	28.3.2003	Vedomosti	У "Пятерочки" появится гипермаркет. В Санкт-Петербурге
169	1.4.2003	Vedomosti	"Спар ритэйл" остался без гендиректора. А может остаться и без магазинов
170	1.4.2003	Vedomosti	"Пятерочка" отчиталась
171	1.4.2003	Vremja Novostei	"Пятерочка" всех обошла. Гастрономы эконом-класса берут рынок объемами, а не сервисом
172	1.4.2003	Finansovie	"Копейка" приобретет 2 московские и 2 региональные торговые сети
173	3.4.2003	Vedomosti	"Копейка" на швейной фабрике
174	4.4.2003	Vedomosti	"Седьмой континент" дошел до Владивостока. Но сам в этом не до конца уверен
175	4.4.2003	Vedomosti	"Перекресток" прописался в Самаре
176	7.4.2003	Ekspert	Торговый дом "Перекресток" в 2003 г планирует инвестировать \$50 млн в развитие сети магазинов
177	8.4.2003	Kompanija	Борьба противоположностей. Почему так агрессивна сеть «Пятерочка»
178	8.4.2003	Ruskii fokus	Недоделенная торговля. Отечественные и иностранные ритейлеры поделились взглядами

No	Date	Source	Heading
179	9.4.2003	Vedomosti	Auchan в "Космосе". Первый гипермаркет французской сети может открыться в Петербурге в 2005 г.
180	11.4.2003	Vedomosti	По "Копейке". Торговая сеть разработала новую программу франчайзинга
181	14.4.2003	Vedomosti	Сюрприз для "Перекрестка". Приготовил в Самаре "Русский сувенир"
182	16.4.2003	Vedomosti	Последняя реорганизация. Ожидает мелких московских торговцев
183	16.4.2003	Vedomosti	Долгая дорога в Питер. Приход "Седьмого континента" в северную столицу откладывается
184	18.4.2003	Vedomosti	"Пятерочка" подорожала. Сеть подняла стоимость своей франшизы вдвое
185	18.4.2003	Vedomosti	"Сильпо" в российской столице не прижилось. Украинская розничная сеть может уйти из Москвы
186	21.4.2003	Vedomosti	Templeton вышел на "Перекресток". Международный инвестор купил акции нашей розничной компании
187	22.4.2003	Vedomosti	Metro поделилась брендом. Русские брынза, яйца и майонез теперь называются Аго
188	23.4.2003	Gazeta.ru	Srag построит торговый центр в Марий Эл
189	24.4.2003	Vedomosti	"Перекресток" оценен в \$240 млн. Templeton купил 7,7% акций сети
190	24.4.2003	Kommersant	Крестьяне спасут городские магазины. Если будут в них закупаться
191	28.4.2003	Vedomosti	"Пятерочке" становится тесно в дискаунтерах. Она готовится строить гипермаркеты
192	28.4.2003	Vedomosti	В Петербурге открылся первый магазин Metro
193	28.4.2003	RBK	"Метро Кэш энд Керри" открыло первый центр мелкооптовой торговли в Санкт-Петербурге
194	29.4.2003	Vedomosti	Гибкая аренда. Торговые центры идут на уступки клиентам
195	29.4.2003	RBK	Объем продаж компании Metro Cash&Carry GmbH в 2002 г превысил 23,9 млрд евро
196	13.5.2003	Vedomosti	"Пятерочка" прорвалась в Екатеринбург
197	14.5.2003	Vedomosti	Торговцы делят Рублевку. На престижном шоссе появится "Перекресток"
198	14.5.2003	Vedomosti	Подмосковных торговцев посчитают

No	Date	Source	Heading
199	16.5.2003	Vedomosti	Менеджеров "Сильпо" трудоустроили. Они займутся созданием новой торговой сети
200	19.5.2003	RBK	С 2004 г места для размещения объектов мелкорозничной торговли в столице будут распределяться только на
201	20.5.2003	Kommersant	"Пятерочке" тесно в магазинах. Она хочет строить гипермаркеты
202	21.5.2003	Vedomosti	Real появится в Отрадном. Участки под гипермаркеты сети будут выделены в течение месяца
203	21.5.2003	Vedomosti	Спор "Копеек" может возобновиться
204	21.5.2003	RBK	В декабре 2003 г в Петербурге откроется новый магазин сети "Лента"
205	22.5.2003	Vedomosti	МИГ решил объединить усилия с "Рамстором". Чтобы осваивать регионы
206	22.5.2003	RBK	В строительство гипермаркета "Окей" в Красносельском районе Санкт-Петербурга вложено около 10 млн долл
207	22.5.2003	RBK	Торговые сети снизят цены, если отменят налог с продаж
208	23.5.2003	Vedomosti	Ритейлеры обещают скидку в 5%. Если не сохранится налог с продаж
209	23.5.2003	Gazeta	Оборот розничной торговли в январе-апреле вырос на 8,9%
210	26.5.2003	Vedomosti	"Перекресток" отлаживает управление
211	26.5.2003	Vedomosti	Ритейлеры обратились к Селезневу
212	27.5.2003	RBK	"Седьмой континент" займет осенью 1,5 млрд руб
213	27.5.2003	Vedomosti	Metro обещает \$1 млрд. Российским чиновникам
214	27.5.2003	Vedomosti	Новые форматы "Седьмого"
215	27.5.2003	RIA "Novosti"	В Москве откроется четвертое "Метро"
216	27.5.2003	Gazeta.ru	Розничные сети предсказывают рост розничного товарооборота в 2004 году на 10-15%
217	28.5.2003	Vedomosti	Metro продолжает переговоры
218	29.5.2003	Vedomosti	"Седьмой континент" стал прозрачнее. Владельцы розничной сети оформляют на себя акции подконтрольных

No	Date	Source	Heading
219	30.5.2003	Vedomosti	"Перекресток" обрел колеса: его партнером стала "Служба 77"
220	4.6.2003	Vedomosti	Спаг в Казани. Строит "Марта"
221	4.6.2003	Kompanija	"Континент" уходит с Кипра: владельцы розничной сети отказываются от офшора и перекрестных схем
222	9.6.2003	Vedomosti	Почти "Мега-2"
223	9.6.2003	Gazeta.ru	11 июня Auchan откроет свой третий гипермаркет
224	11.6.2003	Vedomosti	Metro не поспеет на инвестиции в нашу розничную торговлю
225	11.6.2003	Vedomosti	Торговцев берут на испуг. Нижегородская администрация обещает выставить на конкурс 16 торговых площадок
226	16.6.2003	Vedomosti	Московская розница растет
227	16.6.2003	Finansovie	Западные торговые сети открывают в Москве один супермаркет за другим
228	18.6.2003	Vedomosti	Немцы под Москвой. Группа REWE может построить сеть дискаунтеров в области
229	20.6.2003	Vedomosti	"Мосмарт" научится у Carrefour. Осваивать регионы
230	20.6.2003	Vremja Novostei	Копеечная розница. У "Ашана" появился российский конкурент - "Мосмарт"
231	24.6.2003	Vedomosti	Metro появится в Печатниках. Освобождать территорию придется десяти предприятиям
232	26.6.2003	Vedomosti	По ленинским местам. "Пятерочка" выходит на рынок Ульяновска
233	26.6.2003	RBK	"Рамэнка" 27 июня откроет в Москве новый супермаркет "Рамстор"
234	27.6.2003	RBC Daily	"Алые паруса" превратятся в элитный супермаркет
235	30.6.2003	Vedomosti	"Елисейевский" переходит на самообслуживание. Знаменитый магазин станет супермаркетом
236	1.7.2003	Finansovie	Столичные власти намерены запретить перепрофилирование продуктовых магазинов в центре
237	2.7.2003	Gazeta.ru	Магазинов для бедных не будет
238	3.7.2003	Vedomosti	Ритейлеров потянуло на Волгу. Самарская область становится территорией ожесточенной конкуренции

No	Date	Source	Heading
239	3.7.2003	Regnum.ru	В столице до 2006 года появятся 1107 новых магазинов
240	3.7.2003	Delovoi	Объем инвестиций в строительство в Петербурге трех универсамов сети "Пятерочка" составляет 70,5 млн руб
241	10.7.2003	Vedomosti	Wal-Mart придет в 2004-м
242	10.7.2003	Vedomosti	Наперегонки. Будут осваивать регионы "Рамстор" и "Перекресток"
243	10.7.2003	Vedomosti	Столицы обмениваются сетями. Взаимная экспансия проходит очень медленно
244	10.7.2003	Vedomosti-Spb	Эволюция оптовиков
245	11.7.2003	Vedomosti	"Планета" потрясла ритейлеров. Рекламируя свои облигации, группа пообещала открыть 500 магазинов до 2007 г
246	14.7.2003	Interfaks	Сбербанк планирует вложить более \$100 млн в строительство национальной сети торговых центров
247	16.7.2003	Vedomosti	Интервью: Андрей Бесхмельницкий, гендиректор группы "Планета"
248	16.7.2003	RIA"Novosti	Размещение точек мелкорозничной торговли в столице будет регулироваться новым законом
249	17.7.2003	Vedomosti	Россия - мечта ритейлеров, если верить новому исследованию А.Т.Kearney
250	18.7.2003	Vedomosti	В Новосибирске планируется строительство гипермаркета площадью 30 000 кв м
251	21.7.2003	Praim-Tass	Гордеев предлагает ограничить торговую наценку на хлеб 10 процентами
252	21.7.2003	Finansovie	Бывший менеджер Ford назначен финансовым директором ТД "Перекресток"
253	23.7.2003	Vedomosti	"Эльдорадо" закрывается. Элитный супермаркет не смог конкурировать с западными ритейлерами
254	24.7.2003	Vedomosti	Розничная сеть "Патэрсон" заключила альянс с группой "Корстон"
255	25.7.2003	Vedomosti	Stockmann откроется в "Мега"
256	25.7.2003	Stolitsnaja	"Азбука Вкуса" меняет обложку
257	29.7.2003	Stolitsnaja	Столичное правительство объявило войну ларечникам
258	29.7.2003	NEWSru.com	С начала года продукты в Москве подорожали на 12%

No	Date	Source	Heading
259	30.7.2003	Vedomosti	Бросок в провинцию. Столичные ритейлеры наконец осознали выгоды работы в регионах
260	1.8.2003	Stolitsnaja	Немецкие гипермаркеты откроются по всей Москв
261	5.8.2003	Vedomosti	"Патэрсон" может поднять цены. На региональные магазин
262	5.8.2003	Regnum.ru	В Нижнем Новгороде появятся универсамы компании "Патэрсон"
263	7.8.2003	Vedomosti	"Дешево" меняет концепцию и название
264	11.8.2003	RBK	"Седьмой континент" занял 20 млн долл у Росбанка
265	12.8.2003	Vedomosti	Ленинградский рынок снесут. На его месте может появиться торговый центр
266	13.8.2003	Vedomosti-	"Патэрсон" придет в Нижний на готовое. Если найдет партнера для строительства магазинов
267	13.8.2003	RBK	"Седьмой континент" терпит убытки
268	13.8.2003	Finansovie	До конца года в Москве откроются 170 новых магазинов эконом-класса
269	13.8.2003	RBK	Открытие нового торгового комплекса "Лента" в Петербурге состоится 15 августа
270	15.8.2003	Vedomosti	Из "Сільпо" вышел "Семен Семеныч". Бывшие менеджеры украинского ритейлора создают новую сеть
271	15.8.2003	Product.ru	«1С-Рарус» (Москва) совместно с компанией «Техно-линк» (Екатеринбург) автоматизирует сети
272	18.8.2003	Kommersant-	"Перекресток" выиграл сражение за Горки-2
273	20.8.2003	Vedomosti	Sprag на двоих. Московские операторы сети объединяются
274	21.8.2003	Vremja Novostei	"Марта" и "Дельта" сплели сеть. Под брендом Sprag
275	21.8.2003	ABN	Торговая сеть "О-Кей" планирует к 2006 г построить в Санкт-Петербурге 10 гипермаркетов
276	22.8.2003	Regions.ru	В Ростове появится "Метро"
277	22.8.2003	RBC Daily	"Патэрсон" готовится к слиянию
278	25.8.2003	Vedomosti	"Перекресток" идет в рост. Компания построит офисно-торговый центр

No	Date	Source	Heading
279	25.8.2003	Vedomosti	Метро берет Казань, Ростов и Нижний
280	27.8.2003	Vedomosti-	Метро определилась с местом. Компания построит торговый центр у Мещерского озера
281	27.8.2003	RIA"Novosti"	В текущем году в столичных магазинах появятся продукты с новой маркировкой
282	28.8.2003	Vedomosti	Из "Столицы" сделают Spag: холдинг "Марта" покупает розничную сеть за \$20 млн
283	28.8.2003	RBK	"Росбанк" выдал "Седьмому континенту" 350 млн руб
284	5.9.2003	Vedomosti	Рекордный август. Цены упали на 0,4%
285	5.9.2003	Vedomosti	"Перекресток" пришел в Поволжье
286	5.9.2003	RIA"Novosti"	Власти Москвы намерены бороться с несанкционированной торговлей организацией специальной сети магазинов
287	10.9.2003	Vedomosti	"Служба 77" купила "Службу 78". Чтобы покорить Петербург
288	12.9.2003	Vedomosti	Пятерочка" без границ. Дискаунтерная сеть построит гипермаркеты
289	12.9.2003	Vedomosti	"Детский "Патэрсон". Продуктовая сеть пойдет в регионы с "Детским миром"
290	15.9.2003	Vedomosti	"Пятерочка" идет в райцентры. Сеть начала освоение городов Ленинградской области
291	17.9.2003	Vedomosti	"Седьмой континент" прикинется дешевым. В магазинах сети появляются отделы "Все за 33 рубля"
292	18.9.2003	RBK	РwС: Вероятность покупки российских торговых сетей иностранными компаниями крайне низка
293	22.9.2003	Vedomosti	"Пятерочку" пытаются остановить. Екатеринбургские торговцы
294	23.9.2003	Kompanija	Не пара. "Семерка" развелась с "Гиперцентром"
295	24.9.2003	Vedomosti	Развод в розницу. Альянс "Гиперцентра" и "Седьмого континента" разорван
296	26.9.2003	Vedomosti	Магазины мельчают. Зато их будет очень много
297	26.9.2003	Vedomosti	"Левобережный" меняет имя на "Торговый город"
298	30.9.2003	Vedomosti	Несостоявшийся альянс. Delta Capital отказалась от союза с "Мартой"

No	Date	Source	Heading
299	30.9.2003	Vedomosti-	Обилие проектов
300	30.9.2003	Kompanija	Розница не для ЮКОСа. Кому интересна сеть "Копейка"
301	1.10.2003	RBK	До конца 2003 г в Санкт-Петербурге откроются 5 универсамов "Патэрсон"
302	3.10.2003	RBK	Правительство намерено ужесточить ответственность за нарушения правил торговли
303	6.10.2003	Vedomosti	"Копейка" вернется основателю. За помощь в сделке "НИКойл" получит половину розничной компании
304	6.10.2003	RBK	"Патэрсон" планирует до конца 2004 г вложить около 10 млн долл в открытие 10 супермаркетов в Петербурге
305	8.10.2003	Kompanija	"Спаривание" остановлено. "Марта" и Spar Retail нашли новых партнеров для развития розничных проектов
306	9.10.2003	Vedomosti	"Частными заказами сыт не будешь". "Служба 77" занялась обслуживанием заведений общепита
307	9.10.2003	RBK	У МКАД появятся оптовые центры
308	9.10.2003	Agentstvo	Немецкий концерн "Метро АГ" намерен построить в Екатеринбурге торговый центр
309	10.10.2003	Vedomosti	"Марта" получит \$8,5 млн на развитие Spar. У синдиката зарубежных банков
310	14.10.2003	Finansovie	Жареные контрафакты. Третий российских магазинов торгует поддельными товарами
311	14.10.2003	Kommersant-	"Пятерочка" отдалась региональным партнерам: развивать сеть в регионах будут франчайзеры
312	15.10.2003	Delovoi	"Рамэнка" планирует в марте 2004 г открыть в Петербурге первый "Рамстор"
313	15.10.2003	RBK	"Темп Первый" откроет в Петрозаводске магазин, базу и представительство
314	16.10.2003	Gazeta.ru	"Седьмой континент" планирует в 2004 году открыть около 20 новых магазинов
315	16.10.2003	RBK	Инвестиции ЗАО "Доринда" третий гипермаркет "ОКей" составляют 10 млн долл
316	17.10.2003	Vedomosti	"Копейка" продана
317	17.10.2003	RBK	ЗАО "РБД" инвестировало 4 млн долл в открытие первой очереди сети "Риомаг"
318	17.10.2003	Regnum.ru	Spar Middle Volga построит в Йошкар-Оле торговый центр в 3000 кв м

No	Date	Source	Heading
31920.10.2003	10.2003	Vedomosti	Аскетичные гипермаркеты. В Петербурге формат cash & carry популярней, чем в Москве
32020.10.2003	10.2003	Vedomosti	"Пятерочка" откроет еще 10 магазинов
32121.10.2003	10.2003	RBK	ЗАО "Доринда" инвестировало 36,6 млн долл. в строительство гипермаркетов "ОКей" в Москве и Ростове
32221.10.2003	10.2003	Praim-TASS	Оборот розничной торговли в РФ за 9 месяцев 2003 г увеличился на 8,2 проц
32324.10.2003	10.2003	Vedomosti	"Копейке" предложили вернуться на заправки. Магазины сети могут появиться на АЗС "ЛУКОЙЛа"
32424.10.2003	10.2003	Vedomosti	"Патэрсон" появился в Казани
32524.10.2003	10.2003	Praim-TASS	"Копейка" планирует выпустить акции на открытый рынок
32624.10.2003	10.2003	RBK	"Агроторг" инвестировал 400 тыс долл в открытие магазина "Пятерочка" во Всеволожске
32727.10.2003	10.2003	Izvestija	Вовочка и Штирлиц подставили "Пятерочку". Московские чиновники не оценили питерский юмор...
32830.10.2003	10.2003	Vedomosti	Торгцентры по-европейски. Будет строить в России германская ECE Projektmanagement
32930.10.2003	10.2003	RBK	ООО "Пионер" (сеть "Лента") планирует до конца 2003 г реализовать в Петербурге продукцию на сумму 270 тыс
33031.10.2003	10.2003	Vedomosti	"Рамстор" инвестировал \$10 млн в Подмосковьё