



Internet business in Kazakhstan (1991-2011)

Kazakhstan population stats

Kazakhstan has 2,724,900 sq km
Population Density is 6 persons per sq km

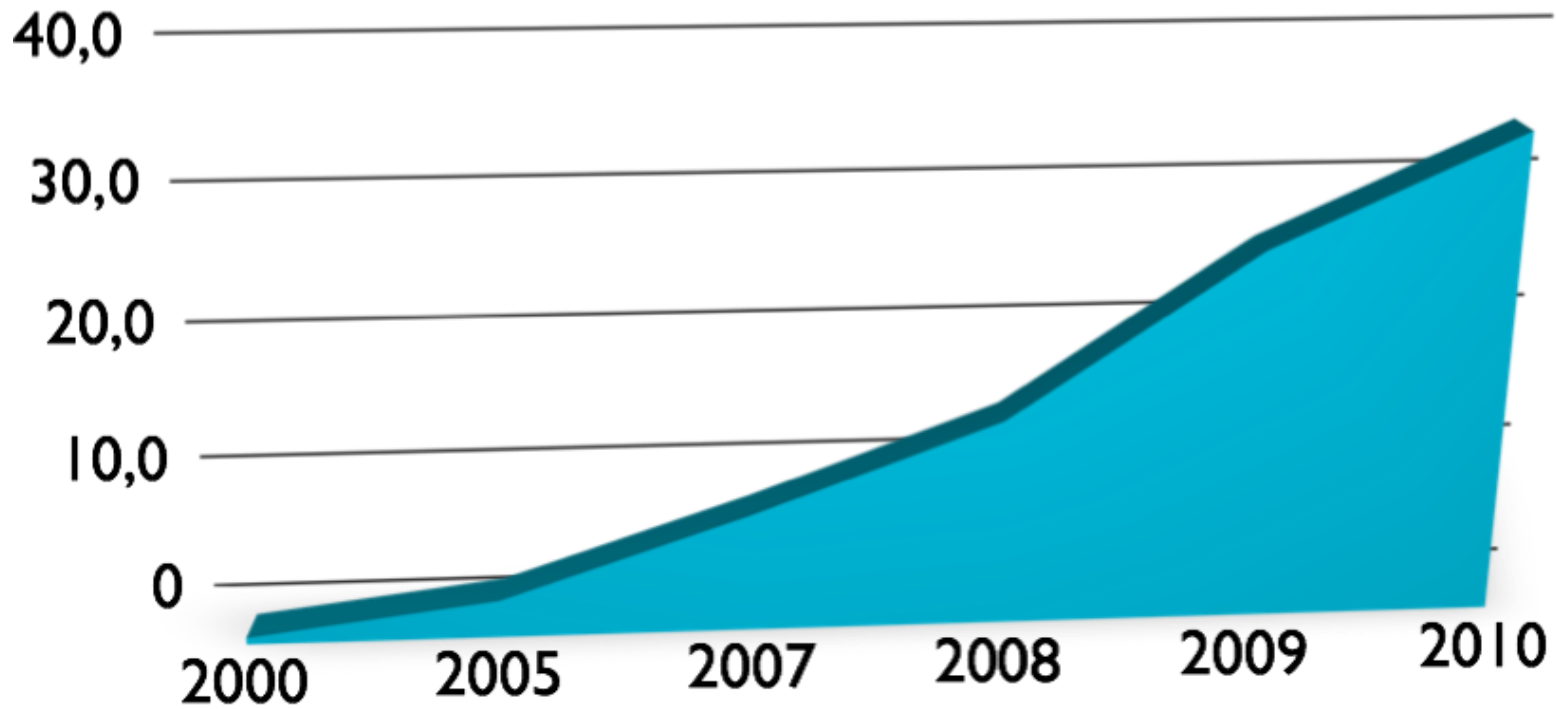
Population M16.5
Urban population M9.0



Source: stat.kz



Internet penetration %



Source: ITU (International Telecommunication Union)



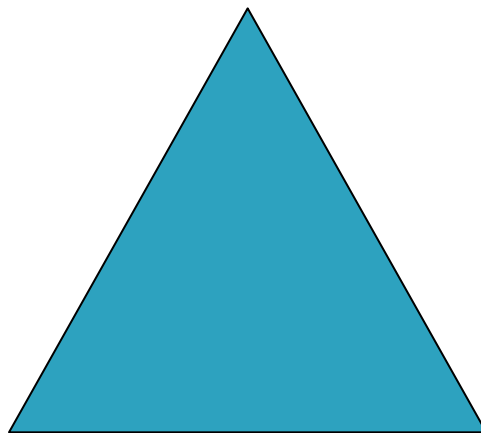
Kazakhstan Inet history

- 1991: 1 Email/Usenet service (Gov.company «Parasat»)
- 1994: Domain .KZ registration
- 1996: 1 WWW,FTP,E-mail service (JSC «Astel»)
- 1999: 1 country-size network («Kazakhstan online» / «Kazakhtelecom»)
- 2005: 1 broadband access («Megaline» / «Kazakhtelecom»)
- 2008: 1 FTTB (Fiber to the bulding) («Beeline» / «Kar-tel» / «Sa-telcom»)
- 2010: 1 3G wireless network («Jet» / «Aitel»)
- 2010-2011: 1 test 4G LTE («Beeline» / «Kar-tel»)
- 2011: Who's next?



Market players

Gov: Ministry, «Zerde»

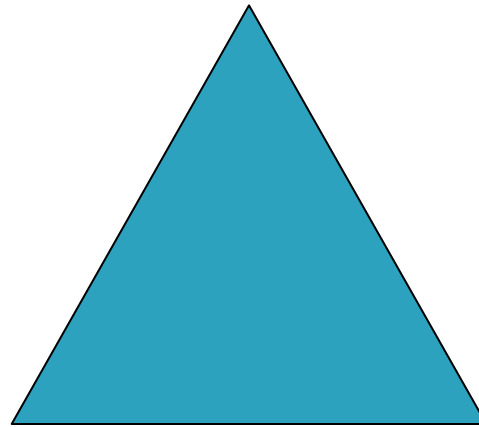


Bus: Providers, Inet comp.

Cust: Corp, Gov, Individ.

Actors

Business associations



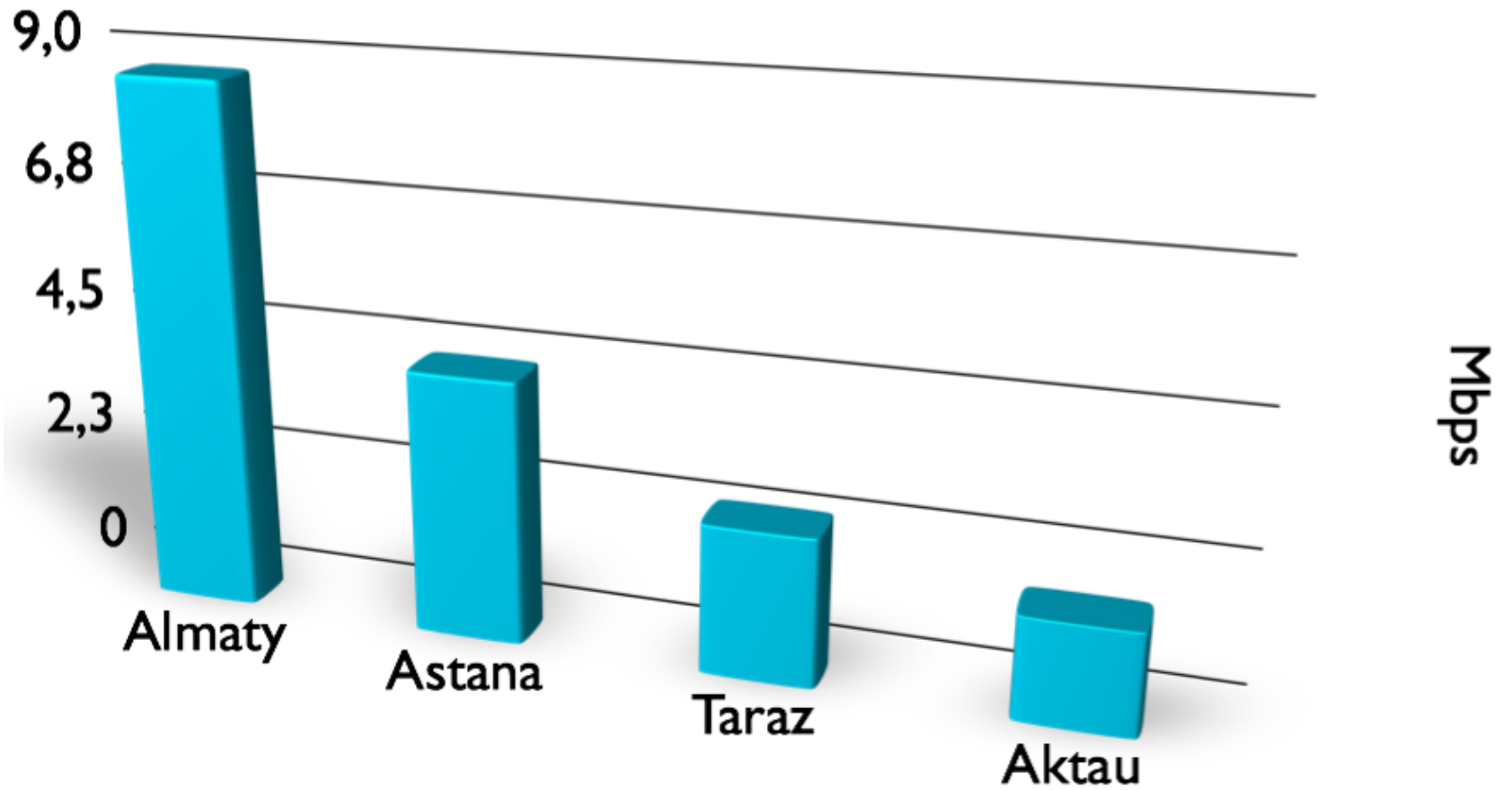
Research

Non-profit

World household access speed

1. Lithuania - 33,3Mbps
2. South Korea - 28,6Mbps
- ...
32. United States - 11,7Mbps
- ...
37. Russia - 10,2Mbps
- ...
65. Kazakhstan - 5,4Mbps

Cities

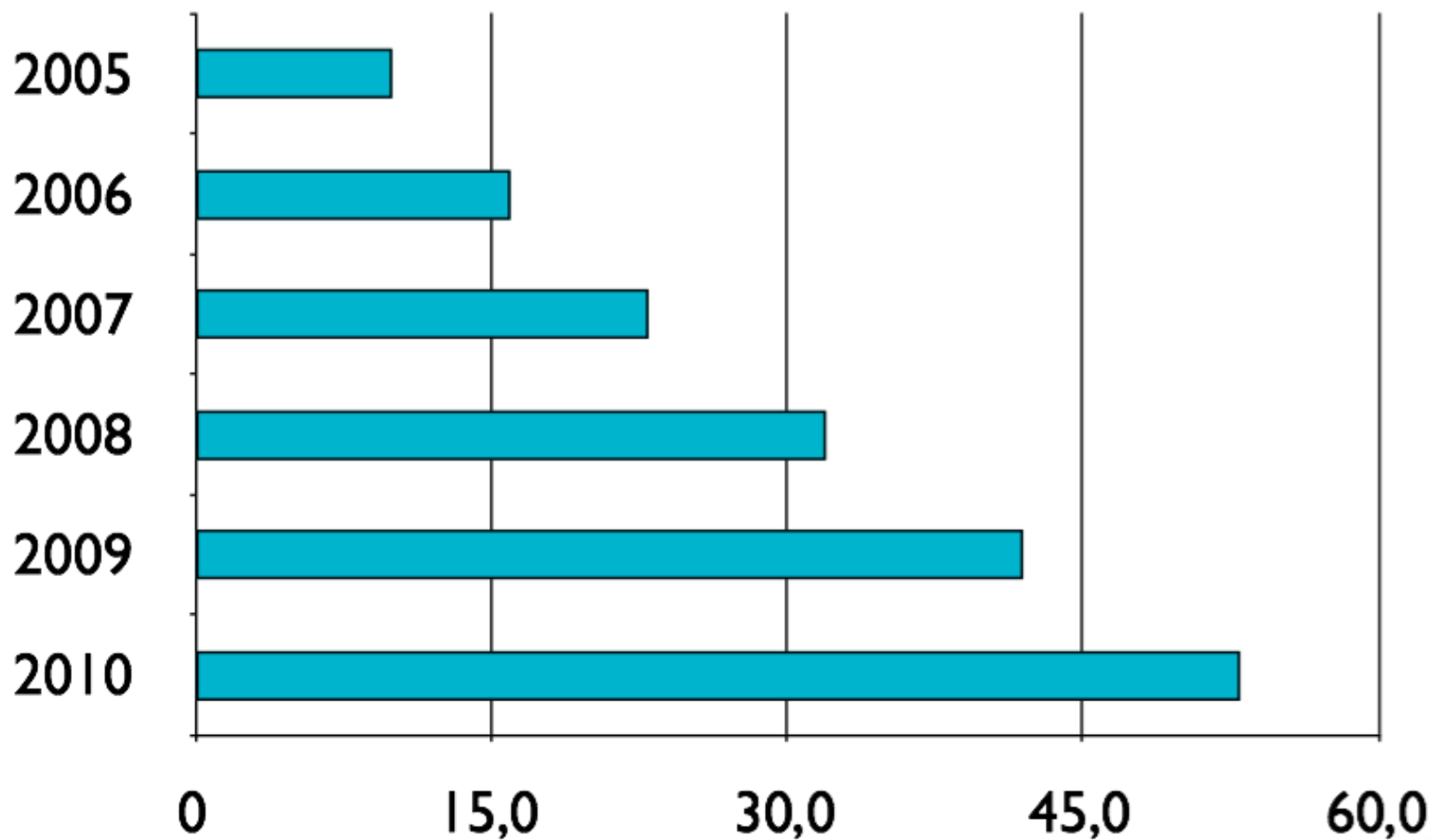


Data: netindex.com



.KZ expansion

thousands of domains



Web-sites

- Resurs.kz K15.1
- Zero.kz K11
- Catalog.kazakh.ru K7.3
- Catalog.site.kz K6.2
- Catalog.gazeta.kz K3
- Sites.fancy.kz K2.5

- * Data 24.05.2011

E-commerce

Main factors:

Internet penetration

Consumer confidence

Payment instruments

Law base

Logistics

Instruments:

E-shop rating «Trust shop»

Law «Electronic money»

KazakhPost

Success story:

bff.kz



Advertising

Russia - approx \$20/year per user

USA - approx \$100/y.

Kazakhstan - approx \$2/y.



Status and trends

- Growth of penetration
- Steady growth number of websites
- Coming to the market leading global players (Google, Yandex, Mail.ru etc.)
- Growing competition
- Shortage of professional staff
- Transfer of technology



Thanks for your attention
Questions?

Dmitry Zimin

(thanks to Alex Lyakhov)

