



**East-West  
Digital News**

# Central & Eastern Europe: The invisible tech scene

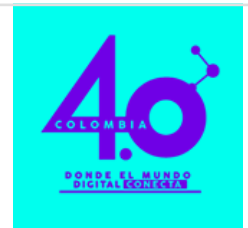
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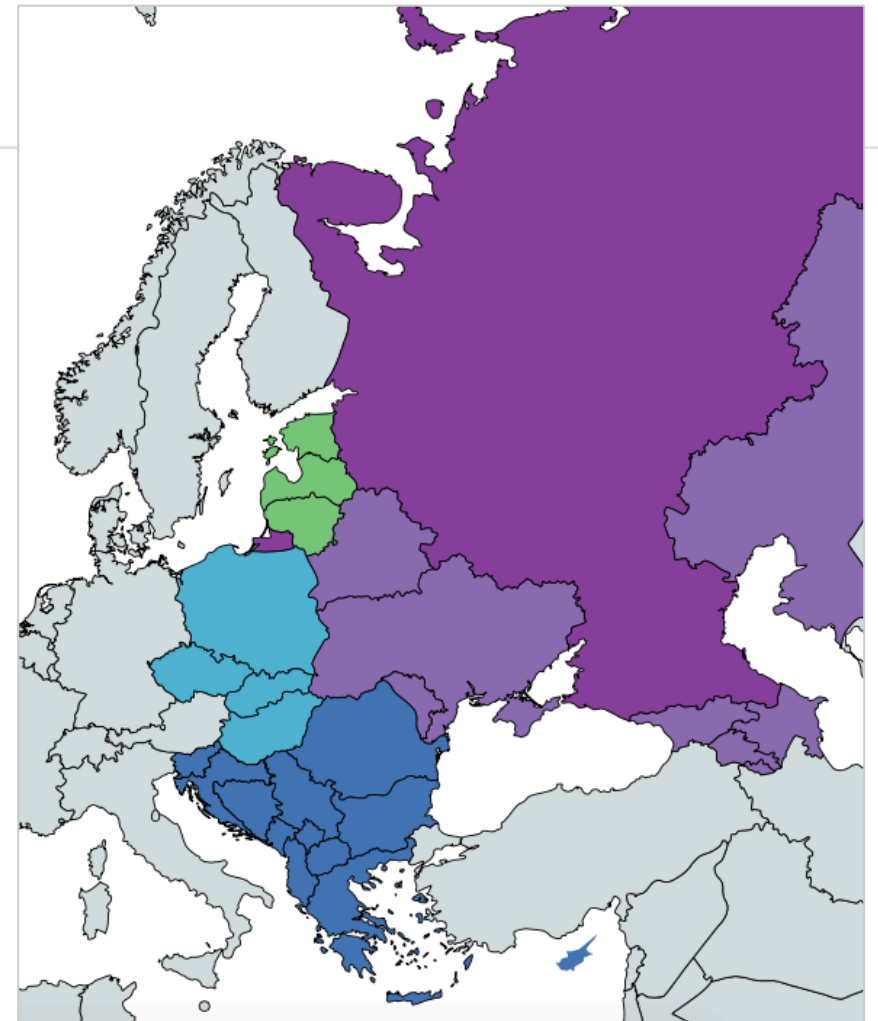
# About Central & Eastern Europe

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# Key facts & figures

- 27 countries
- Nearly 450m inhabitants
- Around 10k tech companies
- More than 200m Internet users and 500m mobile subscriptions



- |   |  |
|---|--|
|  Russia                    |  "Visegrad group" |
|  Baltic states             |  Balkans          |
|  Other ex-Soviet republics |  |

# Did you know that...

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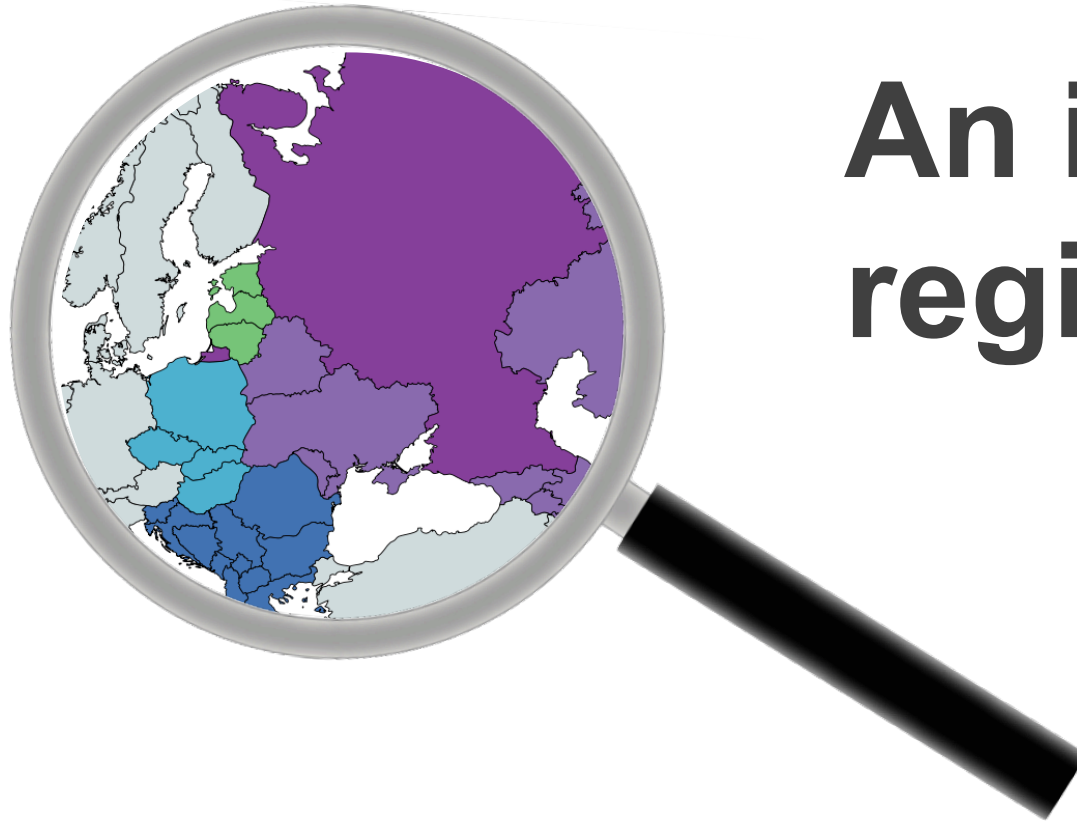
- Yandex, the NASDAQ-listed leading Russian search engine, was created 5 years before Google. (Current market capitalization: \$6.6bn)
- Skype was born and grown in Estonia
- Telegram, the world's most protected IM, was made by Pavel Durov, who previously founded Vkontakte
- MSQRD (bought by FB in early 2016) is a Belorussian startup
- Looksery (acquired by Snapchat in 2015 for \$150m) was developed in Ukraine
- In 2015 Avito.ru, a leading Russian classifieds site founded by Swedish businessmen, was sold to South Africa's Naspers at a \$2.7bn valuation.
- Bosnia-Herzegovina has 3 internationally-funded technoparks
- 1,000+ tech entrepreneurs fled Russia to the USA in 2015-2016



## A few internationally-renowned companies from the region

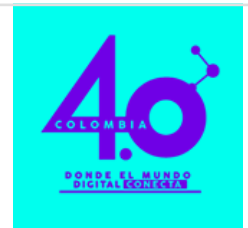
*Yandex was created 5 years before Google – but foreigners nickname it "the Russian Google"*





# An invisible region?

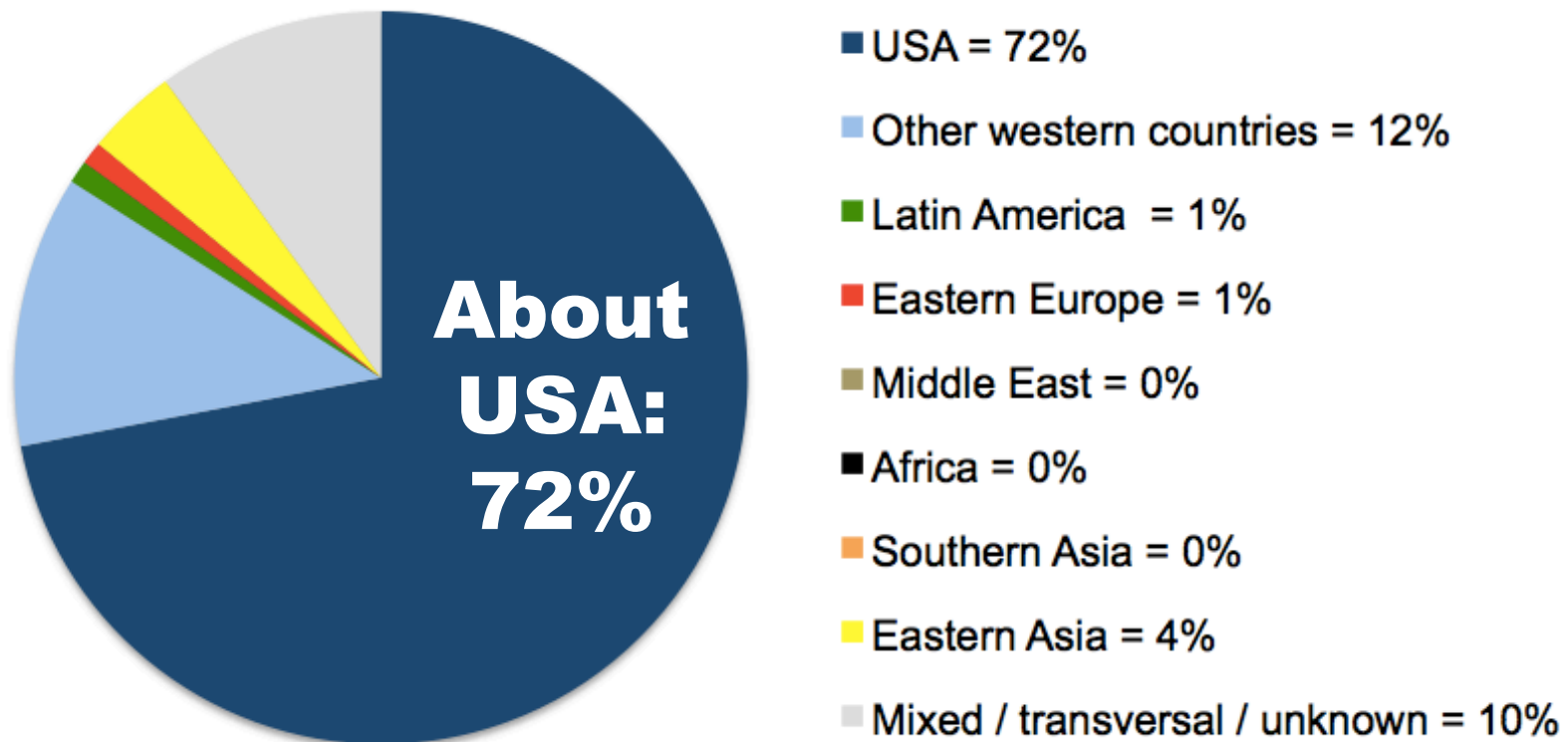
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# How global tech media cover the region



TechCrunch: 1 article in 100\*

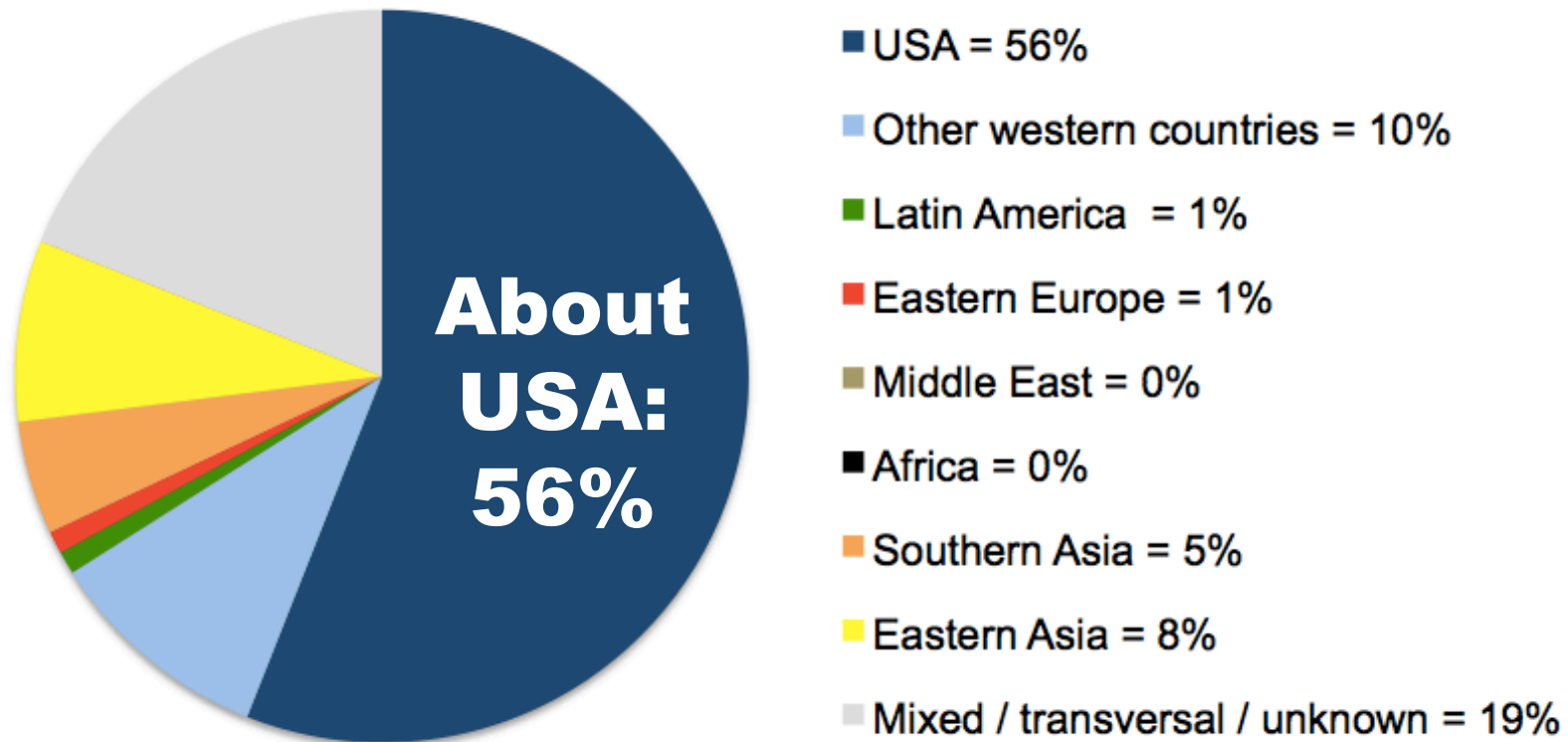


\* Articles about each region, or companies from there, as counted in the publication's first 100 articles on 7 Oct. 2016

# How global tech media cover the region



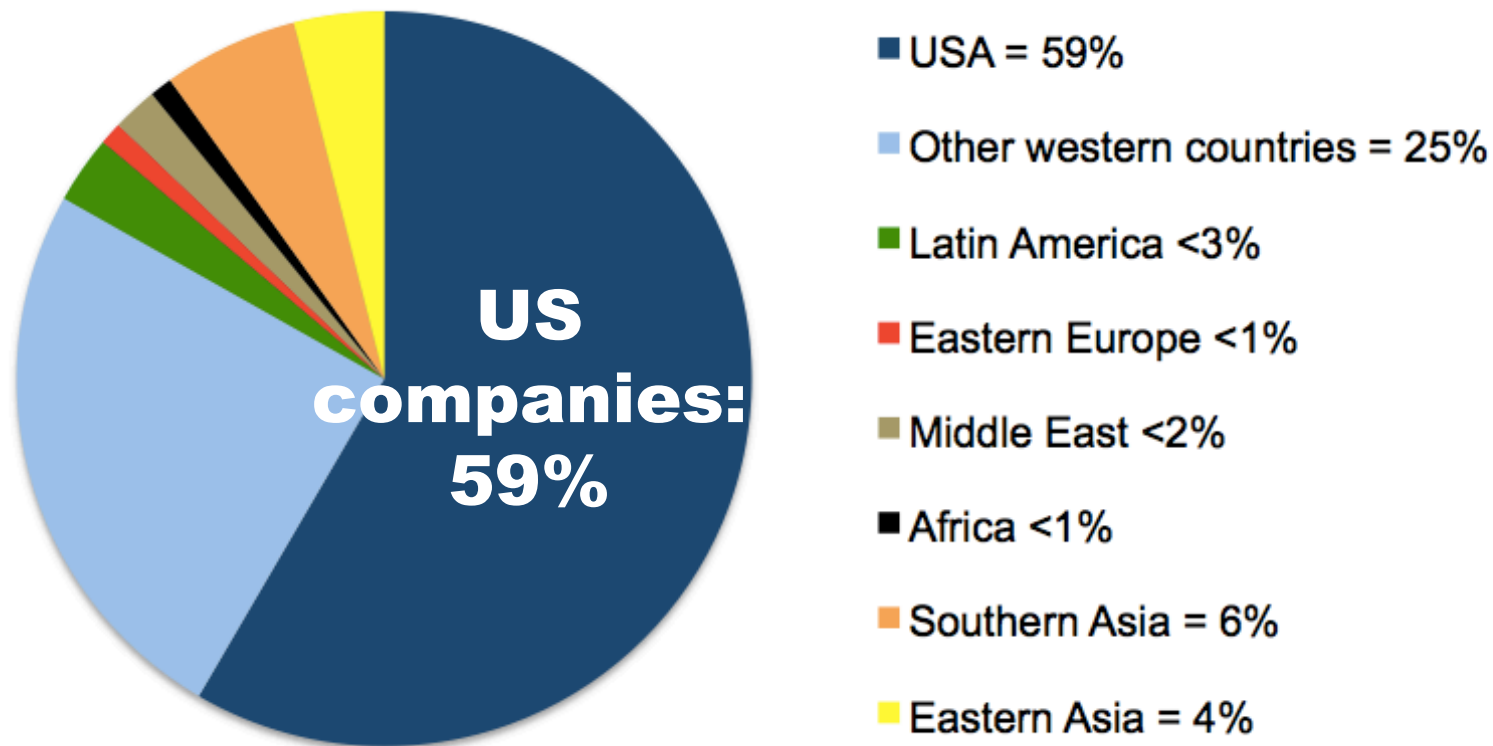
Mashable: 1 article in 100\*



\* Articles about each region, or companies from there, as counted in the first 100 articles on Mashable's tech pages on 10 Oct. 2016

# How global tech databases cover the region

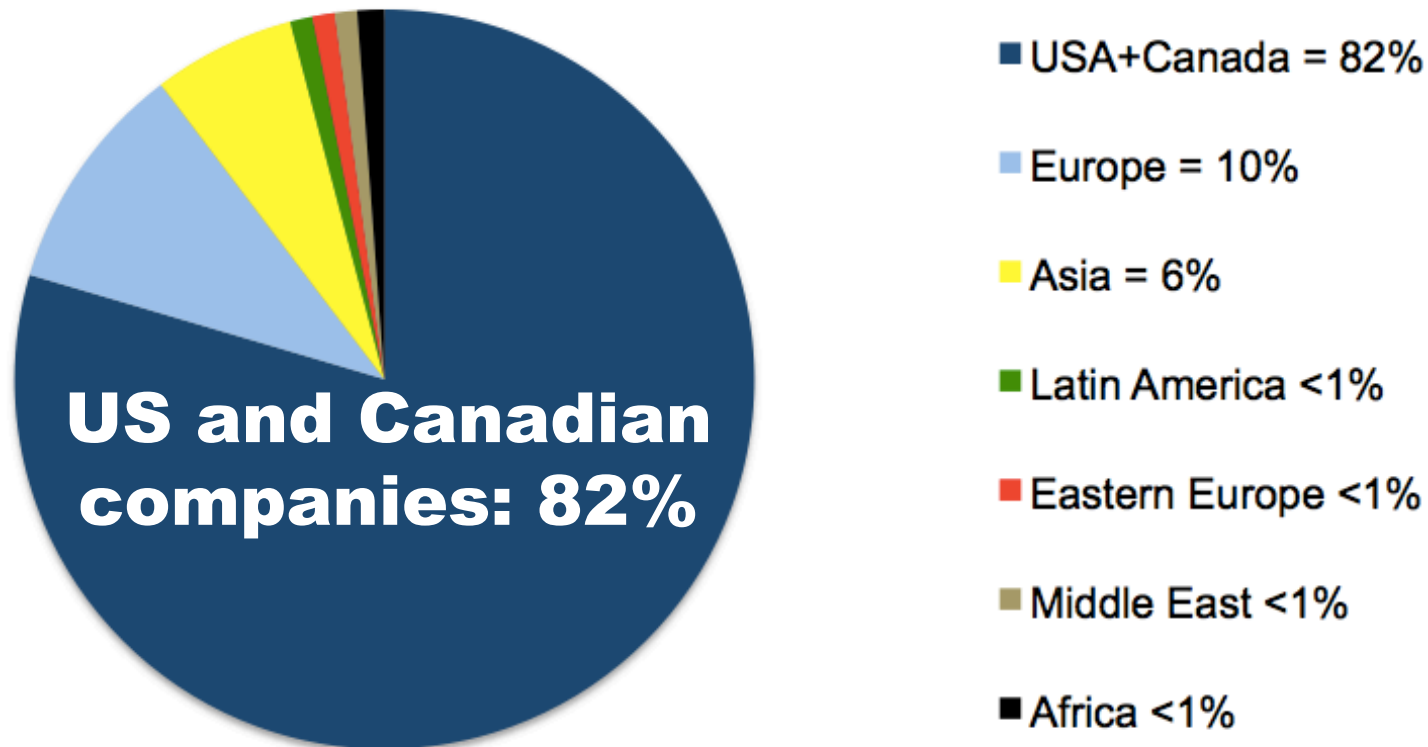
**crunchbase** : Less than 1%



\* Percentage of companies by countries or regions self registered in CrunchBase as of 7 Oct. 2016 (total 450k companies)

# How global tech databases cover the region

## **VB | Profiles:** Less than 1%



\* Percentage of companies by regions registered by the VB Profiles team in the database as of 7 Oct. 2016 (total: 34k companies)

# Why so little attention?

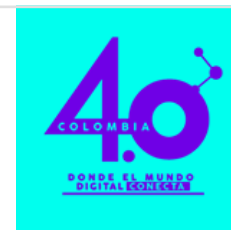
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- Silicon Valley, along with a few western European and Asian hot spots still attracts the better part of the world's tech companies, investments, and talents
- Big media and databases target essentially US and western audience
- Journalists lack awareness and knowledge about innovation in the rest of the world
- Journalists lack knowledge of local markets and languages
- Companies from the emerging world rarely have the willingness, financial means, know-how, and/or connections, to communicate efficiently.



# Struggling for the world's attention

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# Russia



- Deeply rooted traditions of scientific and technological excellence; strong tech culture and education; massive state support
- First large tech companies emerged in the late 1990's or early 2000s; new startup ecosystem since late 2000s
- Russian tech rarely covered by international media – excepted when it's about cybercrime scandals, Russian billionaires investing abroad, IPOs...
- International interest has decreased to new lows since 2014
- East-West Digital News: Only existing English-language news site (since 2011)

# Bulgaria



- Thriving IT scene including IT outsourcing industry and startup ecosystem
- Strong IT culture with remarkable initiatives to drive youth to tech entrepreneurship ("Start IT Smart")
- One of the most attractive tax systems in Europe
- Very poor coverage by global media
- No local tech media in English; only coverage by small regional media
- Usually foreigners do not know what happens in the country until they visit it physically (e.g. large industry events)

# Estonia



- Highly developed local tech scene: Skype, Transferwise, NATO's cyberdefence center...
- Excellent Internet and mobile infrastructure
- Good coverage of the local tech scene by international media



***Estonia's "e-residency" program: an example of perfectly marketed initiative with global success***

<https://www.youtube.com/watch?v=egH4IGDvMCE>

# Bosnia: Today's image still about yesterday





# Bosnia's little-known present tech reality



<https://www.youtube.com/watch?v=nfRT4xA-kqA>

# Bosnia

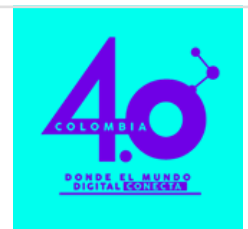


- The country's international image is still associated with the civil war (1992-1995) – as if nothing had happened in Bosnia since then!
- Even inside the country, politicians and media lack interest in innovation > lack of awareness by the local population
- However, amazing infrastructure has been built over the past few years. Example in Mostar: 2 tech parks + a cluster that unites the communities of the city



# Highlighting innovation in Eastern Europe: The EWDN case

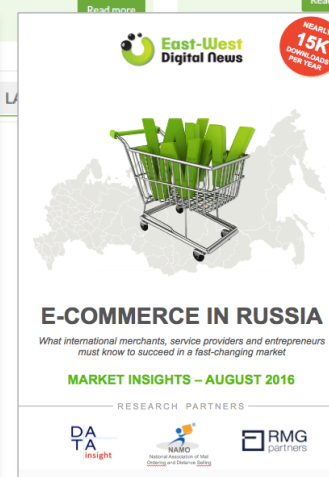
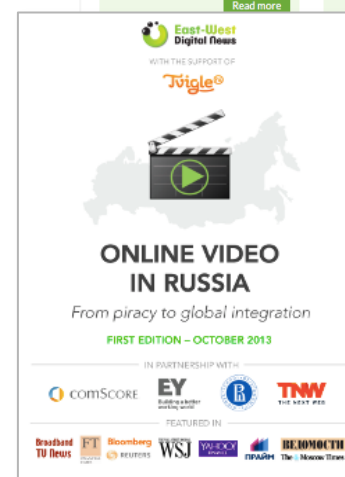
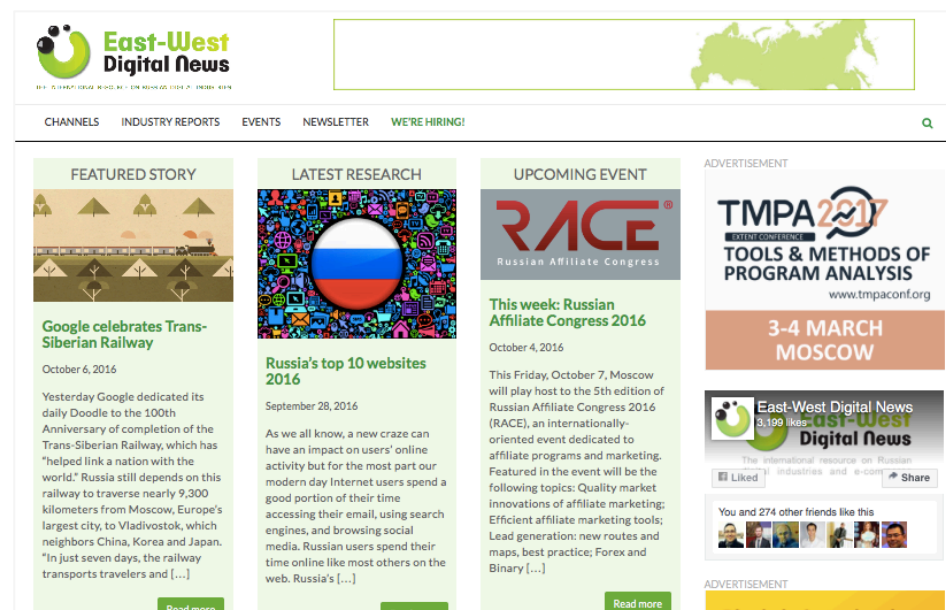
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# In Russia since 2011



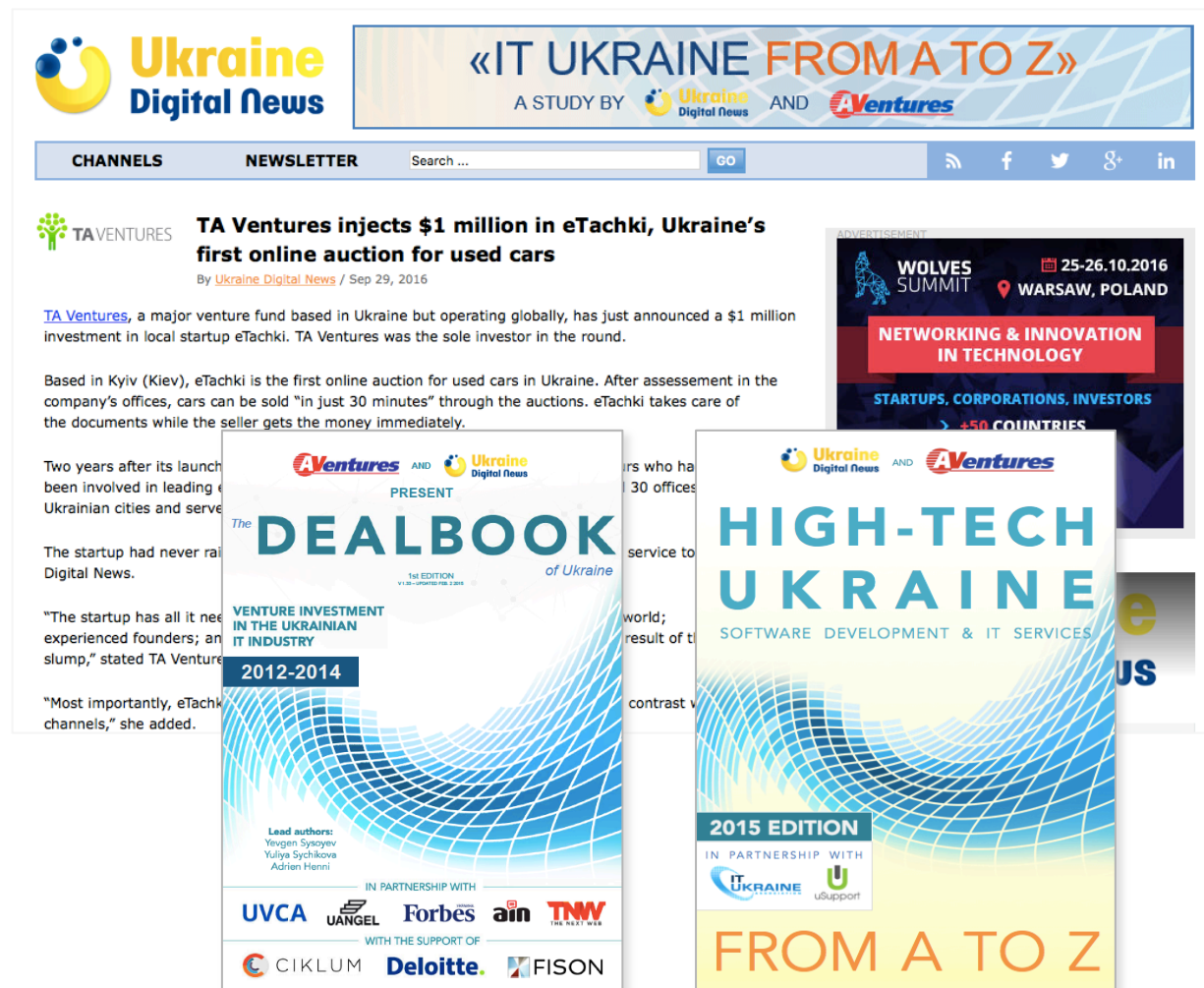
- A private initiative launched with government support (state fund of funds + university)
- EWDN.COM: The only English- language news site on Russia's innovation scene
- Syndication agreements with top international media
- Authoritative industry reports
- Internationally-oriented industry events





# In Ukraine since 2014

- News site UADN.NET launched in 2014
- Ongoing support from an industry consortium
- Pioneering industry reports with huge international impact



# Next initiatives (2017)



Research study about  
startup investment in  
**25 countries of  
Central & Eastern  
Europe**

[http://www.ewdn.com/files/  
cee\\_venture\\_research.pdf](http://www.ewdn.com/files/cee_venture_research.pdf)

Fundación  
**In-nova**  
Centro de Innovación

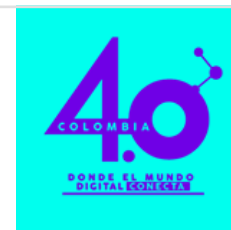
Joint initiative with In-Nova to  
highlight **Latin American  
innovation** in the global scene





# What next?

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# What next?

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As innovation emerges from emerging markets, media coverage will increase progressively (e.g. strategies of global players like CrunchBase and VB Profiles, or local players like In-Nova and East-West Digital News).

Some local governments and private players are getting aware of the issue: they build local databases, stimulate media infrastructure, seek partnerships with global media and databases

*"Marketing is everything!" say the Americans.  
Let us follow their example!*

# Let's keep in touch!

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