
It Is No Coincidence That Sony Ericsson's Official Dealer In Armenia Decided To Amaze The Market With New Service

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Sony Ericsson's official dealer in Armenia decided to "amaze" the market with new "unprecedented" service. The company store of cellular telephones offered the population extremely unprofitable conditions of service by banking cards. If a mobile telephone and accessories are bought by cards of the Armenian Card national payment system, the seller adds 2% of the goods value to the price, and 3% in case of purchase by cards of Visa and Master Card international systems. The store didn't specify what marketing solutions made Sony Ericsson representatives choose work principles running counter to international standards, however, the store said that the issue of levying the commission fee in case of cashless settlement by cards was discussed with INECOBANK which secures transactions through its own POS-terminal.

Meanwhile, David Makaryan, the head of INECOBANK plastic cards department, denied pointblank any agreements with Sony Ericsson on levying commission fees, and this contradicts both the regulations of the bank's work and basic principles of securing payment operations. According to him, levied commission fees are the initiative of the store itself, and unfortunately, it is impossible to see whether the merchant partner observes the terms of the contract with the bank.

However, in a conversation with ArmInfo correspondent, the financial director of a large merchant network which has been operating in the Armenian market for over 3 years and has acquired no POS-terminals yet, complained of extremely unprofitable terms of acquiring. The director, who preferred to remain anonymous, said that banks want to levy high commission fees from transactions - up to 3% of the deal, in extremis - up to 2.75%.

Moreover, he thinks that banks have a quite jealous attitude to possible installation of one more POS-terminal of a bank-competitor. The banks demand exclusive rights for themselves even despite the fact that in the overwhelming majority of cases terminals are capable to serve the cards of only one international payment system in addition to the national one. "As a famous brand, eventually we'll have to launch POS-terminals in our network, however, the terms we are offered may affect our price policy", - the interlocutor said explaining the reason of Sony Ericsson dealers' behavior in the quite competitive market.

To note, the Armenian government has prepared a new draft law on acquiring development. The legislative decision implies compulsory installation of POS-terminals for merchant enterprises occupying a trade area from 100 sq.m.

since 2009; from 50 sq.m. since 2010, from 15 sq.m. since 2011. According to experts, the law provisions may seriously change the volume of installed terminal equipment and abruptly increase the cashless payments in economy.

Experts think this decision may cause a slight growth in prices of certain kinds of goods.
