



Smarte Carte Reduces Cost of Accepting Credit Cards By 65%

When it comes to helping travellers with luggage carting and storage needs, Smarte Carte holds the market at every major airport in Australia. With most travellers using credit and debit cards to pay for trolleys, lockers and storage services, the flexibility and convenience of EFTPOS facilities are key.

High merchant fees charged by banks

Within its baggage storage division, Smarte Carte was previously using EFTPOS facilities provided by one of the big four banks in Australia. High merchant service fees and bank charges were having a significant impact on the business and Smarte Carte was looking at ways to reduce costs, increase revenue and improve its bottom line.

Pure Commerce introduced Smarte Carte to its Dynamic Currency Conversion (DCC) service called fxCHOICE, which is delivered using EFTPOS facilities from Tyro Payments. fxCHOICE gives international travellers the choice of paying in their home currency when using Visa or MasterCard, so they know the exact price to them at the time of purchase.

The combined Pure Commerce and Tyro solution offers huge cost savings, greater flexibility and increased convenience over other solutions in the market. With cost savings the key deciding factor, Smarte Carte had no hesitations switching over.

Switching made good financial sense

In January 2009, Smarte Carte deployed seven wireless, DCC-enabled EFTPOS terminals at manned desks within domestic and international airports in Melbourne, Sydney, Perth and Cairns.

"By making the switch, we were immediately able to save over \$10,000 in merchant fees, with the added bonus of commissions earned on DCC transactions. This reduced the cost of accepting credit cards for us by around 65 percent," said Michael Vrettas, Financial Controller at Smarte Carte.

The main cost savings can be attributed to Tyro's competitive and transparent pricing model, which eliminates a large portion of fees that banks charge for similar services.

This coupled with an entirely new revenue stream generated by DCC, puts Smarte Carte in a much better financial position. It now earns commissions every time an international cardholder pays in their home currency. Pure Commerce offers DCC on up to 135 currencies, providing Smarte Carte with a greater opportunity for conversion and increased foreign exchange profits.

Greater convenience and better customer service

In addition to saving costs, fxCHOICE enables Smarte Carte to provide greater service and convenience to its customers. With a large percentage of international customers, displaying prices in a familiar currency and reducing confusion when it comes time to pay makes good business sense for Smarte Carte.

Business as usual

"We are really happy with the Pure Commerce and Tyro solution – the wireless terminals offer greater flexibility, are easy to use, run smoothly and require no ongoing support," said Mr Vrettas. "The switch from our old system was much easier than we had anticipated – the systems were already set up and ready to go. All we had to do was take out the existing terminals and replace with the new ones – just business as usual for us!"

Smarte Carte has also been impressed with the online reporting tools provided by the Tyro solution. In real time, Smarte Carte can now report on which cards have been used, whether debit or credit, as well as the costs associated with each transaction.

Further cost savings on the cards

In the near future, Smarte Carte plans to extend the DCC-enabled EFTPOS solution into other areas of its business to improve the services it currently offers customers and to further reduce the cost of accepting credit cards.

According to Mr Vrettas: "The prospect of being able to extend the Pure Commerce and Tyro solution into our other divisions was important. The benefits we have already experienced have given us the confidence to look towards further expansion of the solution."