



Published | October 27, 2011

[Comments](#) | [None](#)

Consider independent EFTPOS options, businesses told

Rises in credit and debit card interchange fees will create income of \$1.23 billion for banks this financial year and doesn't reflect the level of service the providers deliver, leading [independent EFTPOS provider Tyro](#) to urge businesses to consider alternative options.

Higher interchange fees introduced at the beginning of the month come despite the expectations the big four banks would report huge profits again this year. This morning, NAB announced full-year profits of \$5.2 billion, up 23.6 percent over last year's result.

According to Tyro, the interchange [fee increase](#) could add as much as \$150 million to full year incomes, and don't reflect the level of service delivered to consumers and retailers over the last year, who've faced a number of glitches, failures and outages.

"These fee increases came during a year when the big banks failed to provide the reliable and regular EFTPOS service that consumers expect," Tyro CEO Jost Stollmann said.

Stollman said [the RBA's Payment Systems Board Annual Report this year found Westpac, NAB and CBA suffered a 'number of difficulties' delivering consistent and reliable EFTPOS services](#) to their customers in 2010-11.

"How can the banks justify such fee increases when their service is so unreliable?" St

The cost for such outages is high, translating to lost sales for retailers and significant inconvenience for consumers. He suggests the situation can be improved by innovation and investment, by big banks and smaller independent competitors like Tyro.

Tyro grew by 50 percent last year and processed some \$2 billion in [credit and debit card transactions](#), servicing 5,000 retailers, pharmacies and practices. Stollmann said merchants should consider switching to an independent option, if they're unhappy with the service provided by their current debit and credit terminal provider.

“They should give the alternative a go. Banks have to perform or lose the business.”

Got something to say? Join the [small business forum](#) here at [DynamicBusiness.com.au](#).

Subscribe to DynamicBusiness.com.au

Subscribe to the Dynamic Business eNewsletter to keep up to date and receive amazing deals to help grow your business.

Email Address:

Related Articles

- [ePAL criticised for selective EFTPOS fees](#)
- [Consumers to face rising EFTPOS charges](#)
- [EFTPOS hits one billion transactions in 6 months in Australia](#)
- [Payment industry warned to better infrastructure or face intervention](#)
- [EFTPOS network up for grabs after Bill Express collapse](#)

Tags:

[Managing](#), [News](#), [Bank Fees](#), [bank profits](#), [Big 4 banks](#), [credit and debit card terminals](#), [EFTPOS](#), [Tyro](#)



[Lorna Brett](#)

Lorna is Dynamic Business' Social Web Editor. She's a social media obsessed journalist, who has a passion for small business. Outside the 9 to 5, you're likely to find her trawling the web for online bargains, perfecting her amateur photography skills or enjoying one too many cappuccinos. You can follow her on

[Twitter @DynamicBusiness](#)

[Lorna Brett](#) has written 467 articles for us.

Comment