

What is Needed*Office Equipment*

Most respondents in Hanoi and Ho Chi Minh City were by and large satisfied with the PBX, KTS and other business communications systems they had on their premises. The Vung Tau respondents were on average dissatisfied with the equipment they had, complaining that systems were old and faulty. However, the limited selection imposed upon them was a major sticking point with respondents in all cities and market segments - 20% felt that the P&T provided little or no model or brand options when they sold a system, and in many cases provided the end user with "mix-and-match" systems, using one PBX CPU with another supplier's handsets. Aftersales support and the level of technical familiarity, even with the models distributed, is felt to be very inadequate.

Over the past four years, the Vietnamese government has established fairly liberal concessions for new foreign investors, particularly those setting up representative offices. Among those was the duty-free import of basic office automation equipment, including phone systems and faxes. Now, these concessions seem to be evaporating and import duties loom overhead, leaving the foreign rep office or branch fewer brand selection options.

In Vietnam, regulations on equipment distribution and installation are fuzzy. What is clear is that the only fully developed distribution channels are through subsidiaries of the provincial P&Ts. As a result, end users are steered toward the P&T if they wish to purchase locally, and are often told which system they will purchase - no substitutions allowed. Another compelling reason to stick to purchasing systems through the "post office" is often the refusal of the P&T to repair and maintain PBX and KTS systems sourced elsewhere (many stories abound of the P&T even refusing to connect CO lines to non-P&T-supplied systems). The P&Ts have yet to sign exclusive distribution agreements with business systems manufacturers; the product variety is only restricted by the number of models that foreign suppliers have shipped to them.

Panasonic, Goldstar, Alcatel and Siemens all enjoy prominent places in the small but burgeoning BCS market thanks to their early cultivation of relationships with the P&T. There is certainly room for additional suppliers, and, judging by the poor level of satisfaction with the P&T systems distributors, room to introduce technical training in the areas of installation, system integration, after sales support and marketing to the carrier.