

New iPhones Go on Sale in Russia

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The iPhones 5c, seen as an attempt to stymie Samsung's success, was outsold by the more expensive iPhone 5s. **Adrees Latif**

Sales of the souped-up new iPhone 5s and its low-end counterpart, the iPhone 5c, kicked off Friday in Russia and more than 30 other countries worldwide.

This is the first time that Apple has released two iPhone models simultaneously, a decision widely seen as an attempt to recover ground lost to cheaper Android alternatives that have been particularly successful in developing markets.

Samsung Electronics, which produces a range of budget smartphones running Google's Android software, has gained more than 50 percent of Russia's smartphone market compared to Apple's 8 percent, Bloomberg reported.

The iPhone 5c is unlikely to revolutionize the market for one simple reason — it is only slightly less expensive than the iPhone 5s, putting it out of reach of most Russian consumers, while those who can afford an iPhone are likely to choose the premium model.

The iPhone 5s costs between 29,900 rubles and 39,900 rubles (\$950 and \$1260) in Russia, depending on memory capacity, while the cheapest iPhone 5c sells for 24,900 rubles (\$790).

Neither of the two new iPhones will operate on Russia's Long Term Evolution frequencies at first due to Apple's concerns that poor quality Russian service could discredit the phone in the eyes of users, an unidentified businessman close to one of Apple's partners told Vedomosti. The function will only be enabled once the quality of LTE networks has been brought up to an acceptable standard, he said.

Demand was strong over the weekend, with the more expensive iPhone 5s enjoying more demand than its cheaper alternative, news reports said. The level of activity was higher than during the previous iPhone launch in November of last year, said Maria Zaikina, a spokeswoman at retailer Svyaznoi.

Finam Management analyst Maxim Klyagin told Gazeta.ru as sales were about to start that the number of handsets purchased "will not exceed the tens of thousands."

In addition to pricing issues, the iPhone's delayed release in Russia — the first wave of countries, including the U.S. and China, received the products Sept. 10 — means that many diehard Apple fans have already managed to acquire the latest models by ordering them from abroad, Klyagin said.

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