

LIFE IN ARMENIA

FOR DIGITAL NOMAD FAMILIES

AUGUST 2024 | NO. 18 | LIFE IN ARMENIA

BECOMING A GOOGLE PREMIER PARTNER

MASTERING INTERNATIONAL DIGITAL MARKETING CAMPAIGNS FROM ARMENIA

POSSIBLE OR MISSION IMPOSSIBLE

CAN ARMENIA DELIVER CORE BANKING SOLUTIONS TO THE WORLD?

BUILDING STRONG TECH PARTNERSHIPS IN ARMENIA

HOW DOES EMOTIONAL INTELLIGENCE FUEL TECHNICAL EXCELLENCE?

THE BIRTH OF CAPITALISM IN ARMENIA

EXAMINING THE IMPACT ON THE ECONOMY AND THE STARTUP ECOSYSTEM

FROM LONDON TO YEREVAN

THE JOURNEY OF SCALING A UK STARTUP WITH AN ARMENIAN TEAM

ATTENTION INTERNATIONAL FOUNDERS

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TARGETING GLOBAL MARKETS

DEVELOPING PROFITABLE MOBILE APPS FOR WESTERN AUDIENCES FROM ARMENIA

UNEXPECTED CONNECTIONS IN ARMENIA

BAKING, BIKEPACKING & BUILDING A CYCLING LEGACY



MATHEW ZEIN

EDITOR'S LETTER

October is drawing near, and so is WCIT Yerevan. Thousands of international tech professionals will be flying to Armenia in early October for this conference. Preparations in Armenia have been underway for months.

I'll be covering all aspects of the startup ecosystem and the tech industry in a series of articles that will introduce the country from a fresh perspective. Many people will be searching online about Armenia and its tech industry, and I want them to find lots of valuable content readily available.

In this issue of Life in Armenia, I've interviewed a variety of people, from foreign startup founders who relocated their teams to Armenia to successful Armenian tech companies becoming certified partners for leading international organizations. I've also shed light on some relevant financial and investment topics related to the overall industry.

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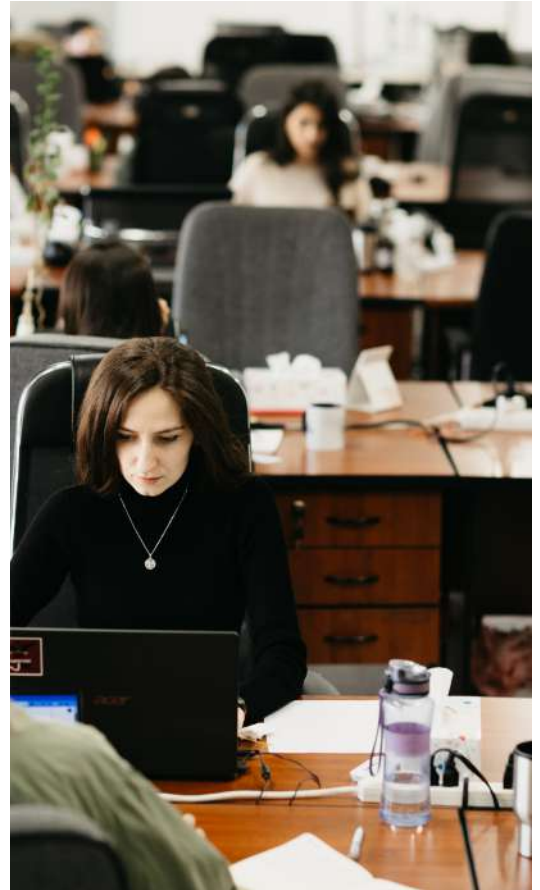
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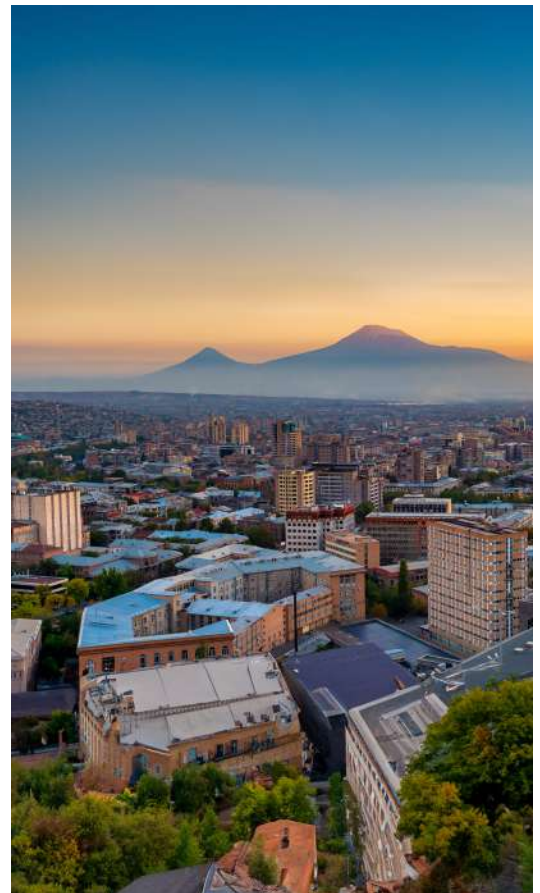
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BECOMING A GOOGLE PREMIER PARTNER

MASTERING INTERNATIONAL DIGITAL MARKETING CAMPAIGNS FROM ARMENIA



**MATHEW
ZEIN**

EDITOR IN CHIEF



**MUSHEGH
HAKOBJANYAN**

FOUNDER OF ANDAVA DIGITAL
MARKETING AGENCY

INTERVIEWING

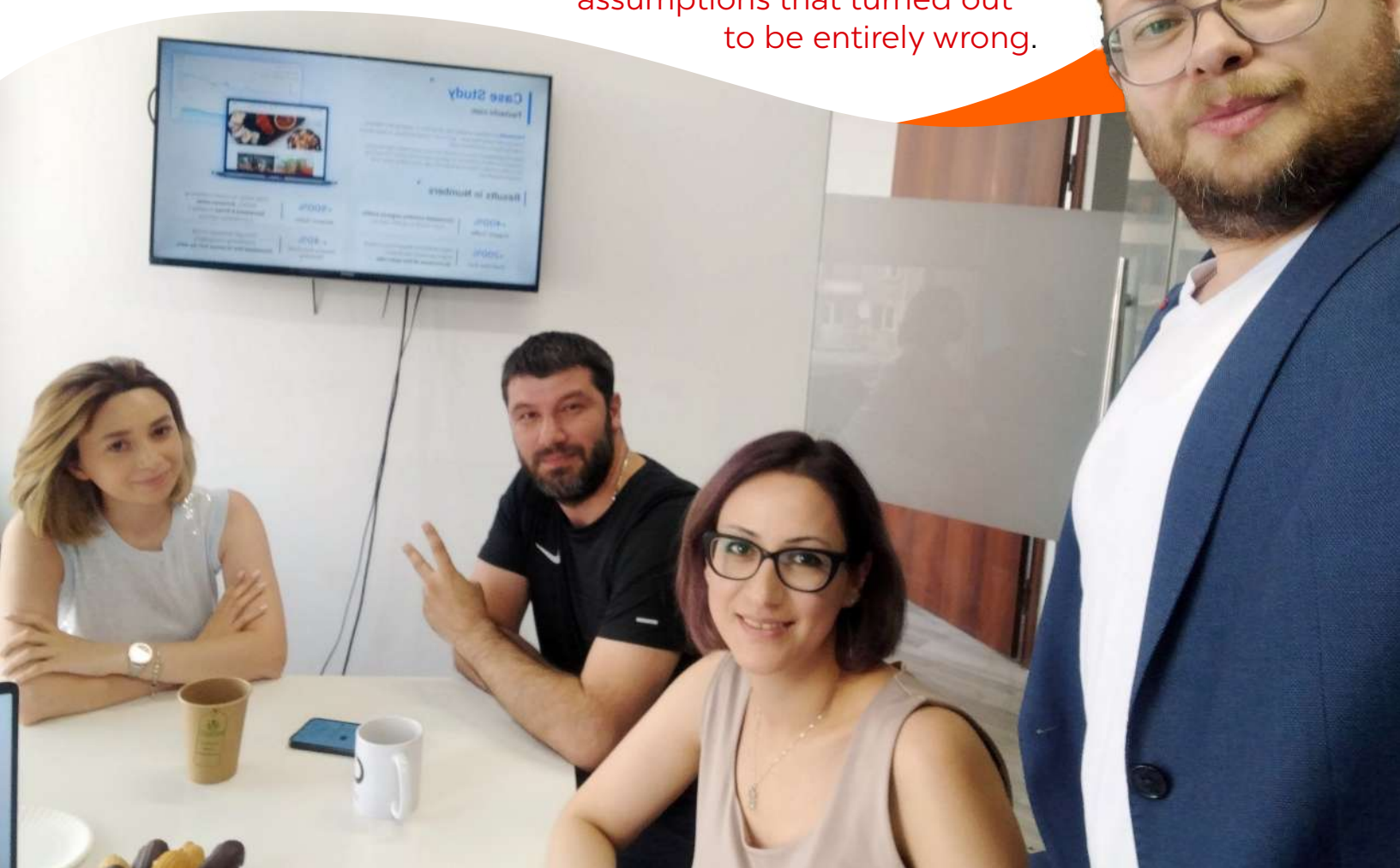


BECOMING A GOOGLE PREMIER PARTNER MASTERING INTERNATIONAL DIGITAL MARKETING CAMPAIGNS FROM ARMENIA

Due to its smaller size, Armenia doesn't consistently capture the international media's attention like some larger nations with more geopolitical clout. This can lead to a significant knowledge gap among foreigners, with some having **little to no understanding of Armenia's dynamic tech industry.**

As a former digital nomad who traveled the world for nearly a decade, I had the same misconceptions about Armenia. In fact, Armenia wasn't even on my travel list until 2016. That's when a coincidence brought me to this country, and everything changed. My wife and I arrived in Yerevan, fell in love with the country, and **ended up calling it our home away from home.**

From 2016 to 2020, I lived in Yerevan but worked only with clients in the US. Collaborating with Armenian companies never even crossed my mind. Perhaps I worried about receiving my usual US rates, or maybe I held preconceived notions about Armenian companies' work standards or project management styles compared to those in the United States. Whatever the reason, these were all **unfounded assumptions that turned out to be entirely wrong.**



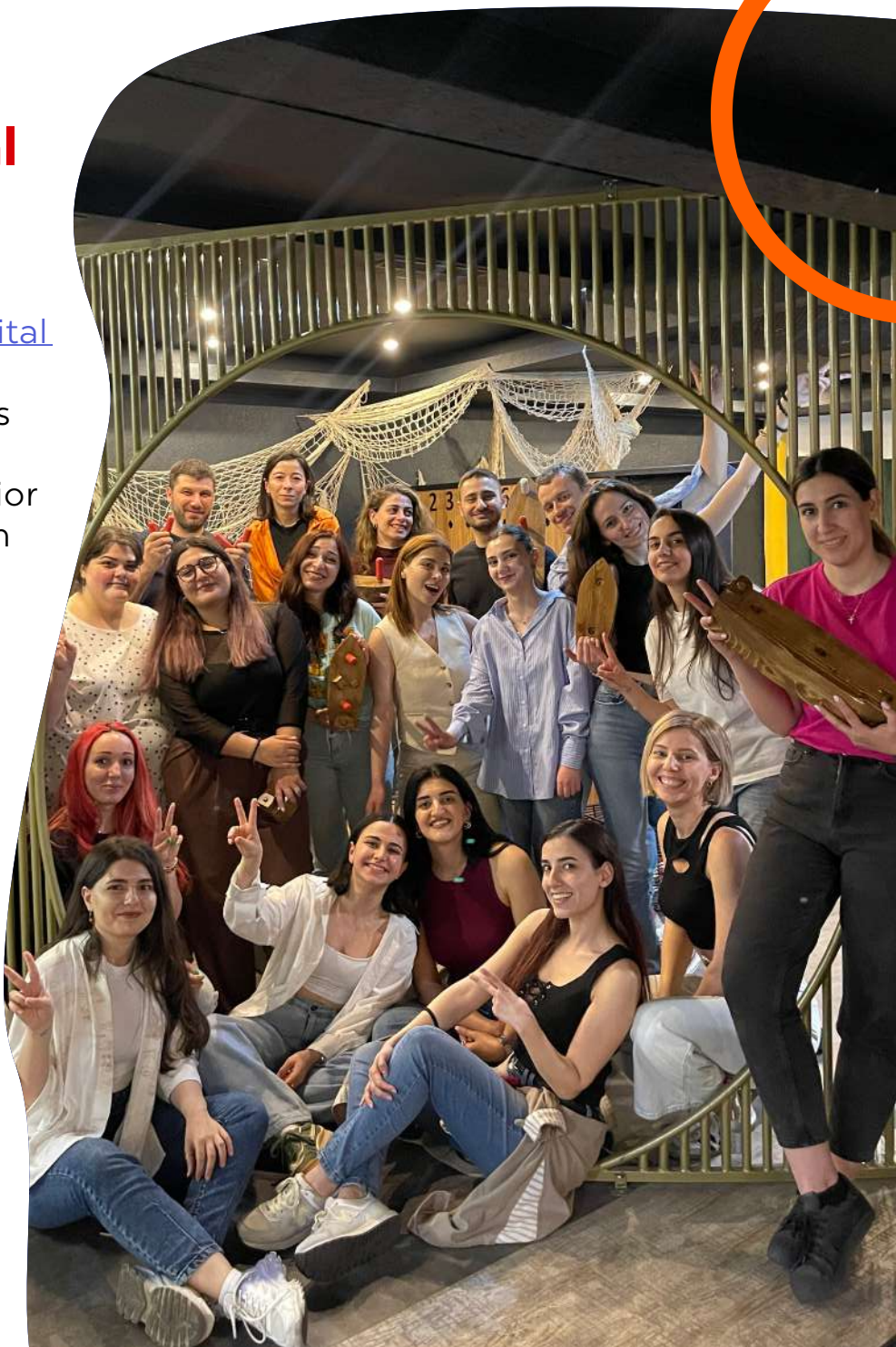
In early 2021, I began working with Armenian clients as a content writer, primarily in the fintech and SaaS sectors. To my surprise, within a year, I found myself **transitioning my focus to Armenian clients over those in the US**. Today, I'm happy to say that 60-70% of my clientele are Armenian, and I enjoy working with them more than any others.

My Collaboration With Andava Digital

For nearly three years, I've collaborated with [Andava Digital Marketing Agency](#), a Yerevan-based company that manages digital marketing campaigns globally. As their contract senior writer, I've worked closely with their team and witnessed their strategic and creative approach from design to implementation.

What many don't know is that **Andava Digital was selected as a Google Premier Partner**, ranking among the top 3% of partners worldwide. The Armenian digital marketing agency served over 500 clients and launched more than 1700 successful projects, delivering a 550%+ ROI across 25+ industries.

This experience encouraged me to challenge a common misconception surrounding Armenian service providers. I want to introduce an idea to the magazine readers or perhaps unveil the hidden truth that Armenia has companies that **possess international expertise in modern techniques, global trends, and much more**. This is important for entrepreneurs traveling to Armenia or considering travel soon, considering how many might hire from Armenia or collaborate with Armenian vendors for their businesses.



My experience working with them has been incredibly diverse. We've worked with Western clients in tens of different industries, including everything from fashion and food to commercial kitchen appliances and SaaS – truly a new challenge every week. To gain deeper insights, I sat down with Andava's founder and CEO, Mushegh Hakobjanyan. My first question was, "How does Andava Digital earn the trust of international clients?"



Why would international clients choose an Armenian company like Andava Digital over other providers, even those in cheaper locations? According to Mushegh, the answer lies in the concept of quality work combined with cost-effectiveness. Reputable Armenian companies prioritize quality; therefore, they can't work for low prices. However, compared to US-based firms, Armenian companies can leverage the local cost structure to provide more value for clients' investments. As Mushegh explained, this allows Andava, for example, to assign larger, more creative teams to each project.

One might wonder how a team in Armenia stays so informed about international trends across over 25 industries. After all, wouldn't their location geographically isolate them? Mushegh explained that Armenia sits between Asia and Europe, **giving marketing professionals exposure to trends and news from both sides**. This can be valuable because business practices and consumer preferences can differ greatly between Eastern and Western markets. The Middle East is another major economic and cultural zone. **Being close allows professionals in Armenia to stay updated on developments** there as well. As a result, they can better understand the challenges and opportunities faced by clients in various industries.





Mushegh Hakobjanyan

Founder and CEO of Andava Digital Marketing Agency

Our team has never had an issue keeping up with international marketing trends because the mentality in Armenia leans toward a lifelong love of learning, especially among marketing professionals.”

Andava Digital believes in the power of diversity to create a work environment that embraces different cultures, perspectives, and experiences. This extends to the way they approach digital marketing projects in different countries and regions.

Quality is What Really Matters

But how easy is it to convince a client in the US or the EU to entrust their entire digital marketing campaign to a company in a country they might not be familiar with? Mushegh told me that **clients measure success based on metrics**. When companies showcase their rich portfolio and the results of their most recent campaigns, clients focus on quality services, not the company’s location. Ultimately, clients seek results, and location becomes secondary when they find a company that delivers.

Relocating to Armenia? Come with your dreams and entrepreneurial spirit. Your next startup could be launched in Armenia and achieve results on a global stage. Whatever you might be looking for to grow big, it’s already here. The missing piece of the puzzle could actually be you!



Mushegh Hakobjanyan

Founder and CEO of Andava Digital Marketing Agency

The Google Premier Partner status wasn’t a predetermined goal; it was a natural result of their work and commitment to delivering successful campaigns.”

POSSIBLE OR MISSION IMPOSSIBLE

CAN ARMENIA DELIVER CORE BANKING SOLUTIONS TO THE WORLD?



**MATHEW
ZEIN**

EDITOR IN CHIEF



**AVETIS
OVAKIMYAN**

CHIEF PRODUCT OFFICER
AT HIGHWAY

INTERVIEWING



POSSIBLE OR MISSION IMPOSSIBLE CAN ARMENIA DELIVER CORE BANKING SOLUTIONS TO THE WORLD?

Overlooked by many, Armenia's sophisticated fintech sector has seen remarkable growth in recent years. It's not just serving local financial institutions; Armenian fintech solutions are even making a recent impact on those in developed markets.

My series of articles on the Armenian banking sector led me to [InecoBank](#), given its position as the country's largest digital lender. Interviews with senior bank officials introduced me to [Highway](#), the Armenian fintech company behind InecoBank's digital lending platform and core banking system.

Due to the complexity of banking operations and their corresponding tech solutions, I was particularly interested in [understanding Highway's approach to internationalization](#). Their recent partnerships with established European financial firms made this even more interesting. So, during my visit to Highway's headquarters in Yerevan, I had lots of questions for Highway's Chief Product Officer, Avetis Ovakimyan.

A man with glasses and a beard, wearing a blue blazer over a white t-shirt and blue trousers, stands to the right of a large, 3D, dark grey 'HIGHWAY' sign. The sign is mounted on a white wall and is flanked by yellow horizontal bars. The background features a blue semi-circle and yellow wavy lines.

HIGHWAY

Customizable Core Banking Solution for a Dynamic Market

Avetis Ovakimyan explained how Highway's core banking system stands out for its speed and adaptability. Unlike traditional systems that can take a lot of time to implement, Highway's system can set up a new bank or credit organization in six months. This is possible due to its highly customizable design. It's like building a NEO bank with pre-made, interchangeable parts that can be quickly assembled and adjusted. This flexibility means banks can respond faster to market changes and offer new products without massive overhauls. Essentially, Highway has engineered a banking platform that's as dynamic as the financial world itself.

Given the banking

industry's varied needs and regulations, the company has prioritized a scalable architecture designed by banking industry experts. The core banking system is architected for scalability and performance. This modular design facilitates rapid customization and deployment, enabling banks to introduce new products and services efficiently. The system's strong API infrastructure ensures seamless integration with third-party applications and data sources, providing flexibility and extensibility.



Today, many tech companies possess technical expertise but **lack a genuine understanding of banking solutions and the specific needs of banks**, both in terms of core systems and their integration into existing processes.

Combining technical expertise with deep banking knowledge was likely Highway's key strength in developing such a flexible solution. Having deployed their core banking solution in one of Armenia's leading banks provided them with invaluable hands-on experience in banking processes

and, crucially, in implementing such solutions **without disrupting the bank's regular operations and existing systems**. As a result, Highway has started exporting its solutions to established financial institutions in Romania, Bulgaria, and Moldova.

Data-Driven Approach to Enhancing the Lending Experience

The diversity of banks and credit organizations necessitates a flexible approach to digital lending platform development. Highway's solution prioritizes scalability and adaptability to meet the unique needs of its international clients. By **constructing a modular foundation without compromising existing functionalities**, the platform can accommodate evolving regulations, market dynamics, and client-specific requirements.

The modular design empowers developers to introduce new accounting rules, transaction logic, or loan schedule configurations as independent components. This modularity accelerates development cycles and minimizes disruptions to the core system.



Avetis Ovakimyan

Chief Product Officer
at Highway

Given the diverse needs and requirements of banks and credit organizations, it's challenging to create a one-size-fits-all solution. Instead, we have adopted a strategy focused on building a scalable and flexible foundation for our system. This approach allows us to swiftly add new features without causing disruptive changes to the existing setup."

Highway's digital lending platform prioritizes a smooth and efficient loan disbursement process for its customers. To achieve this, the platform employs a comprehensive approach **centered around understanding and optimizing the customer journey**. Through advanced technical tools, Highway analyzes the customer's interactions within the platform, pinpointing instances of interruption or redirection. This data-driven approach helps identify potential obstacles or areas requiring improvement in the loan process.

Furthermore, Highway **collaborates closely with its partners to gain insights into user behavior**. By studying how customers navigate the platform, common challenges or preferences can be identified and addressed. Direct customer feedback is also important, with multiple channels in place to gather valuable insights into the user experience.

Cross-functional teams, including product, UX, and technical experts, then review the collected data and feedback. This collaborative process ensures that **any necessary modifications to the customer interface or overall loan journey are implemented**.

By continuously refining the platform based on these key metrics and feedback, Highway aims to enhance user experience, drive higher adoption rates, and ensure it aligns with its customers' evolving needs.



Consolidating Loan Options for Enhanced Customer Experience

Fintech solutions cannot be developed solely based on local studies or even standard procedures. They require intensive research that takes years, not months. Furthermore, continuous research and knowledge updates are essential throughout development because the **international market evolves rapidly**.

To secure a competitive edge in the global fintech market, Highway relies on extensive personal experience in the banking industry, continuous feedback from direct client interviews, and, most importantly, product research.

For example, when developing the digital lending platform, a B2B2C product, Highway's team researched all lending solution providers in the United States and identified gaps in the available offerings. Their research revealed that **Americans often use different apps for different loan types**. This is particularly true in the US market, where many fintech companies specialize in niche loan products, such as Klarna with its Buy Now, Pay Later (BNPL) offering, Affirm with its consumer loans, or Sunbit, which specializes in car repair loans.



Avetis Ovakimyan

Chief Product Officer
at Highway

Meeting the diverse needs of customers in one platform instead of using multiple ones is the key characteristic that differentiates and highlights our product.”



Most American banks offer only one type of consumer loan on their mobile apps, and typically, you need to be an existing customer to apply. Highway saw an opportunity to consolidate these functionalities. They believe there's no reason why a client shouldn't be able to access all these loan options in one place, with clear visibility of available credit for each

purpose. Their lending platform allows banks to onboard any client using a highly advanced KYC (Know Your Customer) solution. Clients can then see available loans immediately after completing the onboarding process. This significantly reduces processing time for both the bank and the client, ultimately leading to increased customer satisfaction.



Avetis Ovakimyan

Chief Product Officer
at Highway

Loan applications in our App are seamlessly integrated with the Digital Lending platform, where the user can directly access up to 6 loan offers in one place. It is an unprecedented customer experience to have access to such loans as credit lines and even refinancing in one place.”



Managing expectations and priorities across diverse stakeholders, particularly when targeting international markets, requires a strategic approach. Highway maintains open communication with stakeholders. Their feedback is invaluable in prioritizing features and enhancements.

Armenia's unique position as a crossroads between Europe and Asia makes it **a prime sandbox environment for fintech solutions providers**. The country's population is a diverse mix of locals and foreigners, offering a microcosm of user mentalities from various regions around the world. This diverse user base allows fintech companies to test and refine their solutions in a relatively controlled environment, **mimicking real-world conditions before launching them on a wider scale**.

BUILDING STRONG TECH PARTNERSHIPS IN ARMENIA

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**KALIPSE
SEDRAKYAN**
HEAD OF STRATEGIC PARTNERSHIP
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**ASTGHIK
VARDERESYAN**
BUSINESS DEVELOPMENT
SPECIALIST AT HACKTECK



BUILDING STRONG TECH PARTNERSHIPS IN ARMENIA HOW DOES EMOTIONAL INTELLIGENCE FUEL TECHNICAL EXCELLENCE?

Doing business with Armenian companies can often extend beyond the typical client-provider dynamic. It's true that friendliness and attentiveness are expected when someone pays for your services. However, **Armenian business culture goes a step further**. When clients regularly visit their service provider's country and attend weddings of the founder and several team members, **it speaks volumes about the unique company culture**.

This culture emphasizes strong personal bonds and a sense of extended family. Colleagues are viewed as close companions, and **clients are often welcomed into this circle**. This fosters a deeper level of trust and collaboration, leading to more successful long-term partnerships.



Building Partnerships, Not Just Products

But what is the secret sauce that makes clients fall in love with Armenia, flying across the globe for regular visits and sharing precious moments with vendors? This emphasis on relationship-building is exactly what drew me to [HackTech](#) and its wonderful team in Yerevan. They seem to have **cracked the code of this special client experience**, leading to a powerful emotional connection beyond codes and algorithms.

HackTech's story began in 2015 with just three passionate individuals who remain the core of the company today. Recognizing a saturated freelance software development market, they sought a path less traveled—one that **prioritized the emotional connection with clients**.

Instead of focusing solely on price, speed, or other traditional metrics, they envisioned an emotional connection with their clients as the company's unique value proposition. This wasn't just about building a relationship; it was about **harnessing the power of emotional intelligence**.





Hakob Sharabkhanyan

Founder and CEO of HackTech

“By understanding our client’s needs, frustrations, and aspirations, we could assign the right team of software engineers and project managers to the client, not just the project.”

This emotional intelligence led to a sense of partnership – a feeling of being in it together rather than simply a client-contractor relationship. It not only fosters client satisfaction and loyalty but also fuels the passion and dedication that continues to drive the company’s success.



Human Connection Over Profit

Diversity is the cornerstone of HackTech's emotional intelligence. A team with varied backgrounds, experiences, and perspectives can better understand the nuances of client needs and tailor their approach accordingly. This ensures HackTech's team members not only understand the importance of emotional connection but **can genuinely reflect it when working with clients.**



Kalipse Sedrakyan

Head of Strategic Partnerships
at HackTech

“We go beyond simply completing tasks; we aim for our employees to leverage their emotional intelligence and truly understand the client's needs and aspirations.”



From a technical aspect, HackTech stands apart from the typical outsourcing model. They provide dedicated teams that function as true engineering partners. One of the stories I learned from HackTech's founder, Hakob Sharabkhanyan, exemplifies their commitment to emotional connection. Three years ago, a major client faced internal issues that threatened to halt their income stream, **representing a significant 50% of HackTech's revenue.**

Despite the financial strain, HackTech stayed true to their values. They continued delivering the same level of service, prioritizing the human-to-human connection they had built with the client. This wasn't just blind faith; their diverse team, with its experience and perspectives, likely **played a crucial role in understanding the client's situation** and tailoring their approach.



This commitment paid off. The client bounced back, and not only did they retain HackTech's services, but they also entrusted them with two additional projects. This resulted in an even greater income stream for HackTech than before.

This story highlights the power of HackTech's approach. Their focus on emotional connection transcends financial considerations. It fosters loyalty and trust, leading to long-term client partnerships that benefit both parties.



Data, Design, and Devotion

During my recent meeting with HackTech's founder, [Hakob Sharabkhanyan](#), [Kalipse Sedrakyan](#), Head of Strategic Partnership, and [Astghik Varderesyan](#), Business Development Specialist, they shared many stories about their clients. What surprised me most was the absence of software engineering details during the entire meeting. The focus was entirely on the client experience and connections they have with them.

One example that I still remember was Christopher Justice, a client with no prior connection to Armenia, who has become a regular visitor. He's already visited the country over 30 times! Similarly, Kevin Bloom, another US client, has visited Armenia 7 times and remains eager to return. Actually, it was really nice to know that several clients from the US, for example, **have chosen to attend the weddings of different HackTech team members** in Armenia upon being invited.



Although clients value a company that prioritizes understanding their needs and fostering a positive experience, they also require high-quality deliverables, efficient project management, and competitive pricing. I wanted to learn more about this aspect, especially to find out how satisfied their clients are with the level of work they're delivering to them from a technical perspective.



HackTeck in Armenia has recently become **ISO 27001 certified and received their AWS Partner Certification as well**. The team's expertise extends to building complex digital tools from scratch, as evidenced by their work with LegalPad (LegalTech). The subsequent acquisition of LegalPad by a major industry player like Deel further underscores the high quality of HackTech's work and its contribution to client success.

Industry knowledge is another key strength. HackTech's development of Franchise Ramp, the #1 Marketing Agency for Xponential Fitness, showcases their deep understanding of the franchise industry. Similarly, their work with MaxMarket, a leading online marketplace, demonstrates their ability to analyze market trends, integrate best practices, and create user-centric designs that attract customers.

Recognizing the importance of having a dynamic environment that fuels creativity, HackTech recently moved to a brand new office space in Yerevan, which I was lucky to visit earlier this month. The modern design prioritizes open collaboration areas, encouraging teamwork, free flow of ideas, and face-to-face brainstorming.



Astghik Varderesyan

Business Development
Specialist at HackTech

“We have Sweet Mondays to combat the Monday blues with a selection of sweet treats that await employees. We also have Happy Fridays to enjoy the last day of the week and actually connect with each other.”

I couldn't but notice a healthy work-life balance there with activities and small details that contribute to the big picture. After all, you can't ask your employees to use their emotional intelligence with your clients unless you use your emotional intelligence with them and connect with them on that same level.

While HackTech delivers high-quality technical work, their focus on human connection sets them apart. This **client-centric approach is becoming a hallmark of Armenian business culture**, making the country a ground for building strong partnerships.



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THE BIRTH OF CAPITALISM IN ARMENIA

EXAMINING THE IMPACT ON THE ECONOMY AND THE STARTUP ECOSYSTEM



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**NIKOLAY
KHACHATUROV**

FOUNDER OF KHACHATUROV
GROUP



THE BIRTH OF CAPITALISM IN ARMENIA EXAMINING THE IMPACT ON THE ECONOMY AND THE STARTUP ECOSYSTEM

Capitalism is undeniably a powerful driver of economic growth, but it might require adjustments to accommodate social programs that provide a basic level of security and opportunity for everyone.

A cornerstone of capitalism is the right of individuals and businesses to own land, resources, and companies.

This incentivizes investment and innovation. People are more willing to put in the effort and **take risks if they know they can reap the rewards of their success.** Secure property rights also allow businesses to borrow money and expand their operations with confidence, knowing their assets are protected.



Economic Shifts

A capitalist system thrives on competition between businesses. This competition drives companies to constantly improve their products and services while keeping prices in check for consumers. Governments may need to loosen regulations that stifle competition, **allowing new businesses to enter the market and established ones to adapt and innovate.** In a capitalist system, the government generally plays a more hands-off role in the economy. Instead of controlling businesses or setting prices, its primary function is to enforce contracts, uphold property rights, and provide essential public services like infrastructure and national defense.

However, many of the most **successful economies in the world today are not purely capitalist.** They are mixed economies that combine elements of a market-driven system with some level of government involvement. This involvement can take many forms, such as providing public services like education and healthcare or regulating industries to protect consumers and the environment.

Armenia might be considered a “transition economy,” moving from a more centrally planned system to a market-driven one. Many former Soviet states, including Armenia, are still dealing with the legacy of central planning and building strong institutions for a capitalist system.





Nikolay Khachaturov

CEO and Founder of Khachaturov Group

Shifting the Armenian economy to a fully capitalist system won't happen overnight. The current pace of change is normal, even exceeding that of other post-Soviet nations. Many Armenians hold onto positive memories of the Soviet era's peak, and some of these influential figures still shape modern Armenia. Replacing their beliefs with a new system requires time for a smooth transition; a rushed approach risks economic chaos."

After the Soviet Union's formation, the Armenian economy became fully integrated into the centrally planned system.

The Capitalist Awakening

The Armenian Soviet Socialist Republic operated under a centrally planned economy, with limited private ownership and state control over most industries. [Armenia's economic scene has undergone a dramatic transformation](#) since the fall of the Soviet Union at the beginning of the 90s, which forced Armenia to re-evaluate its economic model.

Shortages of goods and inefficiencies within the planned system became increasingly evident. The early 1990s witnessed a period of significant hardship as Armenia suffered political instability and a devastating earthquake. In response to these challenges, [Armenia initiated a series of economic reforms aimed](#)

[at establishing a market economy](#). These reforms involved the large-scale privatization of state-owned enterprises, currency liberalization, and the creation of a legal framework conducive to private investment.



Nikolay Khachaturov

CEO and Founder of Khachaturov Group

Armenia's current generation of wealthy individuals, nearing the end of their careers, will eventually pass their wealth on to their children. However, these inheritors may struggle to maintain it. Unlike their parents, who built their wealth from the ground up, these children likely lack the experience and drive necessary to preserve it within a capitalist system. This transfer of capital could mark a turning point for Armenian capitalism. With wealth in the hands of a 3rd party, a younger generation eager to leverage it, the economy could witness a surge of entrepreneurial activity and a more dynamic capitalist scene."

The Armenian banking system has continued to develop over the past few decades. Today, it offers a wider range of financial services, contributing to the growth of the private sector. The birth of capitalism in Armenia is a story of gradual transformation. While early 20th-century hints of private banking existed, the real shift came in the late Soviet era with economic reforms and then accelerated after the USSR's collapse.

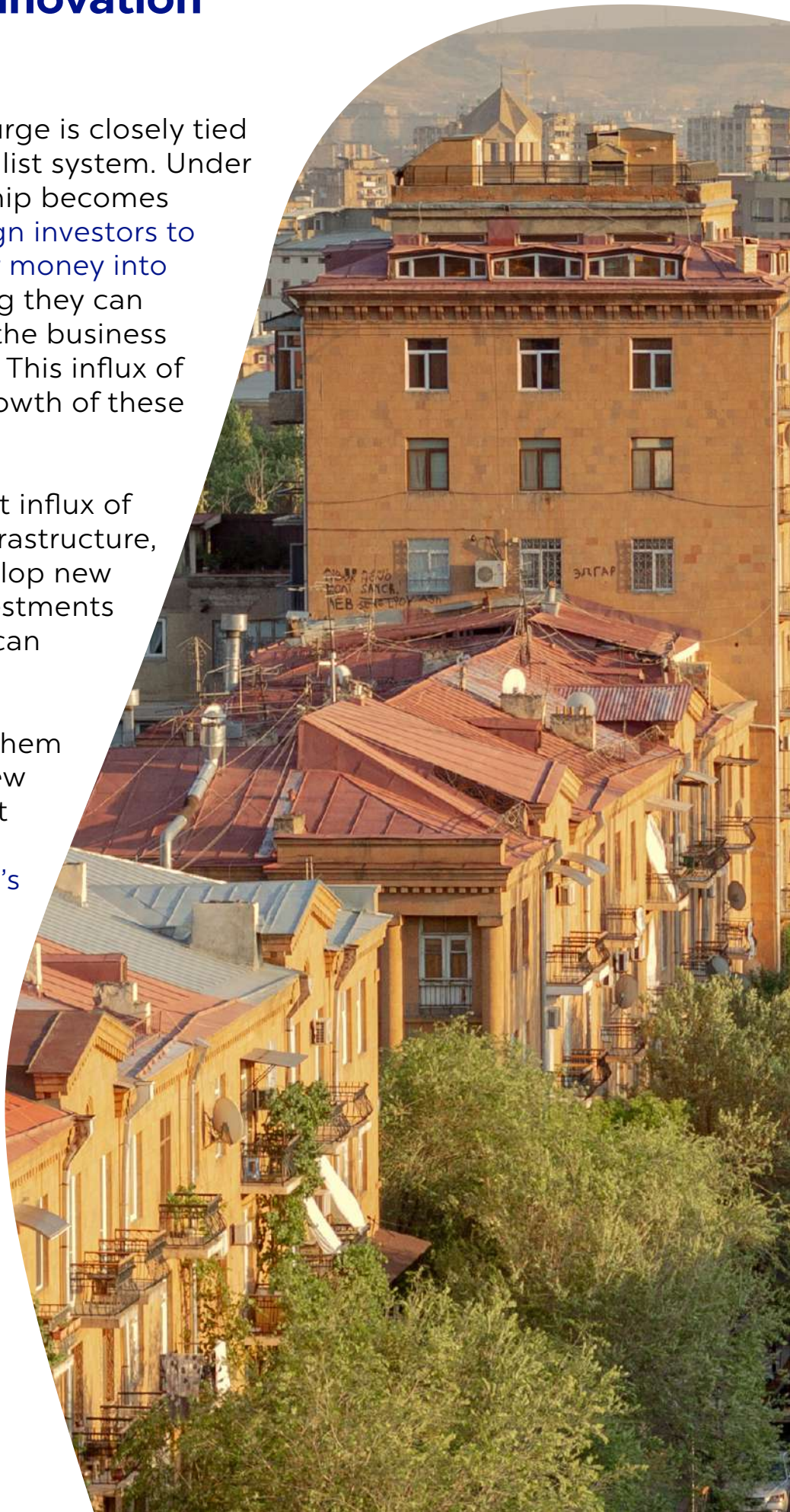
Privatization and the establishment of a central bank paved the way for a market-oriented financial system, with private banks playing a key role.



From Capital to Innovation

Armenia's recent startup surge is closely tied to its shift towards a capitalist system. Under capitalism, private ownership becomes the norm. This allows foreign investors to feel confident putting their money into Armenian startups, knowing they can potentially own a share of the business and profit from its success. This influx of foreign capital fuels the growth of these startups.

Armenia needs a significant influx of capital to modernize its infrastructure, support startups, and develop new industries. Large-scale investments from international players can provide this much-needed financial fuel. International investors often bring with them not just capital, but also new technology and global best practices. This knowledge transfer can boost Armenia's domestic innovation capabilities. Collaboration between Armenian and foreign companies can lead to the development of new products and services, pushing Armenia's tech sector and other industries forward.



FROM LONDON TO YEREVAN

THE JOURNEY OF SCALING A UK STARTUP WITH AN ARMENIAN TEAM



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FROM LONDON TO YEREVAN THE JOURNEY OF SCALING A UK STARTUP WITH AN ARMENIAN TEAM

Yerevan's charm extends to its networking scene. As a smaller city with welcoming residents, the Armenian capital fosters a more accessible and easier networking experience compared to its larger counterparts. During a music concert in Yerevan, Fabio Lenzi, an Italian expat who relocated to Armenia around the same time I did, introduced me to [Tigran Atoyan](#), a Canadian startup founder who resides in the UK, where his startup, [Haibrid](#), is based and funded.

Tigran's academic background is focused on physics, statistics, and mathematics. He completed his PhD in probability theory, having studied at McGill University for both his undergrad and Master's degrees before heading to Oxford for his doctorate.

Empowering Humans to Curate the Web

Haibrid, founded by Tigran, is solving the problem of collective data waste and online curation work left behind in every internet user's history. This data can be highly valuable for individuals, teams, and communities. For example, forgetting where you found useful information online, who shared it with you, or past team projects relevant to your current work highlights this problem.

AI alone does not solve the problem; human labeling and human-in-the-loop systems are critical for data veracity and relevance. Haibrid addresses this gap by empowering individuals and teams to easily collect, curate, and share the data they encounter online. An AI layer applied on top of the collected data further enhances its value, with an initial focus on media, research, and BD/sales teams.

Although Haibrid is registered and funded in the UK, I kept encountering Tigran in Yerevan. When I inquired about his extended stay, an interesting story worthy of being shared with Life in Armenia readers unfolded. It turned out Tigran had hired an Armenian team for Haibrid and brought a UK team member to Yerevan to facilitate collaboration.

The UK Startup Leveraging Young Tech Talent in Armenia

Recognizing the need for a talented and committed team to build the right solution, Haibrid, from the its initial setup, **used the opportunity to leverage the tech and applied AI talent in Armenia** that has been built up in part by Armenian-founded tech startups that have been set up in the last decade. Currently, Haibrid's team consists of eight members in Armenia and two in the UK. **Working remotely from Armenia with the UK team** for the past few months hasn't been an issue for Tigran.

Tigran found the ecosystem in Armenia to be extremely friendly and welcoming for an up-and-coming startup, **especially compared to that in big cities like London**. He received a lot of support from several key individuals upon starting the company. Most notably, Vazgen Hakobjanyan, the founder of Magical Labs, whom Tigran considers one of, if not the godfather of applied AI companies in Armenia, played a crucial role. Vazgen worked with Tigran for many months, **helping him set up the initial team** and making relevant introductions.



In fact, the connection to Armenia is even implicitly embedded in the name “Haibrid” itself, subtly referencing Armenia (“Hai”) while emphasizing the hybrid interaction between humans (H) and AI the company envisions for building trustable AI systems in the information management space.



Tigran Atoyan

Founder of Haibrid

“In Yerevan, you can build more connections in a week than you could in a month in London.”

According to Tigran, Yerevan has lots of talented, driven, and committed junior and mid-level developers.

Finding senior talent is slightly more challenging, which is understandable given the relative youth of the country's IT startup ecosystem. The best would be to secure senior developers to mentor and guide your less experienced staff.

Fueling Startup Success with Connections and Talent

Obviously, expanding the business and fundraising larger amounts makes more sense in countries like the US and UK. However, being in Armenia is definitely an advantage for small startups when compared to most other places since you can get deals and intros done much easier than elsewhere. As mentioned, there are hubs and places in Yerevan where you can meet other startup founders and relevant professionals daily without having to schedule meetings.

Investors were particularly motivated by Tigran's ambitious project in Yerevan. They recognized the potential impact Haibrid's success could have on the Armenian economy beyond the pure business opportunity. Haibrid is definitely open to receiving funds from Armenian investors, particularly those with expertise in the Ntech (new technologies) space. The right connections with Armenian investors could be very valuable.

Armenia has proven to be a ground for finding test users for Haibrid's app. From recruiting firms to tech companies, research centers, and even journalists, Tigran has been able to connect with a diverse range of professionals who can benefit from consolidating information and building a "super layer" on top of existing data for better knowledge management. The size of Yerevan is actually an advantage here – introductions are easier to make because everyone seems to know someone who knows someone else!

This story of Haibrid exemplifies the unique advantages Armenia offers for young companies. From a supportive ecosystem and talented workforce to a vibrant networking scene and access to potential investors, Armenia can be your startup's launchpad to success.

TECH EVENTS



with
ARTAK N. G.



TECH BLOGGER

EVENTS

AUGUST 3



AI for Everyone
(Prompt engineering)
at ARDY academy (free
entry with registration)

AUGUST 3-4



QA summer camp in
Yenoqavan by ArmSTQB

AUGUST 4

IT Future Hub at Anahit
Tech center (free entry
with registration)

AUGUST 8



OpenUp meeting
designed by Arpi
Karaperyan with Davit
Grigoryan, CEO of
DevSoft, Angel Investor

AUGUST 8



Digital Product
Prototyping by IT
analysts business
association (free entry
with registration)

AUGUST 10

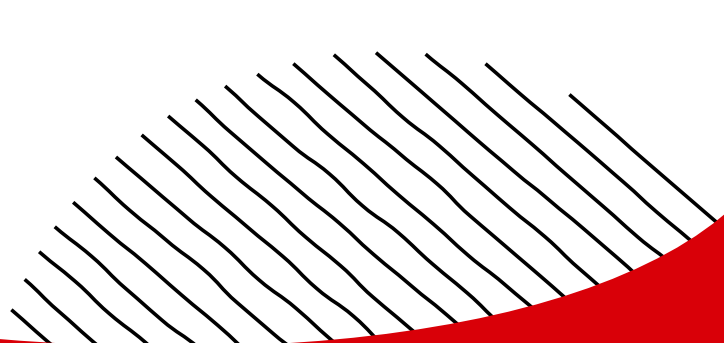


Open info day in ARDY
technological academy,
Woods Center (free
entry with registration)

AUGUST 10-11

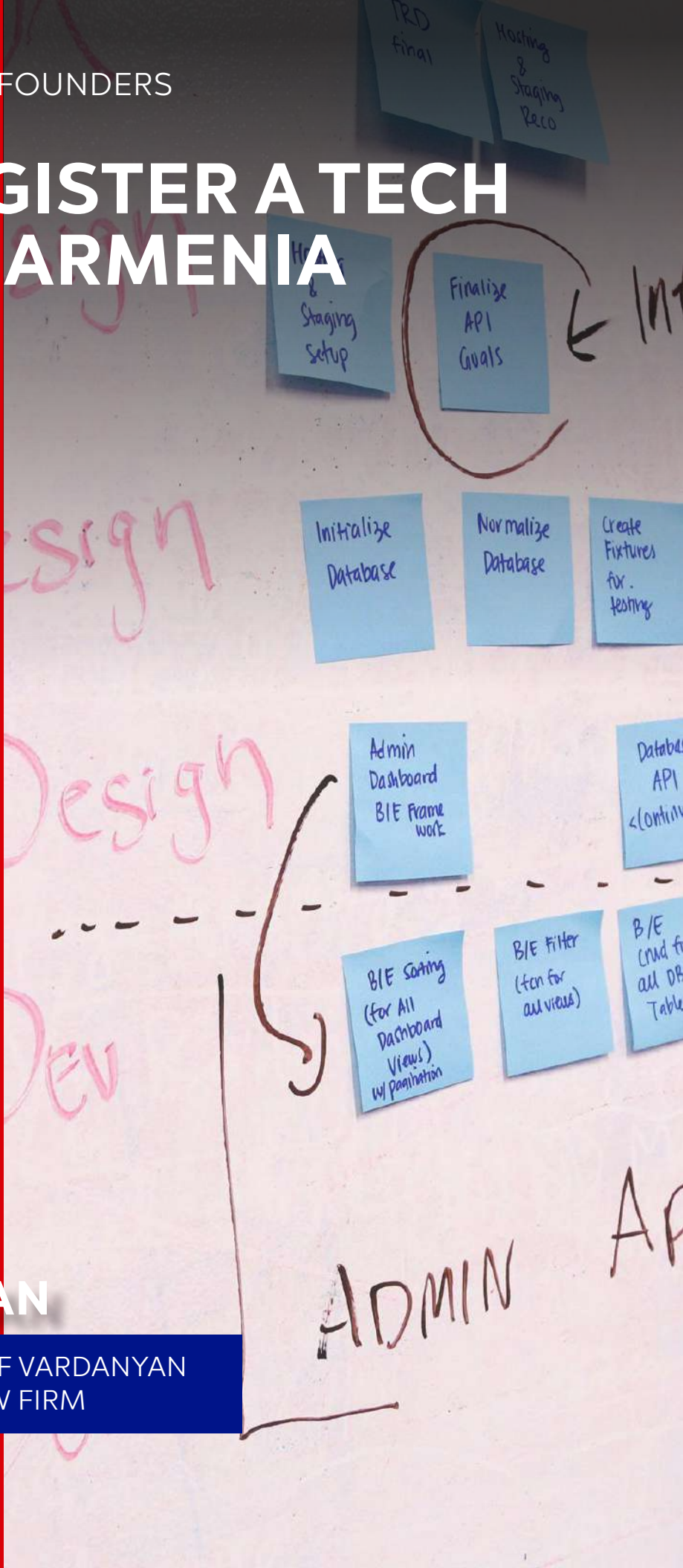


Astrofest in Jermuk
(free entry with
registration)



ATTENTION INTERNATIONAL FOUNDERS

HOW TO REGISTER A TECH STARTUP IN ARMENIA



NERSES ISAJANYAN

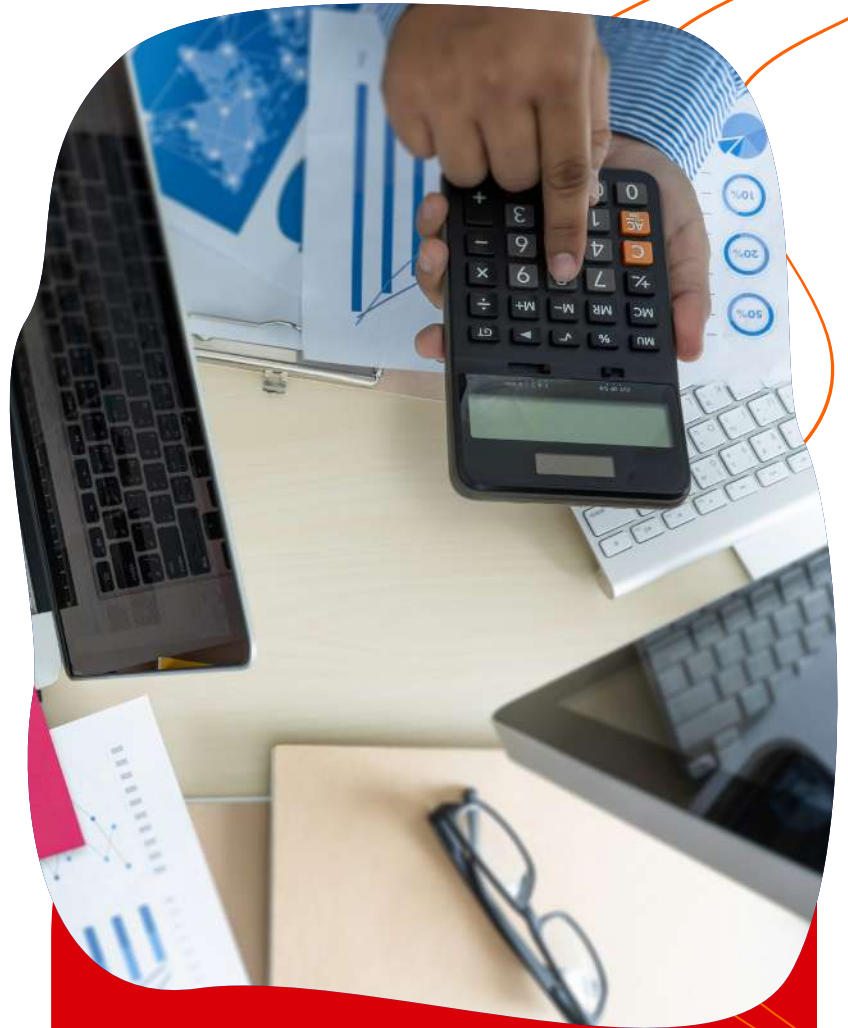
CO-FOUNDER OF VARDANYAN & PARTNERS LAW FIRM

ATTENTION INTERNATIONAL FOUNDERS HOW TO REGISTER A TECH STARTUP IN ARMENIA

Armenian startups have access to a growing pool of local and international venture capital funds, angel investors, and government-backed platforms that connect them with potential investors. This supportive environment, coupled with a strong talent pool in tech fields like AI, cybersecurity, and software development, makes **Armenia an attractive destination for tech entrepreneurs** to launch and grow their businesses.

Armenia has a simplified business registration process, allowing you to be up and running within one to three business days. There's no minimum capital requirement to worry about, and unlike many other countries, **Armenia eliminates government registration fees**, making it a cost-effective option.

But the benefits extend far beyond the ease of set-up. Armenia actively welcomes foreign ownership, **giving you full control over your business venture**. Furthermore, the country has implemented a tax system designed to attract investment. This includes opportunities for zero-tax statuses and low turnover taxes.



Armenia offers significant tax breaks for IT companies. **Qualifying startups can benefit from reducing the income tax for employees until the end of this year.** Newly registered companies can apply for the IT certificate within 90 days from their registration date. Moreover, the IT certificate has been extended by one year in recent years.

Registering a Tech Startup in Armenia

Registering a tech startup in Armenia is known for being fast and affordable, making it an attractive option for entrepreneurs. First, you have to choose your business entity:

1. Limited Liability Company (LLC):

This is the most common choice for startups due to its simplicity and flexibility.

2. Joint Stock Company (JSC):

More complex but suitable if you plan on raising capital through public offerings.

3. Sole Proprietorship:

Simplest structure but offers limited liability protection.



Next is to prepare the documents. For example, to register a tech startup as an LLC in Armenia, you'll need to prepare the following documents:

1. Decision to Create: A signed document by all founders stating their intention to establish the LLC.

2. Charter: This document outlines the company's rules and regulations, including its name, purpose, management structure, and capital distribution.

3. Founders' Identification: Notarized copies of the founders' passports (or other government-issued ID).

4. Power of Attorney: If you're appointing a lawyer to handle the registration process, you'll need a power of attorney document notarized according to Armenian regulations

Upon completion of the document preparation, you have the option to file in person at the State Registry Office or appoint a lawyer to act on your behalf through a power of attorney.

Note:

The company can also be registered using the sample documents provided by the State Registry. Please note that the documents will be in Armenian only in this case.

Registering a Tech Startup in Armenia

Armenia makes it easy to update your business information. Need to change your company name, address, director, or shareholding structure (for LLCs)? Simply register amendments with the State Registry. Most changes are processed within two days, with an expedited option available for urgent cases.

If you need to close your business, there are two options: dissolution or dormancy. Dissolution involves notifying creditors and government agencies, followed by archiving documents and surrendering the company stamp. This process **can take some time, especially if there are outstanding tax claims.**

An alternative is to declare your company inactive with the tax office. Dormant companies remain registered but avoid tax filings and payments.

Keep in mind that accountants should handle company deactivation. Although this process allows companies to avoid the requirement of tax reports, they must submit the UBO declarations each year before February 20th.

We advise digital nomads considering starting a business in Armenia to consult a professional accountant or business lawyer to find out more about the details before taking any steps. Additionally, our website, [Armenian Lawyers](#), has updated all the information to date in the English language. Vardanyan & Partners Law Firm is an official operator for the State Registry of Legal Entities of Armenia. We can handle new business registrations and corporate changes directly from the office.

Advertising Collaboration

Life in Armenia

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TARGETING GLOBAL MARKETS

DEVELOPING PROFITABLE MOBILE APPS FOR WESTERN AUDIENCES FROM ARMENIA



**MATHEW
ZEIN**

EDITOR IN CHIEF



INTERVIEWING

**VARDAN
ABRAHAMYAN**

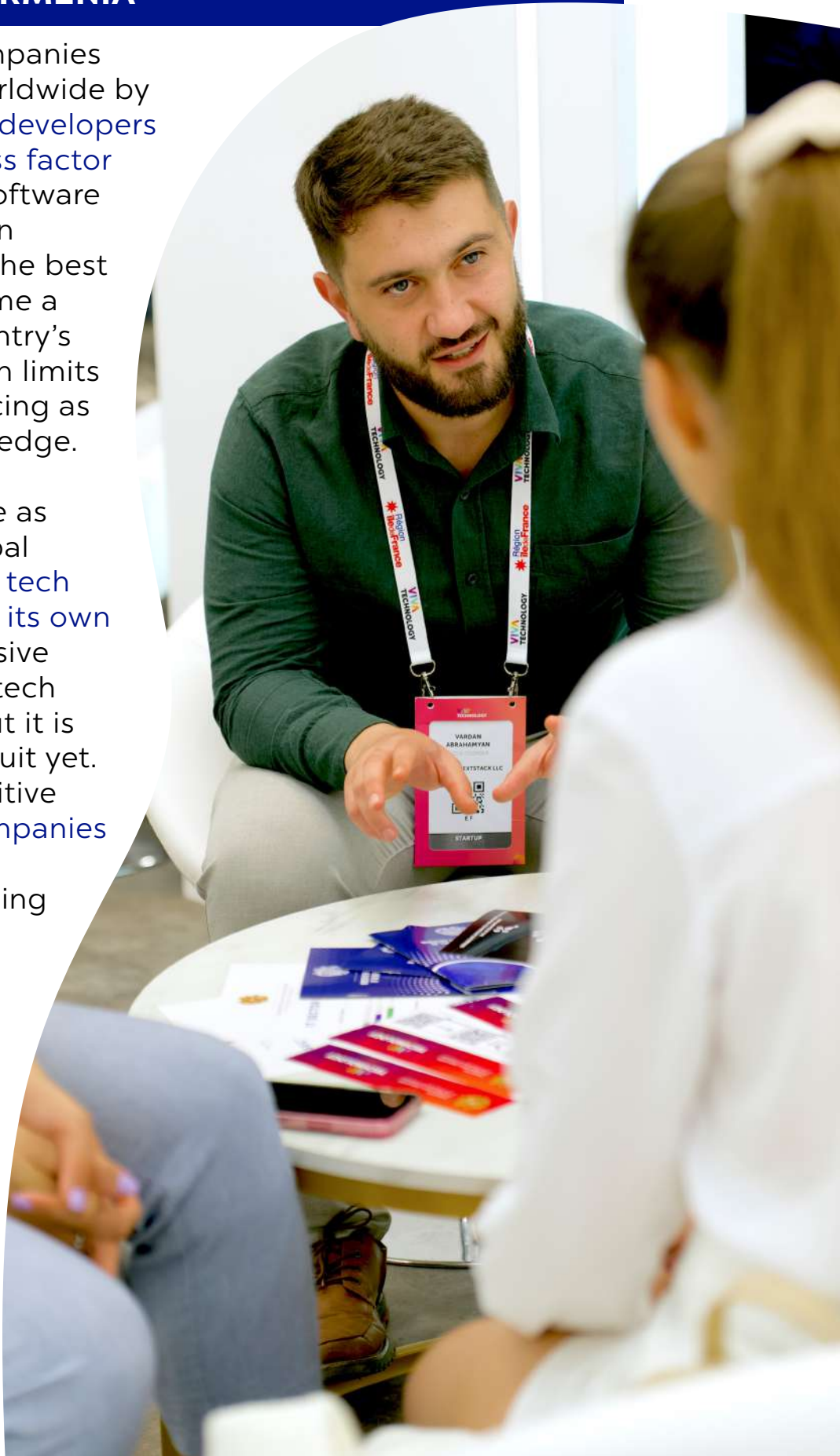
FOUNDER AND CEO
OF NEXTSTACK



TARGETING GLOBAL MARKETS DEVELOPING PROFITABLE MOBILE APPS FOR WESTERN AUDIENCES FROM ARMENIA

While Armenian tech companies are achieving success worldwide by leveraging their **talented developers** and the **cost-effectiveness** factor to outsource advanced software solutions, relying solely on outsourcing may not be the best way for Armenia to become a global tech hub. The country's relatively small population limits the potential for outsourcing as a long-term competitive edge.

Armenia could truly thrive as a major player in the global tech scene by fostering a **tech ecosystem that produces its own software products**. Extensive scientific research in the tech sector is another path, but it is not Armenia's strongest suit yet. Fortunately, there's a positive shift. **Many Armenian companies have adopted a product-based approach**, developing and releasing their own products. It's particularly encouraging to see outsourcing companies working on their own products alongside their outsourcing work. This dual approach fuels their growth and keeps their engine running.





The importance of this topic compels me to share this article with the magazine readers. It aims to highlight the true state of Armenia's tech industry for those considering relocation. A common misconception exists that Armenia lacks a developed tech scene. However, the reality is that the industry here is not only well-developed technically but also **actively pushing the boundaries and shaping the future.**

While researching, I came across [NextStack](#), a leading software development company based in Yerevan that specializes in digital transformations and mobile app development. In 2020, [Vardan Abrahamyan](#), Founder and CEO of NextStack, **Recognized the opportunities for diversification beyond outsourcing.** He understood that outsourcing offers limited growth regardless of its scale compared to the exposure and expansion achieved by developing their own products.

For diversification purposes, NextStack took a bold step. They launched two mobile apps and are now **nurturing them as independent startups within the company**, actively supporting their growth.

To find out more, I interviewed Vardan Abrahamyan. The interview explored the company and its two products, and the main question was **whether Armenia could launch globally recognized products.**



Finding a Gap in a Distant Market

NextStack's first mobile app, [Marine Weather](#), is dedicated to those who spend time on the water, including sailors, fishermen, surfers, and kite surfers. This mobile application provides weather insights to help users navigate safely. Features include current and forecasted weather conditions, data visualization through charts and graphs, and the ability to view critical data without opening the app via widgets.

Interestingly, Armenia itself is landlocked. However, NextStack **identified a gap in the global market** and a demand for an app

with these specific features. Their market research paid off – Marine Weather went from 0 downloads in 2020 to nearly 5,000 premium subscribers and over 300,000 downloads today. This success story highlights the potential for Armenian developers to create globally recognized products by identifying niche markets and conducting thorough research.

Furthermore, Marine Weather has a paying subscriber base and even received a promotion from Apple's App Store in two categories after implementing the requested changes. Initially conceived as a basic tool providing weather data for seafarers, the Marine Weather app has undergone continuous improvement thanks to user feedback.





Vardan Abrahamyan

Chief Executive Officer at NextStack

“The transformation of NOAA Marine Weather from a functional tool to an App Store standout is a result of strategic decisions backed by data.”

This iterative development approach led to the creation of a freemium model, offering a premium subscription tier with additional features. This demonstrates the app’s value proposition and its ability to compete on a global scale.



Shazam for Movies?

NextStack's success with Marine Weather fueled their pursuit of another market gap. They identified a need for **an app that could identify movies from short clips**, a common frustration shared by social media users. This innovative concept led to the creation of ClipFix, an app that utilizes advanced AI to solve this problem.

Introducing ClipFix at [MWC Barcelona](#) earlier this year received significant attention. This Armenian-made app impressed audiences with its ability to instantly identify movies

from even the shortest clips. ClipFix's momentum continued at [Viva Tech](#) in Paris a few months ago, where it received positive feedback from a large audience. The company also leveraged the event to connect with representatives from leading streaming platforms and TV networks. **These key players expressed interest in ClipFix's potential integration** with their services. During Viva Tech, a sports industry expert identified the app's potential to identify sports matches from short clips, prompting the company to explore this exciting new avenue.

The Million-Dollar Question

So, let's circle back to the original question that sparked this interview: Can Armenian tech companies develop globally recognized mobile apps, or is their geographical location a hindrance?

The answer, in fact, extends far beyond the examples I've mentioned. Many Armenian tech companies have recently emerged as global leaders with their innovative apps. These include [Armenia's unicorn, PicsArt](#), and the soon-to-be unicorn, [Krisp](#), to name just a few.

The key takeaway here isn't the company's physical location but rather the problem its app solves. [Success hinges on identifying a gap in the market](#) and leveraging technology to fill it.

UNEXPECTED CONNECTIONS

BAKING, BIKEPACKING & BUILDING A CYCLING LEGACY IN ARMENIA



**MATHEW
ZEIN**

EDITOR IN CHIEF



INTERVIEWING

**THOMAS
FITZGERALD**

FOUNDER OF THE COOKIEMAN
COMPANY & ASCEND ARMENIA

UNEXPECTED CONNECTIONS BAKING, BIKEPACKING & BUILDING A CYCLING LEGACY IN ARMENIA

Have you ever wondered what connects baking delicious homemade cookies, organizing bikepacking races, and promoting Armenia as a sports destination? If you're good at making unexpected connections, pay close attention as you read because these seemingly disparate ideas will eventually come together to form a clear picture.



Scaling Down, Scaling Up

Our story begins with Thomas (Tom) Fitzgerald, a 72-year-old American. In 1996, he launched a cookie delivery business in the United States.

To meet demand, he opened his own bakery. Recognizing the importance of healthy eating, he shifted his focus in 2006 to creating nutritious snacks for schools. His success led him to serve some of the largest school districts in the USA. He then expanded by developing products for co-manufacturing clients. After transitioning the business to his son, Tom and his wife, both with no Armenian roots, made a life-changing decision: in August 2020, they moved to Armenia and embraced it as their new home.



Tom's operation has scaled down considerably. He's transitioned from massive 800-cookie batches to **baking just 12 cookies at a time in his Yerevan apartment kitchen**. He carefully packs each cookie himself, branding them all as "The Cookieman Company" with a simple orange and black sticker. He personally distributes these treats to a select few locations in Yerevan and even follows up on sales. This begs the question: is this a serious business venture? While the scale might seem small, it shouldn't diminish his commitment. After all, Colonel Sanders launched KFC at the age of 66, proving that age doesn't limit entrepreneurial spirit. Perhaps Tom's dedication is a sign of big things to come for The Cookieman!

You might imagine a typical retiree settling into a life of leisure at home. But Tom's story takes an unexpected turn. Here, we'll delve into a side of him that goes far beyond cookies, kitchens, and baking.



A Bikepacking Race Born from Passion

In 2022, Tom's adventurous spirit wasn't confined to the kitchen. He joined forces with his son, Stephen, to **organize the first-ever "bikepacking" race in the stunning Armenian mountains**. This competition attracted tens of international racers from all over the world, eager to test their skills against the breathtaking backdrop. Their hard work paid off! [Ascend Armenia](#), as they named the event, received the Best New Event award from the [Bikepacking.com](#) Awards for 2023.



But Tom didn't stop there. Fueled by the success of the race and his passion for promoting Armenia as a cycling destination, he established the Ascend Armenia Foundation with local-born [Tatev Avetisyan](#) as President. This organization **ensures that the bikepacking race remains an Armenian local event and continues to take place annually**, bringing together international athletes and showcasing the beauty of Armenia to the world.

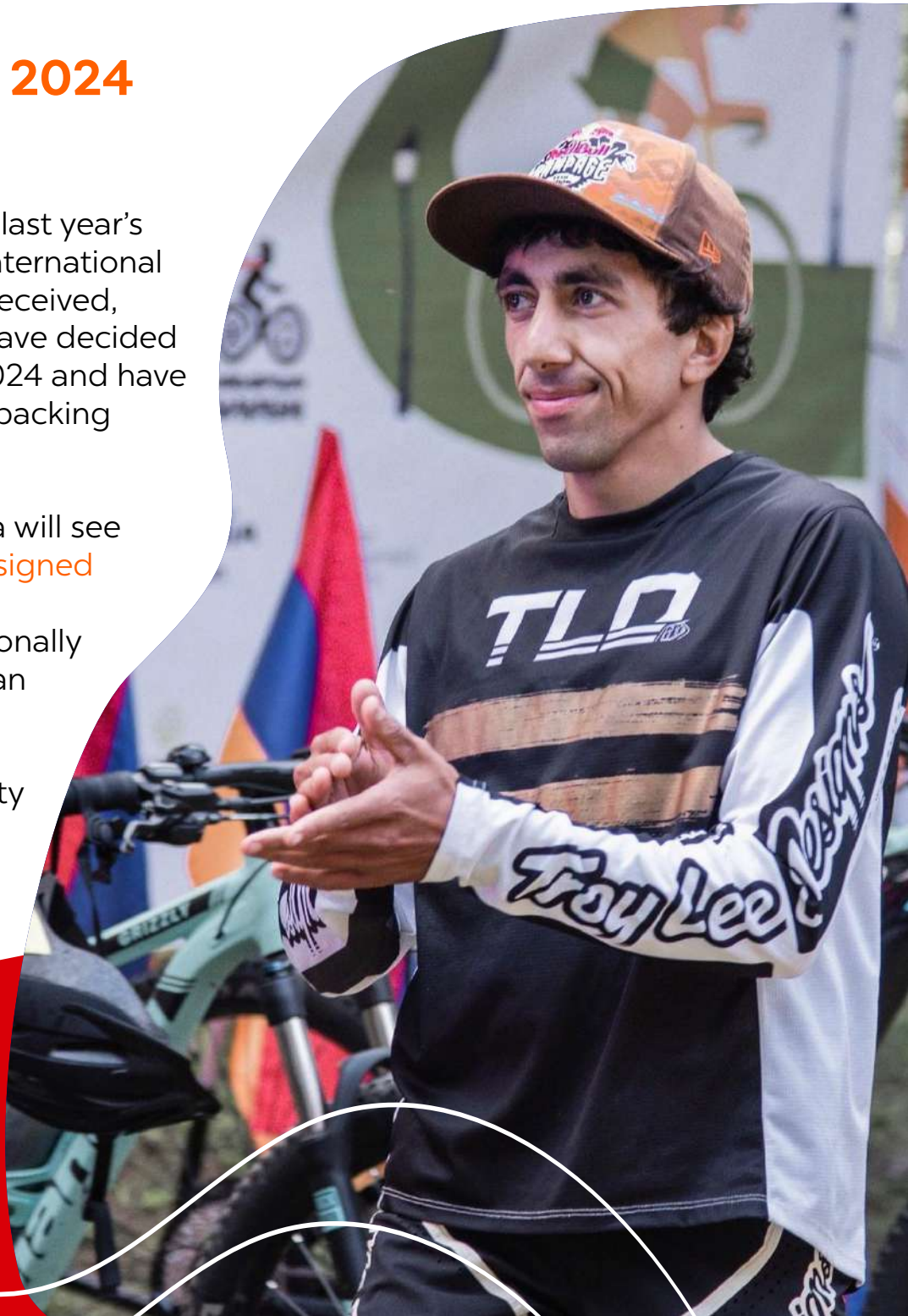
Ascend Armenia is organized and run to build awareness and support for the sport of adventure cycling in Armenia. Their goal is to feature this beautiful country, its warm and hospitable people, its culture, and the beautiful, challenging terrain. They believe **discovering Armenia by bicycle allows riders to move at a slower speed**, one that invites human encounters with rural locals, cross-cultural exchanges, and a deeper appreciation for the natural environment.

In addition to the ultra-distance race, Ascend Armenia organizes local cycling events and competitions. These events **build the local cycling community** and help Ascend Armenia represent Armenia more authentically.

Ascend Armenia 2024

Building on the success of last year's Ascend Armenia race, its international acclaim, and the award it received, Tom, Tatev, and Stephen have decided to continue the event in 2024 and have planned a brand new bikepacking adventure in August.

This year's Ascend Armenia will see some exciting **changes designed to attract a wider range of Bikepackers**. Tom has personally been scouting the Armenian mountains off-road to develop a new route that continues to prioritize safety while incorporating visits to as many villages as possible.



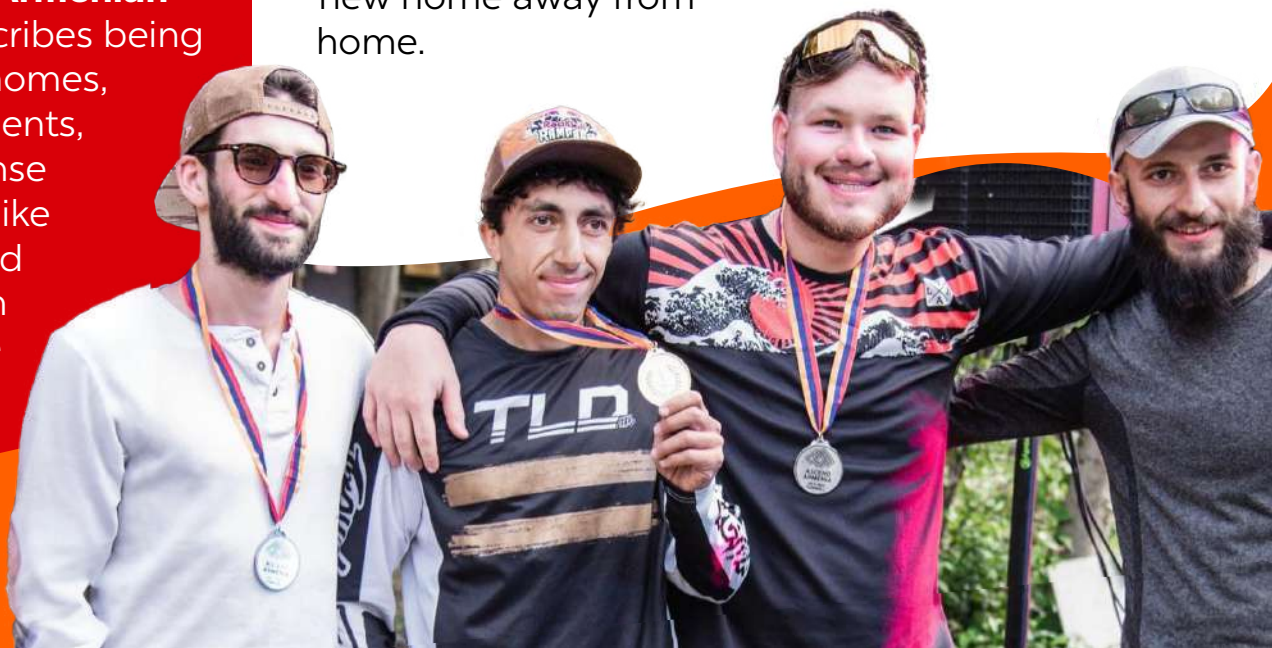


His goal is to create a more enriching experience for participants and contribute to local communities. He envisions bikepackers stopping to rest, enjoy local food, and engage with villagers. Tom speaks fondly of his own experiences, recalling the **warmth and hospitality he's encountered in Armenian villages**. He describes being welcomed into homes, offered refreshments, and feeling a sense of connection—"like being surrounded by grandchildren who share a love for life."

A Ride Not A Race

This year, Tom, Tatev, and Stephen have decided to add a 2nd component to the Main 1100 km Race event- a 500 km Ascend Ride (not a competition). This **allows regional cyclists to try out bikepacking on a safe, preplanned route**, excluding the more challenging and rigorous aspects of remote mountain wilderness bikepacking, which requires meticulous planning and rigorous preparation and training. Tom believes they have found a way to accelerate the growth of bikepacking in Armenia, as they have reduced the international long race fee from \$300 to \$50 for the 500 km Short Route Ride.

It's worth noting that Tom has been personally organizing and funding these events. He's persistently trying to pursue the necessary financial support from local and international sponsors to ensure the race's longevity in future years, but this support has been very minimal. However, the lack of funding hasn't deterred him. **He took the initiative and launched this year's event**, and now is about to take the next step: aiming to secure the right support at the right time to ensure Ascend Armenia's growth as his legacy in this country... his new home away from home.



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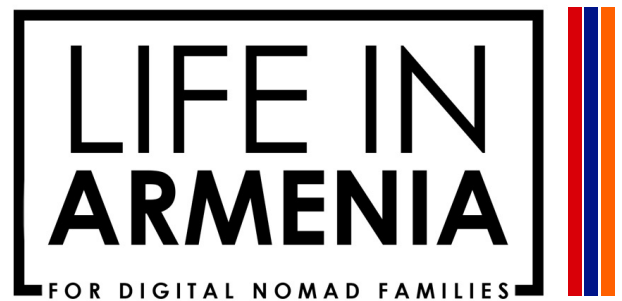
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FOR DIGITAL NOMAD FAMILIES

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