# Five Things to Consider When Selecting a Payment Processor

Essential reading for anyone who has, or is looking to select a payment processor to handle credit card payments.

# WHO SHOULD READ THIS

This document is for all business owners, accountants, or operations who make decisions on the credit card processor. We will first discuss the problems, then the alternatives, and exactly what to look for in your selection process.

PAYMENT

# SO WHAT IS THE PROBLEM?

Following are problems with many payment processors (whether fee or no-fee based)

## THOUSANDS IN FEES

Some payment processors still charge YOU between 2.9% – 4.3% or more to process a typical VISA transaction. If your company processes $1 million in revenue, it costs you $29,000 in fees (at the lowest rate). Ouch!!

Most don't even provide no-fee options (where the fee is absorbed by the customer).

## ONLY A FEW PAYMENT OPTIONS

Some can do standard credit cards, but some still don't process debits, 3rd party ACH, or international credit cards (won't process exchange rates), resulting in turned-away sales.

## DO NOT INTEGRATE WITH THE LATEST SYSTEMS

They don't support omni channel, are weak with mobile payments, can't process referral monetization, and don't work with popular POS systems.

## CANNOT HELP WITH QUICK CASH FLOW

Some vendors can provide payment processing, but don't offer extra financial services when you need an unsecured loan quickly—like next-day equipment financing (if you need to upgrade your POS or do a critical remodel), purchase discounted inventory, or hire seasonal help.

## HARD TO CONTACT

When you've got issues, some are hard to get help—no live chat, limited phone support, no in-app help (have to find the "secret" contact info (think Amazon or Jet Blue)).

## PRICE GOUGING

And then there's the HIGH rates—think the $29,000 processing fees!

So, your objective is to drastically reduce your processing fees, ensure you can take ANY payment type, make sure the processing works with ALL your systems, get the best help (including financial services) if there is ever a problem—and make sure you have the minimal rates (even if you go with the fees model). These are the problems. Let's look at how to solve them.

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## THINGS TO LOOK FOR IN A PAYMENT PROCESSOR

The following are FIVE things to consider when investigating a payment processor

**01** **Look for no fee processing**

**02** **They should provide multiple payment options**

**03** **You should be able to integrate easily**

**04** **Helpful if they provide additional financial services**

**05** **You must have excellent Support**

**Plus, it should be affordable.**

**LET'S CONSIDER EACH OF THESE IN DETAIL**

# NO FEE PROCESSING

The customer has the option to pay the credit processing fee at the time of the transaction (they can pay by check). Some processors don't have the ability to add the line item. The processing fees are eliminated for the business owner while following all VISA/Master Card and other compliance regulations.

## FREE EQUIPMENT & SOFTWARE

You should consider vendors where the credit card processing equipment and software are available for business owners at no cost during the time of engagement—removing your barriers to getting started.

## LOOK FOR AT-COST PCI COMPLIANCE FEE

Some charge $19.95 to $29.95 per month (and up to $129 if there is any non-compliance). Look for a payment processor that passes along an unmarked compliance fee (typically $6.95 (or $79 if paid annually)), and handles the compliance process for you (most hate dealing with it).

## NO CONTRACTS

Some vendors lock you into a 1–3-year contract. Look for no contracts so you have nothing to risk.

# PAYMENT OPTIONS

You should have a processor offering all the popular payment options, including credit and debit cards, 3rd party ACH, EMV, Apple, Samsung, and Google Pay, next and same-day funding, phone sales, and more, including...

## BUILT-IN SHOPPING CART

You will want a shopping cart that is integrated, so there is no cost for the software, or conversions, or any additional services—saving you hundreds each month. You also will want to have native POS hybrid software that is installed on-site and in the cloud.

## NATIVE POS

Your processor should be a one-stop shop to get the software, payment processing, and equipment. This will allow for the integration to be done, and you don't bounce around troubleshooting with multiple companies.

## CROSS BORDER FUNDING

Cross-border funding allows the customer and the business owner to be in different countries, and have the funds deposited in your native currency (very few processors can do this). You don't need credit processors in each country, with their associated individual fees, and you have a single-source resolution (great if you have a chain that crosses geographic borders).

## EMV READY TERMINALS

Allows you to accept payments from EuroPay, Mastercard and Visa to process any card with EMV via phone or card to "tap" or insert.

## THIRD PARTY ACH

Allows you to accept checks remotely using verbal check routing info, or by scanning in a physical check. This will allow you to deposit checks without having to go to the bank.

# EASY INTEGRATIONS

Look for a processor that provides APIs, built-in PCI Compliant level-1 security, detailed integrated reporting, plus…

## ACCESS TO NUMEROUS INTEGRATIONS

You should have a processor offering API Integrations (usually hundreds) that can easily connect your payment processing with your operations software—ensuring ultimate compatibility.

## OMNI CHANNEL TECHNOLOGY

The process allows multiple payment options, integrated into a single consistent experience for your customers. This includes everything from credit cards to digital wallets and instant bank transfers.

## SANDBOX TESTING

You should be able to test your system offline to confirm it is working before going live ensuring you are not going public with embarrassing mistakes.

## SOFTWARE DEVELOPMENT TOOL KIT

Should include a collection of software development tools (compiler, debugger, and a software framework) to facilitate the creation of applications. Making custom development easier—if ever needed.

## REFERRAL MONETIZATION

Look for a built-in affiliate/referral system so you can recruit and pay referral partners (i.e. send a lead, have them mention your name—they get rewarded).

# HELPFUL FINANCIAL SERVICES

**04**

You should have a processor that offers financing (term loans, bridge loans, SBA Loans) when you need help fast. This will allow you to leverage inventory promotions, hire seasonal help, and upgrade your POS.

## EQUIPMENT FINANCING

This will allow you to secure financing for equipment, software, and vehicles. Look for No fees other than % interest with easy approval (often based on processing numbers).

## BUSINESS LENDING

You want fast and reliable non-collateral loans. You should be able to repay with a share of your historic sales.

## SAME DAY APPROVAL

You'll usually have the funds available quickly.

## NEXT DAY FUNDING

Allows you to access funds within a single business day.

## LINES OF CREDIT

Preset borrowing limits that can be tapped into anytime.

# RELIABLE SUPPORT

You want U.S. based, live agent multi-lingual customer support, along with 24/7 technical support. Plus...

## LIVE CHAT

Chat with a "real" human, not a chatbot.

## ON-SITE LOCAL TECHS

Look for a processer with field technicians that are available for installation and set-up on-site.

## SINGLE POINT OF CONTACT

You want the convenience of a single contact (versus calling multiple companies) to service your account, hardware, and software.

## MOBILE MANAGEMENT

You should have full access to your processing back-end from a computer, or remotely from a phone or tablet. Some only provide remote reports, but you should be able to make changes remotely at any time.

## DEDICATED PRODUCT SUPPORT

It would be nice to have a support agent that is assigned exclusively to your account and can help directly, or quickly escalate to an expert support technician.

# PLUS, AFFORDABLE OPTIONS

You want a processor that offers No Fee Processing with flat rate pricing, a minimum 2-day funding period, and low rates on check processing.

## NO MONTHLY CONTRACTS

Many processors require a 1-5 year commitment. Look for one that you are not locked into a long-term agreement.

## FREE CHECKING

Your processor should cover the cost of your ACH checking which saves you money on processing checks. Watch out, some charge $1 per check, or .5% if over $2,500.

## LOOK FOR THE LOWEST CARD FEES FOR IN-PERSON OR REMOTELY

No fee processing cost nothing. If fee-based, then look for a bargain of at least .3% above cost plus 10 cents per transaction—most are .4 % and 15 cents (except Stripe .6% and 30 cents).

# Now that you've seen the advantages of No Fee Processing, let's answer the most common questions:

### How long should it take to get set up?

- Look for a processor that will get you set up quickly and easily with a dedicated support team that does most of the work.

### I have a processor, why do I need to change?

- You want a processor who will verify that you have a good deal and review your billing statement at no cost or obligation.

### I can do the adjustments myself!

- Look for a processor that will ensure you are compliant, and that your books are clean, which will lower your tax liability.

### Will my customers go for this?

- Yes. No free processing is used across multiple industries, there has been little to no customer push-back.
- Plus, your customers have additional options to pay by cash or check if they want to avoid a fee.

### Is it legal in my state?

- Yes. It is legal in all 50 states.

# Your OLD life

- You paid THOUSANDS in fees (like your family doesn't need a new car, or braces?)

- You only had a few payment options. That international VISA wouldn't even process (it made some sales difficult)

- You had a chance to pick up massively discount inventory, or staff up for the Super Bowl lanes—but you couldn't get an unsecured loan quickly enough

- Your system went down—and there was no quick phone support (so you watched potential customers walk out)
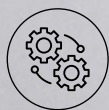
# Your NEW life with Fee Free Processing

You now have thousands in extra cash at the end of the month (where do you want to take your family on vacation?)

A bus load of Peruvians pulled up with international credit cards—not a problem processing everything.

And your new payment processing is integrated in seconds.

You had a problem... once. But a 30-second phone call cleared it up immediately.

And again, the cost was LOW, LOW, LOW – you keep more of what's yours!

## LIFE IS GOOD!

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