

## **DAY 4 GOAL:**

### **☐ Establish an Online Merchant Credit Card Account**

If you choose to take credit card payments from your clients you must use the services of a merchant credit card company. Credit cards are very convenient for your clients, especially if you will be working online or over the phone with them.

Credit cards also allow a convenient way for clients to make your services affordable by setting up automatic payments or monthly installment options.

An easy way to start accepting credit card payments is to use an online merchant account service. This convenience allows you to accept credit/debit card payments, bank transfers, and more, for a small transaction fee. In most cases, your merchant service will also offer quick links and buttons for your website; which promotes a convenient option for your clients to purchase without hassle.

To begin this process, take time to understand each of these points:

- Check with your bank to confirm that your type of account is capable of accepting credit/debit cards. Your bank's Customer Service center may be able to set up a merchant account for you. Note: you may need to pass a credit check before this option is available to you. It may also be worthwhile to explore whether your bank offers a partnership with a third-party merchant account. Inquire about transaction fees and minimum transaction amounts for this service.
- If your bank does not offer merchant account set-up services, there are several online merchant options such as [www.practicepaysolutions.com](http://www.practicepaysolutions.com) (which offers IIN students a discount upon request). You can also Google "merchant account services" to find other options.
- If you have a smartphone, you may wish to explore various applications available for processing credit cards. [www.square.com](http://www.square.com) is one option that is growing in popularity. You can also Google "smart phone apps for credit card processing". Some apps require merchant accounts, while others charge a small fee.
- [www.paypal.com](http://www.paypal.com) is a popular online service that allows clients to pay you instantly by credit card even if your clients do not have a Paypal account.
- When selecting your provider, consider the following service options:
  - transaction fees
  - account basics and upgrades
  - benefits and membership levels

- These options may also factor into your merchant selection decision:
  - Which major credit cards are accepted (Visa, Mastercard, Discover, etc.)?
  - Can a “Buy Now” button be created for each product or service?
  - Does your merchant provide a recurring payment option for clients who wish to make monthly payments?
  - Does invoicing come standard with the free, basic membership? (this is useful when confirming a service; simply send an invoice with a link for easy payment).



### **IT WORKS FOR ME:**

*I didn't have any desire research merchant service providers. So I immediately chose PayPal because of their trusted and recognized brand, reputation, attention to security, user-friendly account platform, and iPhone and iPad mobile apps.*

*I started with the free, basic level of service membership. I am experimenting with basic PayPal services before adding additional paid-for components to my account.*

*Transaction fees seem comparable to other online merchants. The lowest fees are offered by direct card swipe (through the app) or with online payments. There is usually a slightly higher fee for manual transactions.*



Learn more about PayPal or set up your new merchant account at [www.paypal.com](http://www.paypal.com).

**BONUS TIP:** remember to include the transaction fees when calculating the costs of your programs. For example, a \$100 session will cost \$2.70-\$3.65 in fees depending on the method of processing. It doesn't seem like a lot, but could add up over time. These transaction fees are a business expense, so record them as such.