



How eCommerce Businesses Can **Stop Losing Money** With Frozen Funds and Scale Successfully

eCommerce businesses have a choice between one-size-fits-all payment processors and dedicated service providers:

Only one offers a team of payment experts ready to help you scale

What would you do,

if you woke up one day and realized your business didn't have access to any of its money. How long could you survive without restocking inventory? How many client orders would be affected?

When your business is earning money, you expect your payment processing company to reciprocate, releasing money as you earn it, at a fair rate.

Unfortunately, that's not always the case. There are a number of horror stories of eCommerce businesses losing access to their funds, getting charged higher fees than expected, or worse, getting an account terminated by their payment processor creating an inability to collect and receive payments altogether.



CraigCommerce @craig · 18 sept.

...

Replying to @stripe

Can I also have Orr payment? We need that money and you're holding it, we need to grow but since you don't care about that just give us the money and we will not use your awful service anymore
Xoxo

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CraigCommerce @craig · 18 sept.

...

Also it could be great if you answer our dm or otherwise I will still be bothering you right here, block me since you don't wanna face us :)

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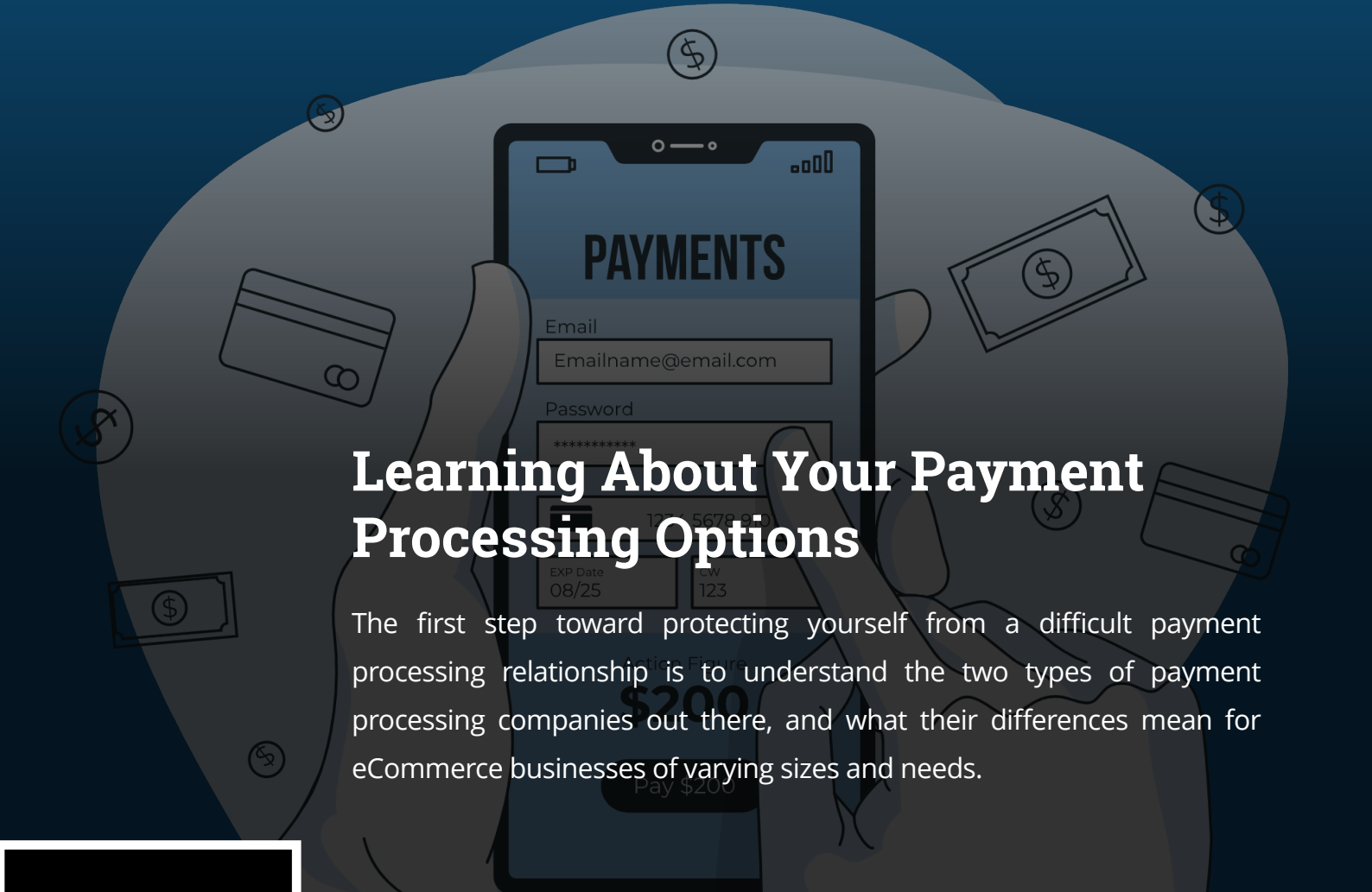
Though these frictions can be common, they are avoidable.

When your website was initially developed, it's possible you selected the payment processing solution that your website already came with. Or, perhaps your website developer chose it for you.

But, did you know there is more than one type of payment processing company? And, the one you select will have a direct correlation to the number of frictions that arise.

This eBook will uncover:

- The different types of payment processing companies
- Which type is right for your business
- How payment processing companies assess risk
- What customer service is like for different payment processing companies
- How you can protect yourself from your money getting held too long, frozen accounts, and other issues that can impact the long-term success of your business



Learning About Your Payment Processing Options

The first step toward protecting yourself from a difficult payment processing relationship is to understand the two types of payment processing companies out there, and what their differences mean for eCommerce businesses of varying sizes and needs.

1

One-Size-Fits-All Payment Processors

Payment processors like Stripe, Square, or PayPal are commonly known as the generalists in payment processing and focus largely on making it simple for developers to add a payment processing service to anyone's website.

Who Should Work With One-Size-Fits-All Processors?

A one-size-fits-all solution can be a great choice for niche individuals or organizations that wish to take card payments. This list includes:

- Small seasonal merchants
- Weekend vendors
- First-time, or early stage entrepreneurs
- Businesses with low stable sales volumes, like \$10,000 per month or less
- Business with lower transaction average value, like \$500 per transaction or less

These lower volume businesses can fit well with one-size-fits-all processors because they are less prone to the downsides of flat rate pricing — the fee structure that one-size-fits-all processors use — which can be very expensive for mature businesses.

For example, with a flat rate, your processing fees might look like 3.5% + .15 for an online transaction.

The 3.5% is meant to cover the card brand fees from Visa, Mastercard, American Express, and Discover. But, the fees each company charges vary. In fact, they range between 1.5% to 3.2% per sale. That means, you'll be charged 3.5% for every transaction, and the remainder of that 3.5% will go directly into your payment processor's pocket. **(Their profits can range from 0.3% to 2.0% of your entire sale!)**

As a business progresses, it's in your best interest to find a more suitable payment provider to tailor payment solutions for your businesses' transactions, that costs you less in the long-run.

How Do One-Size-Fits-All Processors Get to Know Your Business

In most cases, the onboarding process with a one-size-fits-all payment processor is fast and simple. Usually, you don't even need to speak to a customer service representative. You'll fill out your business information online, and boom, you have an account.


Though the initial (and instant) onboarding process might seem ideal, it can also indicate issues down the road, as one-size-fits-all processors know little about your business upfront, and may take more of your time down the line as they question your business model later.

For example, one-size-fits-all processors flag a high rate of false positives in their risk management systems because they don't fully understand the monthly volume of your business, or how the individual ticket prices in your business can fluctuate.

In other words, let's say your average transaction is \$45, and you typically sell around \$1,000 in merchandise each day. However, one month you excelled in upsells and were averaging \$250 per transaction and selling \$3,000 a day. While you might celebrate your growth, this spike in volume and ticket size could trigger their fraud management system to flag your account and see your transactions as risky.

When a false positive like this occurs, your money can be frozen, sometimes for multiple months! In the worst-case scenario, customers have complained their money has been frozen for more than a year.

Complaint Type: Billing/Collection Issues

Status: Answered 

06/11/2020



The company earned US\$5,075.23 through the STRIPE credit card machine, but the STRIPE company has been unable to transfer the money to our company's bank account, this situation has been more than one year.



<https://www.bbb.org/>

Customer Service With a One-Size-Fits-All Payment Processor

Getting stuck in a customer service queue, or getting paired with a customer support representative who is reading your information from a computer -- versus actually knowing who you are -- is frustrating, and impersonal to say the least.

Businesses rely on their funds to purchase new inventory, to ensure their fulfillment arm is productive, to cover shipping costs, and to pay for other overhead expenses. Most businesses can't afford to be under review for weeks and weeks on end.

Unfortunately, the customer service with one-size-fits-all processing companies is typically automated and impersonal. It is difficult to reach a real human to discuss issues with your account, and can often feel like no one at the processing company knows your business, or what you're about.



The Eduardo Commerce
@The_eduardo_commerce



Replying to [@stripe](#)

[@patrickc](#) [@collision](#) [@stripe](#) it's been another two weeks and the issue is still not resolved. Customer service cannot do anything other than send me links to docs that I already have

4:01 PM · Sep 18, 2020 · Twitter for iPhone





2

Dedicated Services Processing

Like one-size-fits-all payment processing options, dedicated service providers and their systems integrate with the main eCommerce platforms. Dedicated service processors will even help you or your technical team to configure your platform to use their system.

But, unlike one-size-fits-all payment processing companies, dedicated service providers focus on the onboarding process and customer service to save you time and frustration down the road.

Dedicated service processors view payment processing as a partnership. They spend time learning more about your business so they can customize payment processing services to your needs, which translates into:

- Faster payouts
- More accurate risk assessment
- Fewer instances that lead to funds being held because of false positives

Who should work with dedicated services payment processors?

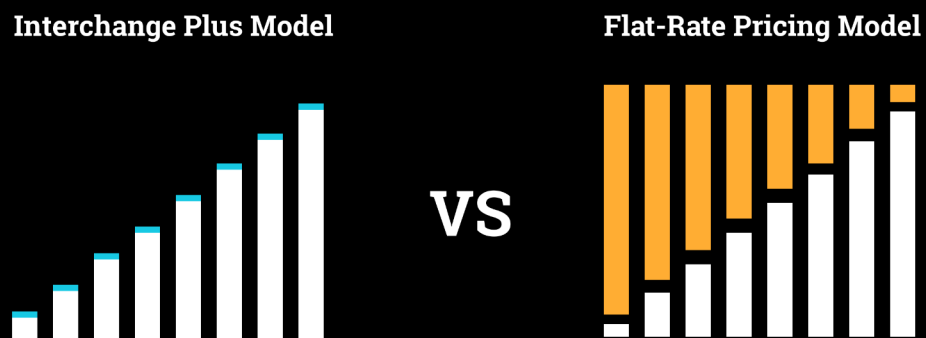
Any type of merchant, from a seasonal vendor to a billion-dollar enterprise are well suited for a dedicated service payment processor.

While dedicated service payment processors and one-size-fits-all payment processors have access to the same tools and technology, one of the primary differences of working with a dedicated service processor is its customization. With a dedicated service payment processor, you get a payment expert assigned to your account who will find the right fit pricing model, reduce friction related to risk and offer direct customer service.

Most dedicated service processors offer multiple pricing model solutions that help businesses save on revenue based on their products and services. Types of pricing plans include:

- Tiered Pricing Program
- Cash Discount
- Flat Rate
- Interchange Plus

Each program has different qualities each geared toward maximizing your revenue. For instance, with the interchange rate, rather than getting charged the same fee for any card, and giving the payment processor the difference as their profit, the processor charges appropriately to the fees of each card.



This image shows how an agile fee model saves eCommerce companies money on processing fees, whereas a flat-rate model earns the processing company higher margins, while eCommerce companies are stuck paying unnecessarily high fees.

Another reason so many eCommerce businesses opt for a dedicated services payment processor is the backup when it comes to fraud protection.

Online payments are the number one culprit of online fraudulent activity — from both sides of a transaction.

By choosing a payment provider that understands your business, and dedicates a customer analyst to your account, they can observe online payment activity for anomalies. And, when one occurs they can have an open and candid conversation about the issue. This helps assure that all transactions are funded to the merchant and your customers' sensitive information is protected.

How do Dedicated Service Processors Get to Know Your Business

Dedicated service processing companies take more time to get to know your business upfront. And, though the onboarding process with a dedicated service processor can take anywhere from a couple of hours to a couple of days, the experience is meant to be a great opportunity to learn about your business and offer a tailored solution that decreases your risk, attrition, and overall fees.

While onboarding with a dedicated service processing company, you can expect to speak directly with a customer analyst so they can learn the characteristics of your business, and create a profile unique to your business by asking questions like:

- What's your average monthly volume
- What's your average ticket
- How are you taking payments
- What is your average Amex volume

As an added bonus, most dedicated payment processing companies will also provide recommendations to maximize your processing system, and ensure you're compliant with credit card regulations. Specific recommendations might be:

- Webpage updates
- Terms and conditions changes
- Return policy updates

After getting to know your business well, a professional risk analyst will keep a one-on-one communication with you on your growing business. They will also continue to monitor each transaction based on all this knowledge so they can prevent false positives from impacting your cash flow.

Customer Service With a Dedicated Service Processor

Dedicated services providers also invest heavily in [dedicated service representatives](#) so you can easily communicate:

- Changes in your business
- Questions about your account
- Concerns about your partnership

And, you know that any time you call in, you'll talk to a customer analyst who knows your business, your name, and your payment history.

Let's say you've gone through the onboarding process, and provided projections for your average monthly revenue. But, all of a sudden you're seeing a large uptick in upsells. With a one-size-fits-all payment processor,

it would be difficult to communicate this activity which could easily result in your funds getting held, and potential chargebacks from your customer.

But, with a dedicated payment processor, you can easily call your sales rep and communicate the change. This ability to communicate directly with your payment processing company reduces the risk of holds or freezes on your account, and protects you from getting a chargeback.



Andres El Master @Andes_el_master · Oct 3

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If you're looking for a credit card processor that offers

- ✓ Solutions for every business
- ✓ Transparent billing
- ✓ The best rates available

@GETTRX is the one for you! Start saving TODAY & switch to the
[#FastestNameInCreditCardProcessing](#)

gettrx.com

[#GETTRX](#) [#FastFriday](#)



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At the End of The Day Communication is Key

For eCommerce businesses, the key to a strong relationship with your payment processor is strong communication. Unfortunately, not every payment processing service allows for this.

By working with a dedicated payment processing company, you can openly communicate about your business, ensure your business is understood from the outset, and have more opportunities to address any changes to your business before your payment processing company deems something is “wrong.”

Play defense and protect your business before anything happens, by partnering with a payment processing company that works with you, not against you.





Global Electronic Technology

is a dedicated service provider with more than 30 years of experience. Find out what we can do for your business today.

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