



Taking Control of Your Payment Processing Solutions



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Introduction

There are numerous ways for consumers to pay for goods and services in the modern economy. These include cryptocurrencies and digital wallets, as well as mobile smart pay and app-based money transfer.

However, as the options grow, the trend becomes both an opportunity and a risk for merchants. Disparate payment options give businesses a chance to acquire new customers, but only if they have the payment processing means to accept those payments. Not all businesses are equipped with the IT infrastructure to process payments, so finding a partner is the most common route.

When researching payment processing solutions, it's important to focus on a few core areas of the partner relationship, like product and customer service. Here's what to keep in mind when choosing.



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Mix of payment types

At a minimum, businesses need credit card processing tools. However, accepting credit cards alone might not cut it, as merchants need diverse payment methods to offer customers. Businesses need to think about local, international and digital currencies as well.

Look for a payment processor that can give you the capability to accept payments from alternative, emerging, foreign and nontraditional sources. Having the option to incorporate those payment types is beneficial in appealing to new markets or consumer demographics.

Comprehensive transaction support also extends to billing, so do not forget to assess what the payment processor offers here. Recurring billing is increasingly important as more companies offer subscriptions, for example.

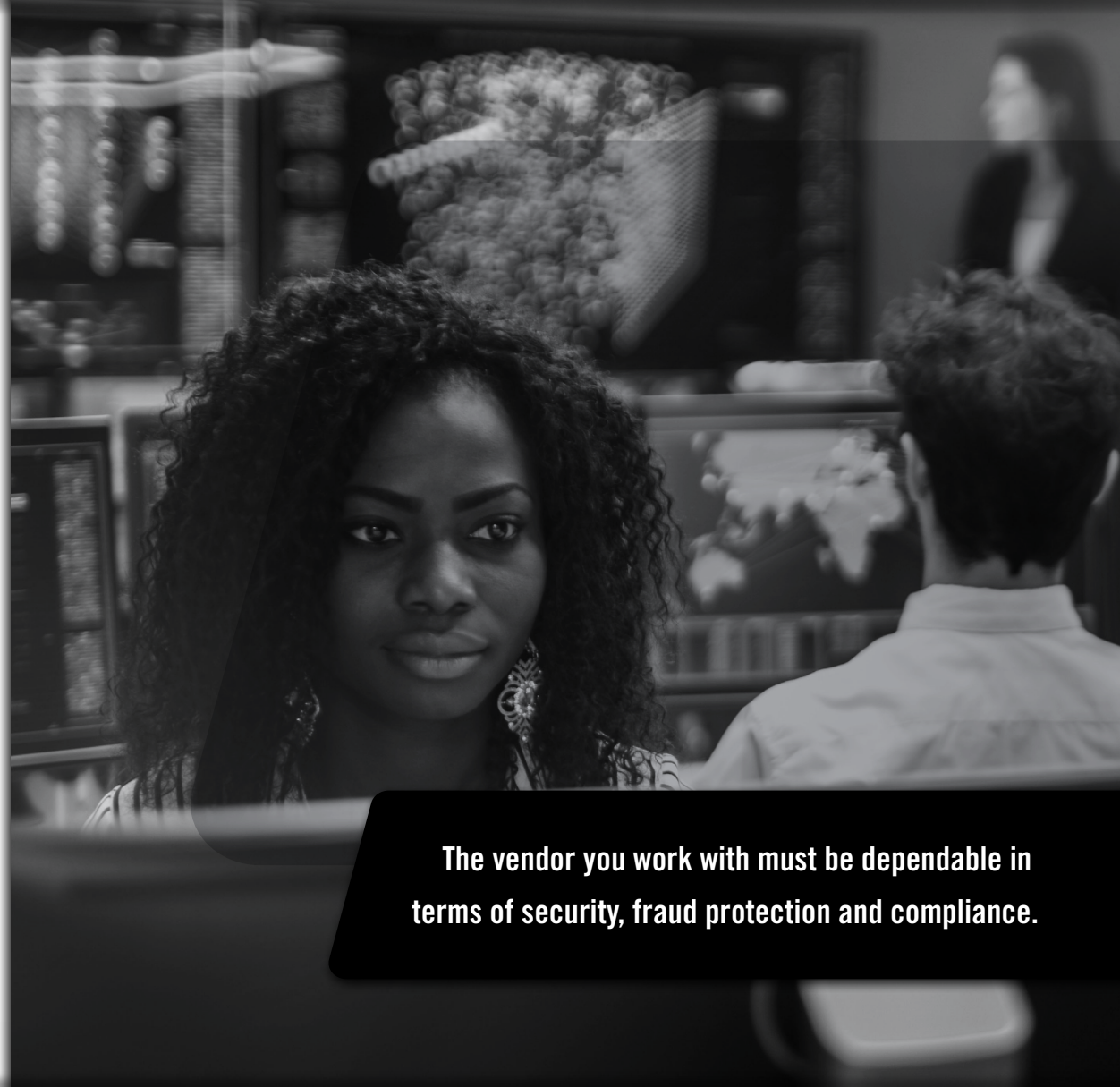


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Security, fraud protection and compliance

A focus on cybersecurity is fundamental to efficient and safe payment processing. Businesses of all sizes and industries are at risk, so the vendor you work with must be dependable in terms of security, fraud protection and compliance.


While these all may sound like interchangeable terms, they are very different. Security, for example, refers to the secure nature of your networks or customer-facing portals. Fraud protection relates to verification tools and banking services that are designed to identify and root out fraud.



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Compliance in payment processing means understanding merchant and processor requirements under PCI-DSS, the industry security standard. Your ability to accept credit cards depends on following those guidelines and reporting on compliance.

The best vendor will also help you understand your capabilities and responsibilities in all three areas. Even if you outsource payment processing, merchants still need to conduct and submit annual security assessments.



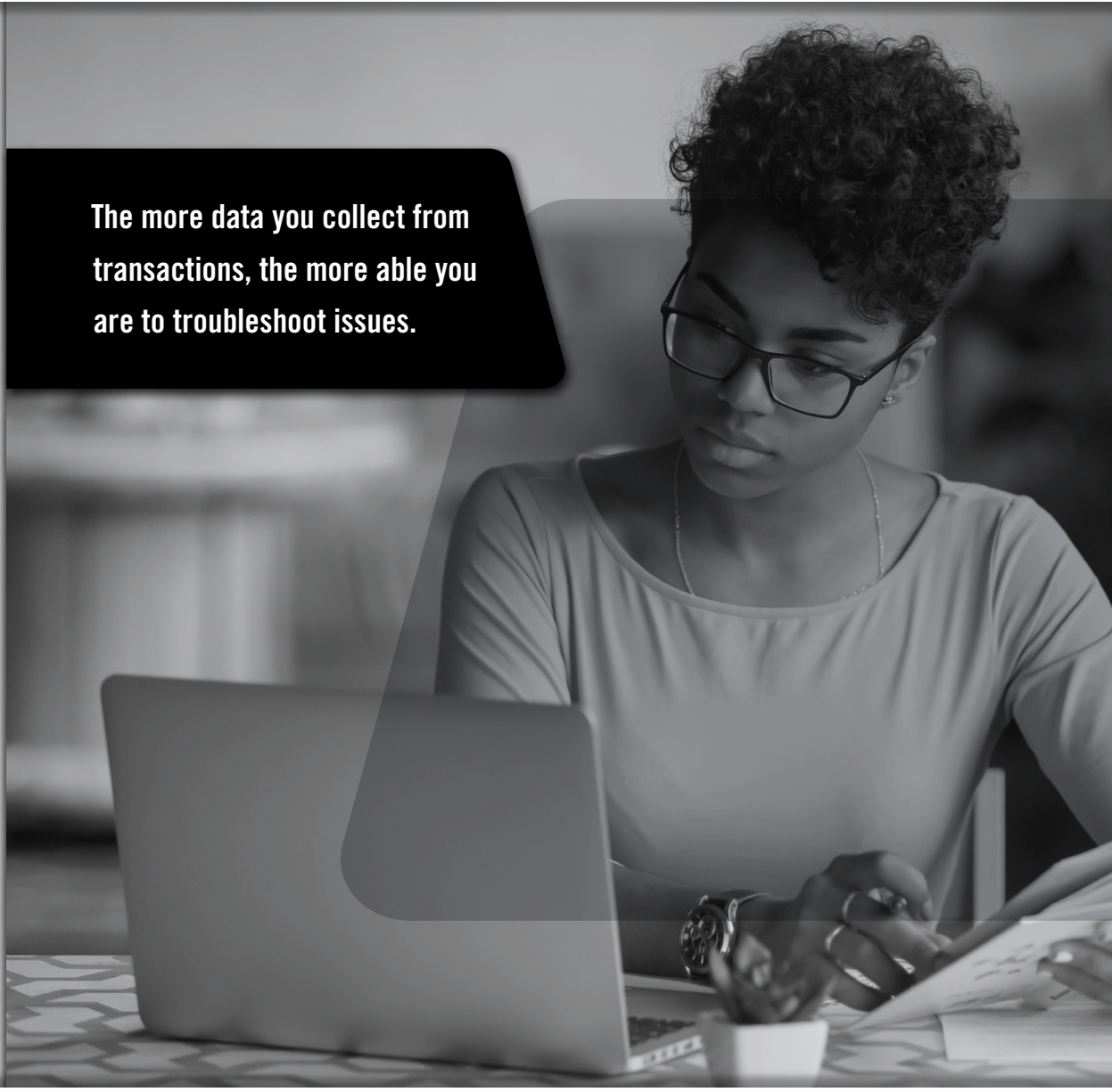
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Transaction Reporting

Business is all about big data — and transactions are a prime source for operational and customer intelligence. The more data you collect from transactions, the more able you are to troubleshoot issues, capitalize on trends or personalize the purchasing process.

When comparing vendors, focus on what they can offer in terms of transaction reporting. How deep is the data? How robust? How is it delivered and stored? What analytical tools are included to produce insights? Is there an Application Programming Interface (API), which allows for software communication?

Some vendors may have tiered services for transaction reporting. You may want to investigate whether the value of such premium transaction reporting abilities can make a positive impact on reducing chargebacks or increasing customer lifetime value.

A black and white photograph of a woman with short, curly hair and glasses, wearing a light-colored top. She is sitting at a desk, looking down at a laptop. Her hands are on the keyboard. There are some papers and a small cup on the desk. The background is blurred.

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Integration and support

A good payment processor will walk you through the integration process and the tools you will be using. Question your shortlist of vendors on what resources and attention they can commit to the integration.

Also be sure to ask them about your options for payment gateway and point-of-sale (POS) system. Some businesses may have a small team of developers in-house and thus want an API from the processor; others don't need more than the provider default. Customization and payment experience can be impacted by your choice, so be diligent in decision-making.

Customer service is a big consideration, especially as you and your processor will need to work together to troubleshoot acceptance issues, resolve chargebacks and update the payment mix. Look for a partner that can dedicate a team to your account.



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Conclusion

A payment processor is an essential partner to businesses, but finding the best vendor for you will take time and effort. In the end, ideally, you'll be able to capitalize on revenue opportunities and new payment trends.

When looking for this partner be sure to focus on the four core areas examined above: payment types, security compliance, transaction reporting, and integration and support. Assessing your processor options through this matrix will help identify your best fit.

Interested in learning more about payments or merchant bank accounts? Contact Comerica Bank today to get information about our merchant products and services.





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