



Taking card payments.

Everything you need to know...



For small businesses, offering the right payment methods is what could turn window shoppers into paying customers, and that's the aim of the game, right?

In fact, as many as **87%** of consumers would reportedly abandon a purchase if they thought the checkout process wasn't up to scratch¹, so nailing yours is an absolute must.

The payment landscape.

The way UK consumers want to pay has changed quite significantly, in no small part due to COVID-19 (although the tides had been turning for some time beforehand).

Card payments are the new payment method of choice for the majority of Brits, racing past old-timer cash, and claiming the crown as most frequently used.

In the wake of COVID-19, contactless payment popularity has also sky-rocketed thanks to its touch-free nature reducing transmission fears, and the new £45 spending cap introduced in April 2021 has been rapidly adopted.

Fun fact: contactless is so popular there's a growing movement of consumers arguing the limit should be increased much higher to £100, and the right bodies are listening, we just don't have a date yet.

As a small business owner, you no doubt want to keep your customers happy and take all the payments you can, right? Marketing experts argue to do just that you need to offer a

multitude of options – at a very minimum more than one – to hit that sweet spot.

We want to see you succeed, so here we'll break down the benefits of taking card payments and what payment processing solutions there are.



Face-to-face



Online



Via email



By phone

Benefits of using a card payment machine in your business.

Each year, credit and debit cards consume more and more payments than the one before, all the while cash payments continue to dwindle. That's a fact, and there are no signs of it slowing down either.

But, while many businesses are riding the wave – with some even becoming cash-free, there are still lots who are lagging behind. If that's you, here are seven benefits to taking the card payment plunge.



1 Make more sales

We've reached a point where tonnes of consumers don't carry cash full stop, and that can be a real problem if it's the only payment method you offer because you're forced to, either:

1. Turn the customer away – which is just about as far from ideal as you can get, or:
2. Ask them to nip to a cash machine and come back – which is inconvenient for the customer and more likely to result in a lost sale.

So, by introducing a card payment machine you'll be able to accept more sales on the spot, make your customer's life easier, and boost that all-important bottom line.

2 Encourage more spending

As many as **87%** of consumers would reportedly abandon a purchase if they thought the checkout process wasn't up to scratch¹, so nailing yours is an absolute must.

And did you know, people spend **12-18%** more when using credit cards over cash²? Because according to research by Dun & Bradstreet, they do. And in 2017, almost **85%** of consumers' payments were spontaneous³?

As well as accepting more sales you could make more from each transaction, and what's not to like about that:

more sales + higher value transactions = more profits.

3 Expand your net

Remember, card payment machines don't just apply to in-store payments. With the right terminal, they can be used to seal sales over the phone, too.

That means you're not limiting yourself to customers who live X, Y or Z miles away from your business, you can attract people from the north, south, east and west. Distance doesn't have to get in the way.

4 Every second counts

On average, standard card payments take **26.7** seconds to process...while cash takes **33.7**. Those seven seconds might not sound like much, but times it by the number of transactions you take a day, week, month and year and it soon starts to enter the hours. Hours that could be better spent elsewhere in your business.

If you wanted to take it one step further, contactless payments take even less time (**12.5** seconds, to be precise).



5 Tighten up your security

If you only accept cash payments you're going to have an awful lot of notes and coins piling up in your till and, sadly, that can attract burglars. So, by welcoming card payments you could reduce the amount of cash you've got lying around, deter theft and benefit from greater peace of mind.

Added bonus: reducing the amount of cash on-site could cut your insurance premium too.

6 Stamp out disputes

Cash comes with a couple of problems:

1. You could be the subject of a dodgy £20 note and if it doesn't get picked up at the point of sale, that's £20 down the drain.
2. Someone gives you a £10 note. You give them their change, but they're convinced they gave you £20. It might not happen often, but it happens, and when it does, it's awkward.

Any inconvenience is one too many – especially when you've got a million and one other tasks to get on with. The good news is card payments don't come with any of that. You tap the amount into the machine (or, if you've got integrated payments, your till speaks to your card machine to do this automatically) and then the customer accepts the amount before they go ahead.

And it's not just that, you're protected from fraudsters too. With things like AVS and CVV checks the card payment process is super safe.

7 Get ahead of the competition

Let's say you're a convenience store. Neither you or the shop around the corner accept card payments; you're on a level playing field. One day, you decide to make the move and invest in a card machine. You advertise it, people start to hear about it, and you have a USP over your competitor.

That kind of differentiator could be the difference between someone choosing you over the competition and by getting there first you win customers, and potentially loyal ones at that.

Now you know why you need to start taking card payments, let's take a look at what card payment processing solutions there are available for small businesses.



Payment processing solutions:

Face-to-face payment methods.

As with all elements of running a business, the right payment method for you will depend on your business's specific needs.

Card machines

There are a variety of card machines to choose from, including countertop, portable, mobile, and touchscreen.



Countertop

Countertop card machines are exactly that – machines that sit on your point of sale (countertop, till point, bar, reception desk) and accept card payments.

Pros:

- ✓ Smart and compact
- ✓ Easy to use
- ✓ Can be easily moved

Countertop machines are ideal for any business that wants to offer card payments and has a fixed point of sale, such as shops and cafés.

Portable

A portable card machine has all the functionality of a countertop reader but can be moved around your business allowing you to take payments to the customer – don't worry, it's super lightweight.

It's powered by Bluetooth and has an impressive 50-metre range. The machine boasts a long-lasting battery life but comes with a charging base that you can plug in out of sight.

Pros:

- ✓ No wires getting in the way or causing a trip hazard
- ✓ Take payments to your customers
- ✓ Lightweight and compact

Portable card machines are perfect for businesses like restaurants, bars, and pubs who take payments from customers around their premises.

Mobile

Mobile card machines allow you to accept card payments anytime and from anywhere in the UK.

They're powered by a SIM card which uses 3G to connect to the strongest GPRS signal around, so with a mobile machine you'll never have to turn down a job because you only accept cash.

Pros:

- ✓ Hold a long-lasting charge
- ✓ Come with a charging unit you can leave at home, and
- ✓ A handy mobile charging cable (just in case)
- ✓ Light and durable

Mobile readers are suited to any business that wants to take payments on the road, including the likes of mobile window cleaners, beauticians, accountants, taxi drivers, etc.



Touchscreen

Touchscreen card machines have a glass touchscreen surface which is a doddle to clean and using the terminal you can add up to six users and allocate tips by user too!

Pros:

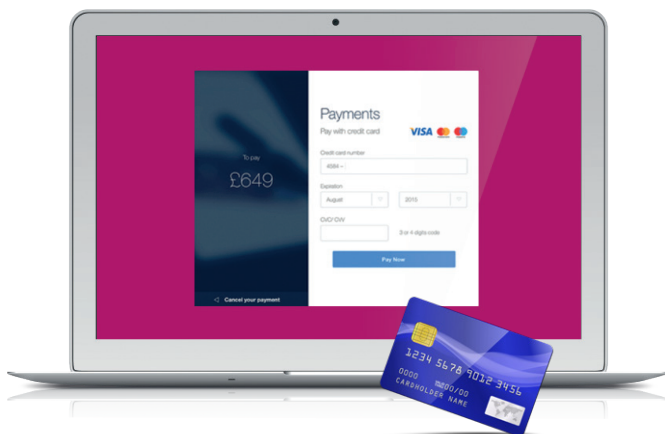
- ✓ Online reporting
- ✓ Plug and play
- ✓ Super slick design



Some retailers also offer a mobile version which connects to 4G, WiFi, or Bluetooth, meaning you can take it on the road to the likes of exhibitions and festivals.

Digital payment methods.

The prevalence of online payments is at an all-time high, and there's a range of options to suit a variety of businesses.



Pay by link

Pay by link makes getting paid online simple, but rather than going through your website it's all done via email – in fact, you don't need a website at all!

To use pay by link all you need to do is log in to a secure Merchant Management System and either:

1. Create and send an electronic invoice.
2. Send a customisable email with a 'pay now' button, or:
3. Copy and paste a secure payment link into an email.



Payment gateway

With a payment gateway, your business is always open and ready to make sales.

It hooks up with your shopping cart and allows consumers to pay for your goods and/or services through your website using their debit or credit card. Here's how it works:

1. Your customer browses your site and adds what they like to their basket.
2. They head to checkout (a page hosted by us) where they enter their card details.
3. You get paid.

Pros:

- ✓ Can be customised to your business branding
- ✓ Real-time reporting
- ✓ Take payments from anywhere



On the other end once your customer receives your email they're taken to a super safe payments page where they enter their card details. Voilà – you get paid.

Pros:

- ✓ No need for a website
- ✓ Real-time reporting and payment tracking
- ✓ Accept international payments
- ✓ Customisable for a consistent customer experience

Pay by link is great for the likes of venues who take bookings or mail order businesses, but is a nifty option for any business who wants a better option than traditional paper invoices – waiting to get paid is tedious, right?



Phone payments

Thanks to virtual terminals, accepting card payments over the phone couldn't be easier – you simply log in to a secure page on your end while the customer is on the line and enter their card details. That's it.

You don't need a bells and whistles website, simply an internet-enabled device like a smartphone, tablet, or laptop.

Pros:

- ✓ Real-time reporting
- ✓ Straightforward to use
- ✓ Take payments from anywhere
- ✓ Connect with more customers

Phone payments are a great option for businesses operating in one location who want to widen their customer base. For example, a bespoke furniture business in Cornwall could accept a phone payment from a customer in Scotland thanks to a virtual terminal.



References:

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- 3 www.ukfinance.org.uk/system/files/Summary-UK-Payment-Markets-2018.pdf