Preparing Your Business for a New Payment Platform

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Introduction

The Way We Pay Is Changing

As payment options for goods and services continue to evolve, it's important your business is using the right type of payments for you and your customers.

From cash to card to Wallets, there are many mediums available – each with their own benefits. This guide is your Payments Manual to the many payment options available for your business.

What Payments Look Like Today

Businesses can exist in both physical and digital realms. With the help of hundreds of third-party Payment Processors, there are many ways your business can get paid for providing a service or product.

From start-up merchants to well-established enterprises, each type of payment provides its own advantages to businesses. Whether you go directly through your bank or through a third-party Payment Processor, you'll need to ensure there's a balance between what's easy and appealing for your customers, and what your business needs - that means the choice is up to you.

This guide is here to help you make the right one.

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Third-Party Payment Processors

If you're looking to set up an easy way for customers to purchase your product online, or an automatic payment for a subscription service, there are many payment methods available.

Some of these methods include convenient features such as:

- Automated payments
- Buy now, pay later
- Customer details and transaction tracking
- Payment management software.

Regardless of the method you use, eCommerce is most effective when there's synergy between a business and their online Payment Processor.

Businesses can create their own personal payment software. However, it can be expensive and time-consuming to do so.

> Payment providers help create a positive customer experience during transactions, and streamline your business administration.

Automated Payments

Along with secure and reliable software, payment providers can streamline your transaction process by giving you full control of how you receive payments for your goods or services. One of the biggest perks is setting up recurring direct debits.

These automated payments allow you and your customers to begin each day knowing that payments are all looked after. This means you don't need to spend time on painstaking administrative tasks such as following up payments, errors, and inconsistencies.

The value is in control and convenience for both you and your customers.

Customer Control

For customers, knowing there's a flexible, secure and reliable system behind their transactions is extremely valuable.

Whether they choose to schedule direct debits or send bills when they like with BPAY, they get to pay in a way that's easier and tailored to their preferences and finances.

With plenty of mobile apps available with most services, payments can now be made at work, home or anywhere around the world.

Preparing Your Business

Integrating a new payment platform into your business is a big undertaking, even if you already have an off-the-shelf solution in place.

To help determine if your business is ready, we will take you through the full process of integration – from resourcing and testing, to rolling out and scaling up. Let's start with what your payments process looks like now.

Assessing Your Business Requirements

Before the integration, you'll need to look into your current finance and payment management systems.

This assessment will help you determine what you're after in a Payments Processor and how they could benefit your business. You can do this by following the 5 steps below.

1. Review your current system

Business systems can always be improved. By reviewing your current system's end-to-end business process with a focus on payments, you can get a clear picture of what works and what can be improved.

List the end-to-end process then add onto it with dependent factors like time, who's responsible for that process, and more.

2. Identify pain points

Managing your customers' finance details, organising payments and following up problem transactions can be a struggle. The frustration of a slow process can also be experienced by your customers, who just want a quick payment option.

The common time-consuming processes for your internal staff include:

- Taking payments
- Reporting
- Reconciliation.

By finding the areas where your business process slows down, you can then work out the actual cost in those areas.

3. Quantify the costs of pain points

In business, time is money. By associating a dollar value to the hours spent on manual processes, you can determine how much those pain points are costing.

Do you spend too long on administration tasks? A high-quality payments platform could help you spend less time on payment admin and more time on the important stuff.

4. Review payment data on current systems

With very strict regulations on holding customer data, it's important to know what details you have. Depending on the data you already have (like credit card details), implementing a new Payments Processor may be quicker.

5. Ensure new platforms will benefit the business

Before undertaking any integration, first ask yourself:

- Where are you selling your product or service? (In store, online, phone, etc.)
- How much are the pain points in the current process costing?
- Will the integration help my business streamline recurring payments?

If the current pain points in your end-to-end business process are costing your business money, a payments provider could help.

Just make sure they can offer the omni-channel payment options to the end consumer that works for your specific business needs.
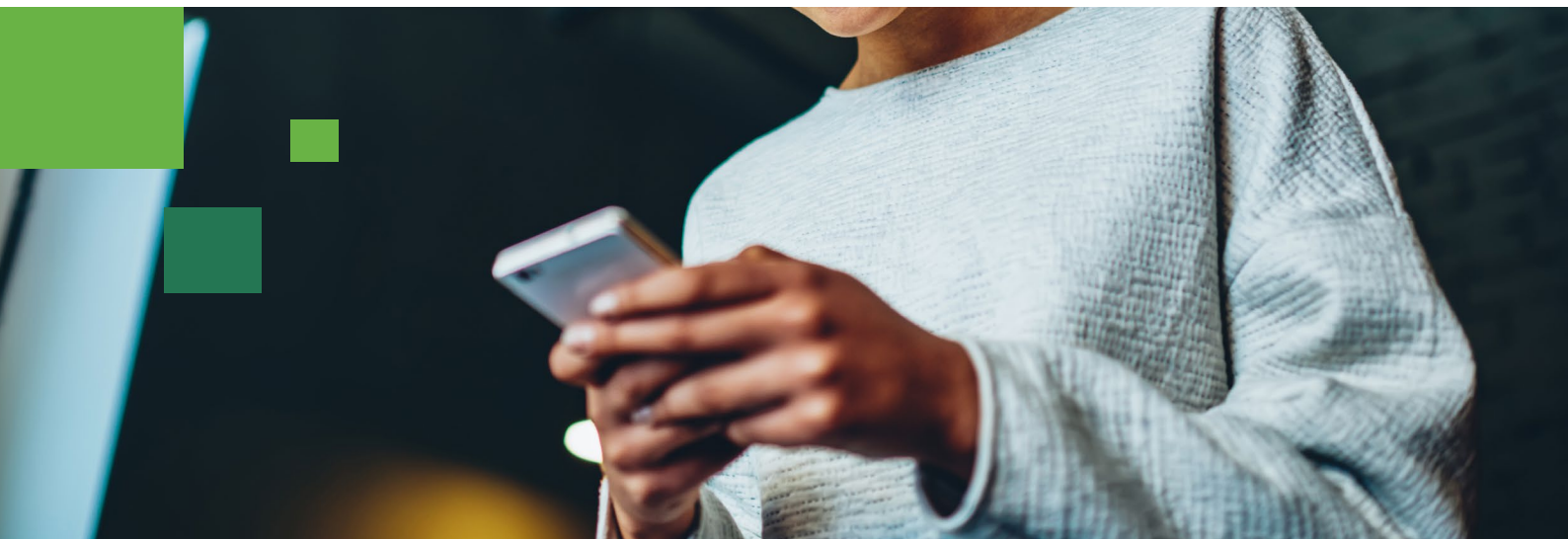
Resourcing and Process Integration

To run any new project, you need the right resources available from the beginning. Introducing a new platform will require a capable team to manage it and the right technology to host it.

Some Payments Processors, like Ezidebit, will even train your staff and walk them through the integration.

After your resources are ready, the next step is the integration. This includes contracting your new provider, and the technical and data integration.

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Contracting

During the contracting phase, your business will need to prove that it's in good standing.

Your new Payments Processor may look at:

- The business owner
- Previous processing statements
- Sales volume (in store and online)
- Chargebacks and refunds.

This information is used to determine whether you're running a legitimate business. It's also used to ensure it's in a sound financial position to deal with costs and payment problems (chargebacks).

Once the contract is complete and signed, the integration begins.

Technical Integration

Before the new platform goes live, a sandbox version is created. In the sandbox, the developer will build new concepts and run tests.

This is also a great space for you to play with the platform, choose the features you want, and preview the different processes within it – from eCommerce checkouts to managing accounts.

During this phase, it's important to learn how the Application Program Interface (API) works.

Data Integration

Next, the developer will integrate the platform with your existing software to ensure all data is correctly captured and shared on an ongoing basis.

If you're switching between providers, the data your original provider has stored will be ported to your new one (as long as your previous processor agrees to do this).

Payment systems – especially payment gateways and subscriptions – require the right customer data.

With it you can:

- Set up tokenised billing for your eCommerce website
- Make your subscription service simpler (for administration and customers)
- Prepare your accounts process to stay up to date (e.g. with credit card expirations).

This data will be used to maximise the efficiency and capabilities of your different payment processes – from making sure customers don't have to provide their details with every transaction, to reducing the time it takes to update accounts manually.

Payment data can also help generate more insightful payment reports in the future.

Testing and Rollout

Once you have the technical and data aspects of the platform integrated, there are a few more steps to take before the full rollout.

With appropriate preparation and quality assurance (QA) testing, you can achieve a smoother and more successful rollout.

A high-quality provider will have an experienced support team to assist during this stage.

Depending on the platform you choose, there will be best-practice rollout strategies you can follow. But the first thing you'll need to decide on are your success criteria.

Once you understand what you want your tests to show, you'll be able to assess, review, and rework any improvements. Testing starts in the sandbox (performing fake transactions) and then slowly works into realworld situations.

For example, the technology layer may enable you to run A/B testing – pushing a small percentage of users on your website through the platform.

In this scenario, the remaining percentage would go through your current setup. This can test the effectiveness of the platform in real situations with reduced risk.

If you have a large website that deals with high traffic, a soft launch with a beta pilot group may be best suited.

After running through at least a full month of end-of-month reporting you'll be able to assess whether all aspects of the finance function have not been affected.

After your tests are completed, it's time to launch.

Scaling Up

Once your new platform performs to your standards, you may want to see how else it can benefit your business.

Scaling up is a great way to ensure your business continues to provide the best service it can.

You can upscale by:

- Integrating a payment gateway with another eCommerce website
- Integrating payment management software with your current software
- Taking advantage of your processor's other features
- Adding to the payment types you accept.

A calculated integration with the right provider can greatly improve your business's efficiency and cash flow.

But how do you know which provider is the best fit?

We tackle this overleaf.

Selecting a Service Provider

With a wide range of different service providers on the market, you'll need to identify particular features that'll add the most value to your business.

This step includes you performing your own research on different providers and comparing their prices and offerings. Whoever you decide to go with – your bank or a private Payments Processor – you'll need to consider these seven questions:

1.   Will they provide the support I'll need?

2.   Can their software be integrated with my current setup?

3.   Are their security standards up to scratch?

4.   Do their costs and fees fit the context of my business?

5.   Is their speed of processing payments optimised?

6.   Will they provide insightful reports on my customers?

7.   How usable will their service and perks be?
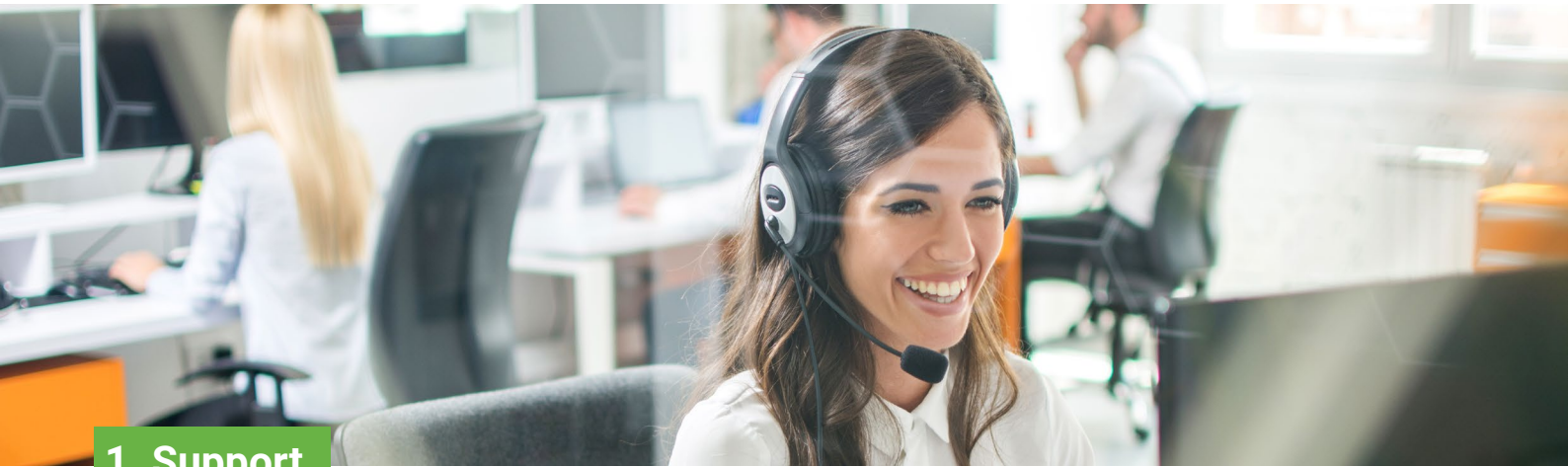
1. Support

Will they provide the support I'll need?

Effective support comes down to helpful, reliable, and synchronous human communication.

It can also include the service of helping businesses use and integrate the software they provide, taking them through each different process and educating on how it can be best utilised.

Support vs. Serving

If your business provides a service like fitness classes or childcare, recurring payments are crucial. And that subscription-type payment needs to be hosted by a trusted system backed by a strong support network.

Quality support should be able to offer:

- Support directly to your business
- Support services for your customers
- Helpful, bridging communication between you and your customers.

The network may be secure, but having 24/7 human interaction available – to settle disputes or ask questions – makes all the difference.

It also builds a reliable relationship between your business, your customers, and your chosen service provider.

Support for your Finance Management team

Usually, a private payments processing company will be able to talk you and your team through the integration and how to fully integrate it as quickly as possible.

Compared to the services of a bank, the support you receive can be more detailed and allow for a smoother integration.

The best support team is one you can build a relationship with. This can only be found with smaller Payments Processors who employ dedicated support staff.

> Even if extensive support is promised by a service provider, you should consider the capacity the provider has to deliver it. E.g. a large bank may not be able to offer the close level of support that a private service can.

After the integration, they'll take care of all the nit-picky payments and keep you notified with any disputes, errors, or anything else you need to know about.

As well as this, they should be at-call for any crucial situations.

Support for your customers

With a service provider, customers have an additional point of contact to query debit statements on their bank accounts. And any representative they talk to will be able to offer expert advice on the finance activity.

They can also act as a professional bridge between you and your customers.

Bridging Support

A service provider that has a relationship with both you and your customers puts them in a handy mediating position. For example, Ezidebit will notify your business of any failed payments.

This helps share the financial responsibility of managing payments and takes the extra pressure off you or your finance team.

2. Integrations

Can their software be integrated with my current setup?

Ensure the new software will work with your current website or management software.

If you currently use third-party service providers, they may already be able to combine your payments with the platform.

If you're currently using an online platform from an ISV, you can check to see if they're partnered with the service provider you're interested in.

3. Security Standards

Are their security standards up to scratch?

Accepting any kind of card payment from a customer holds you responsible for the security of their card information.

Even with payment gateways and payment processors – who deal with payments on your behalf – you can still be held accountable for data breaches. And that accountability can cost big bucks if neglected.

When making your decision to employ any third-party Payments Processor, you must ensure they comply with PCI-DSS standards and perform a completely secure service.

4. Cost & Transaction Fees

Do their Costs and Fees fit the context of my business?

The right Payments Processor for your business will help increase your cash flow and assist in growing your business.

However, their service will include certain costs and fees that need to be identified when you weigh up your options.

It's important to look at how your business's services or products are sold, then at how a third-party entity will charge their service of hosting the transaction.

Types of Costs and Fees

Different services have their own pricing methods, and they may also have different tiers of services available. This means research is key.

The most common types of costs and fees include:

- Setup fees
- Dollar-amount fees (per transaction)
- Percentage-based fees (per transaction)
- Subscription bills (per month)
- Failed payments and refund fees.

With additional services, there may be additional fees These can include:

- SMS notifications (sent to customers)
- BPAY and e-commerce establishment fees
- eCommerce ongoing access fees (per month).

If you're clear on the types of transactions and the frequency, you should be able to work out which platform will cost the least over time while still providing all the services you need.

Just make sure the pricing model of your service provider is locked in and transparent.

Product pricing scale and frequency

If you sell multiple products online at a low price, having a payment process that charges a high fee per transaction may not be cost effective.

On the other hand, if you provide a service with a monthly payment plan, any percentage fees per transaction may become excessive. Finding the right balance is key.

A high-level Gateway Service plan may have a larger monthly bill. However, they may include a certain amount of free transactions per month. If you deal with a high volume of payments, this can pay off in the long run.

5. Speed

Is their speed of processing payments optimised?

The timing from when a customer submits a payment to the moment you receive it is crucial.

Whether their average processing time is 24 hours, 7 days, or 3 months, you'll need to choose a service that aligns with your cash flow and finance needs.

Beyond the speed of transaction processing, it's also important to consider the speed of support you'll receive.

You'll need to consider:

- Turnaround time for support requests
- The capability of the support team (skillsets and experience)
- Support hours – 24/7 or weekdays, 8am-5pm
- Their channels – phone, live chat, or email.

Both the capabilities of the provider's platform and staff will impact your end-to-end business process. To make sure the flow of business funds is optimised, a solid payments platform with an at-call support staff will help.

6. Reporting

Will they provide insightful reports on my customers?

Customer insights are invaluable for understanding your customer's behaviour and optimising their checkout experience. To help with this, many Payments Processors provide you with valuable data collected during transactions.

This information isn't just important to your finance team, it can help guide your sales and marketing teams with campaigns and attract interest from future investors.

An extensive report created by a Payments Processor will give you data and insights into:

- Sales trends
- Active subscribers
- Orders by time and location
- Currency and payment methods used
- Fees deducted by each transaction.

If you're big on data and want to continually streamline the payment process for your customers, choosing a service provider that generates reports may interest you.

The alternative may be a simple dashboard summary, rather than a comprehensive report.

7. Usability

How usable will their service and perks be?

From both the business's and the customer's point of view, usability is a key factor. Look into exactly what Payments Processors provide and how they provide it.

An easy-to-navigate dashboard can give you access to reports quickly and streamline your payment management Whereas, a complex system can cost you hours of administration time.

A well-chosen payment type will appeal to your customers, cut down administration time, and maximise your payment efficiency.

Integrating payments with a Third-Party Platform Provider

Using third-party platforms can help evolve how you do business. Whether its software that brings your eCommerce website to life or upgrades your management systems, their functionality can benefit many areas of your business process.

And thankfully many are designed for easy integration with other platforms like Payments Processors. A Third-Party Platform Provider may also be known as an Independent Software Vendor (ISV). In this section, we'll go through how you can integrate the payments process with your current ISV.

Your current setup

Depending on your Third-Party Platform Provider, integrating payments may be a very simple step. In fact, many ISVs already offer integrations with Payment Processors as an extension that can be set up in minutes.

Understanding the services and capabilities of your current ISV can give you a clearer idea of how the integration will play out.

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Integrating payments with your website

If you sell your products or services online, you likely use an online shopping platform provided by an ISV.

Common eCommerce ISVs include:

- WooCommerce
- BigCommerce
- Shopify
- Wix
- Neto.

While their software allows for customers to browse your products and add to a cart, the missing link is the right payment gateway.

This is where a Payment Processor can contribute to fulfil the final step in an online sale.

This payment can either be performed on your website, or on a webpage hosted by the processor.

Third-Party Payment Hosting

Your website doesn't need to host a customer transaction. Many payment gateways are hosted on the Payment Processor's website.

That means if a customer clicks 'buy now', they'll be taken securely to a separate page hosted by the processor to complete the transaction. Payment Processors like Ezidebit let you customise the payments page on their website, ensuring your customers can trust the redirection.

Hosting payments on your eCommerce website

If you host your own website, you can still offer online payments. However, you may need a web developer to insert the necessary extension code or link customers to the Payment Processor's website. Some Payment Processors and ISVs can help with this integration.

Integrating payments with your management software

Beyond your website, a Payment Processor can integrate with other ISVs you use, like customer management software and accounting software.

By combining the services of both, you can run many aspects of your business much more smoothly.

Whether you use childcare, money lending, accounting or fitness management platforms, integrating payments can simplify your business processes.

Some of the benefits include:

- Securely saving customer data to simplify future payments
- Synchronising invoices with your accounts
- Organising payments in more detail.

From accounting software like Xero to fitness platforms like Wodify, most ISVs are designed for a painless integration with your payments process.

The Integration process

The precise process will be different with each unique ISV, but it will often include:

1. Connecting your Third-Party Platform Provider from your Payment Processor's portal
2. Selecting your desired settings and account preferences.

Once integrated, your invoices should flow through your third-party platform and allow you to manage deeper aspects of your business processes. That means no more manual data entry. It also means constant access to live payment data.

Whether a customer makes an electronic or card payment (made online or at a POS terminal), having the two services integrated can simplify your accounts and maximise your business capabilities.

Complex Integrations

Any integration requires resources and skills. If your team isn't equipped for the project, some Payment Processors help with the integration. Processors like Ezidebit work with your team to assist with the integration and ensure it happens without any problems.

They can also train your team on how the platform can be used to its full potential with your current setup.

Preparing Your Business for a
New Payment Platform - Checklist

01 I have identified internal / business pain-points with our current payment processes and systems

02 I have identified customer pain-points with our current payment processes and systems

03 I have an idea of how much time & money can be saved by improving payment processes

04 I have identified existing data integrations we have (eg. invoicing systems, banking systems, etc)

05 I have been able to identify any integrations which need to be replaced, or re-integrated

06 I have my contacted my preferred payment provider to review their payment solution

07 I have checked if my payment provider is Level 1 PCI-DSS compliant

08 I have a shortlist of suitable payment providers

Conclusion

We hope you enjoyed this guide, as well as our checklist to help you on your way to evolve your payment options as you grow your business.

Ready to get started with your payments journey?

Explore new ways to get paid with Ezidebit - the experts in direct debit, BPAY and eCommerce payments in Australia and New Zealand. Get in touch today to find out more.

Glossary

Online Payment Fraud
Payment fraud is any type of false or illegal transaction completed by a cybercriminal on the internet.

Payment Gateway
A payment gateway is a portal for customers to make payments online. PayPal is an example of a payment gateway.

Payments Processor
A payments processor is third-party organisation that processes credit and debit card transactions on behalf of merchants and their banks.

PCI Compliance
Payment Card Industry (PCI) Compliance is expected of all Australian businesses, ensuring they provide the maximum security when processing customer payments or handling customer data.

Phishing
Phishing is the practice of sending sham emails claiming to be from trustworthy companies in order to persuade individuals to reveal personal information, such as passwords and credit card numbers.

POS Transaction
A point-of-sale (POS) transaction is what takes place between a merchant and a customer when a product or service is purchased, generally using a POS system.

Product Denial
Product denial occurs when a customer purchases and receives a product, then makes false claims about not receiving the product via delivery.

QA Testing
Quality Assurance (QA) Testing is the practice of monitoring products or services to ensure quality and prevent mistakes and defects.

Return Fraud
Return fraud is the act of defrauding a store via the return process. The perpetrator may pay for and receive clothing, wear them for a weekend, then return them for a refund.

Transaction Tracking
Transaction tracking is the practice of merchants identifying transactions made to and from their business using reference numbers.

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A division of **global**payments

Ezidebit is a leading provider of secure cloud payment technologies in Australia and New Zealand. Our cloud payments platform supports our clients to achieve customer centric business transformation at scale.

Today tens of thousands of businesses - from startups to enterprises - across a range of industries have chosen Ezidebit as their trusted payments solution provider. Ezidebit is a part of the Global Payments (NYSE: GPN) network of companies.

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