

Credit Card Processing Secrets



“What Your Credit Card Processor Doesn't Want You To Know, and How It Can Hurt You”

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If you are *frustrated* about paying high fees for credit card processing, and are even more *annoyed* with the multiple phone calls you get every week to switch your processor, this report is going to be one of the most important things you will ever read.

Before getting into the details about what your credit card processor doesn't want you to know, we are going to help you do a little math that will allow you figure out if you are paying more than what you were quoted in fees by your current credit card processing company.

How To Calculate Your Effective Rate

Step #1: Get a copy of your most recent statement

Step #2: Locate the amount of money you charged via credit and debit cards for that particular month and write that number down. (This is your net sales)

Example: \$10,000

Step #3: Find the total amount of credit card processing fees you paid for the amount of charges made in "step #2."

Example: \$329

Step #4: Take the number you found in "step #3" and divide that by the number you calculated in "step #2."

Example: \$329 divided by \$10,000

Step #5: Multiply this new number by 100

Example: (\$329 divided by \$10,000) x 100 = 3.29%

What percentage did you get for your business?

What you just calculated is what is called your "Effective Rate."

Now while looking at that number, ask yourself this question...

"Was this the qualified rate I was promised when I signed on with my current credit card processor?"

Angry yet?

It is higher because you most likely have a lot of mid and non-qualified surcharges being applied that could be easily modified. You will learn more about this as you keep reading.

If you have any trouble calculating this rate, feel free to contact us. We would be happy to help you as we both know credit card processing statements are very confusing to read for most business owners like yourself.

What They Don't Want You To Know

Now it is time for you to *finally* understand why that number is higher than you were promised. By knowing this information, it will empower you to not be a victim anymore, and will allow you to keep more profit that is deservedly yours.

The information below is the exact information we recommend our clients just like you to implement to ensure that they are successfully set up from the start to pay the lowest effective rate possible for their credit card processing fees.

Secret #1:

Most Credit Card Processors Lock You in to The “Bucket/Tiered Pricing Model,” When it Would Be Better For You To Be On The “Interchange Pricing Model”

Without making this too complicated, when you are on the bucket/tiered pricing model, it allows the credit card processing sales rep to manipulate your costs by charging you more basis points for each different type of credit card transaction. There are more than 300 charge type credit cards on the market today.

Most reps who bait you with “the lowest rates possible,” use this tactic because they are able to manipulate you right under your nose without you truly understanding how they can control you with bucket pricing. You would never realize this if you didn't read this report.

For 99% of businesses, if they aren't on the interchange pricing model, they are paying way too much for credit card processing fees, and hurting their bottom line. The interchange pricing model is better because it is pretty cut and dry and easy to understand for all merchants.

To understand a better explanation of why the interchange pricing model is better, and further to help you switch over to this new pricing model for your credit card processing, please feel free to contact us. We are here to serve you.

Secret #2:

If You Don't Empty Your Batch at The End of The Day, You Will Be Charged Unnecessary Fees

This secret is pretty straightforward. Without getting too complicated, just make sure that you empty your batch at the end of the day. This will ensure that you are paying the lowest rates possible based on your contract that is hopefully on the interchange pricing model.

Secret #3:

If You Don't Swipe The Credit Card, You Will Pay Higher Fees

When you don't use the magnetic strip to confirm the transaction, this will result in generating higher fees that you will pay. Always make sure that you do everything you can to make the swipe go through, otherwise you will be paying more than you should if you have to enter the number via the pin pad.

While there will be some cases where you have no choice, be sure to let all of your employees know that they should do everything they can to always try to make the transaction a "swiped transaction."

Secret #4:

If You Are Going To Seek Out A New Credit Card Processor and Want To Get The Best Rates, Be Sure To "Black Out" The Interest Rates and Fees on Your Statements Before Showing Them To The New Sales Person Selling You

This tip alone will save you thousands of dollars in fees because it will force the sales rep you are speaking with to give you the best deal possible. If the rep knows that you are paying higher fees than normal, then it gives them the power to only lower them a little bit, and not offer you the savings you deserve.

We would prefer if you choose to have us help you with your credit card processing needs, that you give us your statements in this form. We will give you the best deal guaranteed, and show you that we will definitely save you money, and if we can't, we will pay you \$100 for your time. You really can't lose.

Secret #5:

Most Credit Card Processors Gouge You With Fees On Top Of The Base Rates You Are Quoted For Processing Transactions. Don't pay more than These Amounts for the Fees Listed Below Or Else You Will Be Overcharged

- Don't pay more than .15/transaction Visa/MasterCard
- Don't pay more than .15 /transaction AMEX
- Don't pay more than .25/batch for the batch fee
- Don't pay more than 7.50/month for a monthly statement fee or a service fee
- Do not pay annual fees, or non-PCI compliant fees

Look at your contract right now, and see how much you are getting taken for, right under your nose. We guarantee you are paying too much. Call us so we can help you.

Secret #6:

Credit Card Processors Really Take Advantage of You When You Rent Your Equipment, vs. Buying Your Equipment

You could be paying upwards of \$1200/year vs. a \$300 one-time fee per credit card terminal. The worst part about renting equipment is that the liability for the rental contract on the device doesn't tie to the business, it is a personal guarantee. This means that even if you go out of business, you still have to pay the remaining monthly fees for the rented credit card terminal.

Always buy your equipment, never rent! I will do you one better!! Don't even buy. I will give you the equipment for free. Yes. Completely free.

Are you getting mad yet? Call us so we can help you.

Secret #7:

Every October and April, The Interchange Rate For Your Credit Card Transactions Change

To keep it simple, the interchange rate is one of the fees you are charged when taking credit and debit cards. This fee is paid to the bank that issued the card to consumers.

For example, if a customer pays for an item in your store with a visa credit card issued by Bank of America, the interchange rate calculates the amount that you will be paying to Bank of America at the end of the month as a percentage of the total purchase.

These rates change every October and April, so it is important that you carefully look at your statements after those months to ensure that the new interchange rates you are being charged are in alignment with the new rates set.

If you don't look and confirm these rates on your statement, the credit card processors can still keep charging you the same rate in the past and be making a profit margin on something you shouldn't be paying for.

Yes, we know...it can be overwhelming cant it?

Call us to let us help you. Trust us, we really don't want you to be a victim anymore.

Secret #8:

Most Credit Card Processors Have Horrible Customer Service Because They Are Too Lazy To Do it Themselves (Read: They outsource it), and Are More Worried About How Much Money They Can Make Instead of Focusing on Helping You When You Need Them Most

If you aren't currently with a credit card processor that has various customer service mechanisms within the organization to serve you, you are losing money and causing yourself a whole lot of frustration.

This leads to lost profit, wasting your time, and a whole lot of unnecessary stress.

Take some time right now to run your current processor through this "customer service litmus test" below to see how they stack up against the company we work with to serve you.

-Make sure your company has a **live operator that answers** when you call their customer service department, and make sure the entire customer service operation is in-house. (Most companies outsource this function to India or another 3rd world country. This causes a lot of frustration when you are on the phone, and extremely long wait times to be served. LI Telecom promises that you won't be waiting for an answer for more than 60 seconds and we are located in the United States.)

-Make sure that your credit card processor is able to promise “**same day service solutions**” when it comes to resolving any complaints you have, or issues that arise with your account. (LI Telecom promises that any minor or large issues will be resolved in less than 24 hours...and in some cases even by the end of the day)

-Make sure the agent who enrolled you into your service is established and truly committed to building a **personalized relationship with you**. This means that if you have a problem with your account, you will be able to call them first before calling customer service. This will allow them to expedite your need to fix any problems or issues you are having with your account. (This personal attention is something we promise to our customers, and is something we take great pride in.)

-Make sure that your processor offers **live website chat support** along with **electronic statements + paper statements**. By having a live website chat support service, it gives you the freedom and flexibility to speak with someone and have the entire conversation transcribed for you to print out after they help you resolve the issue. (LI Telecom has this feature built into their customer service department).

-Make sure you understand the type of **terminal, and technical support** the company is willing to provide to you. If it appears that it will be a hassle dealing with them to solve issues pertaining to this scope of your credit card processing contract, look for another processor. When equipment doesn't work, and things aren't fixed quickly, you are losing money and sales. (At LI Telecom we are committed to ensure you are always up and running, and if there is a hiccup we will do everything we can to help you solve the issue as quickly as possible.)

-Make sure that all of the **underwriting for contracts and risk is processed in-house**. If you think back to when you signed your first credit card processing contract, how long did it take to get everything set up? If your answer is 2-3 days, you are with an organization that is costing you money. Make sure your processor can turn over your new account in the same day you apply. (In most cases, LI Telecom can provide same day approval, so we are able to serve you in the best way possible)

Before moving on to the bonus section, *nothing* in the company that I have built is outsourced. Everything is done and processed in-house, which provides you the **best possible experience** when it comes to managing the entire credit card processing arm of your business. We are here to serve you, and want to see you succeed.

BONUS

If you don't know the answers to these key questions pertaining to your credit card processing service; you are most likely paying too high in fees, and virtually losing thousands of dollars annually.

Question #1: Do you know the difference between bucket pricing and the interchange pricing models? What exactly makes one better than the other, and in what case would you prefer tiered pricing over interchange pricing?

Question #2: Do you know about the Durbin Amendment, and how it directly impacted debit card processing fees? Are you sure that your credit card processor made the right adjustment on your account to account for this change?

Question #3: Do you know the exact rate and complimentary fees you would pay if you accepted a Jet Blue American Express credit card? Would you even know where to start to find out this information, and how knowing this impacts what and how much you would pay?

Question #4: Do you know how to lower your credit card processing fees for your business to business transactions that you accept via a corporate credit card from vendor you do business with on a yearly basis?

Question #5: Do you know how many different types of credit card transaction types there are, and how these directly affect the rates and fees you pay to your credit card processing company?

Special Offer For You

Because we really want to earn your business, and provide you superior customer service while helping you not be a victim anymore, we have put together a special offer for you to take advantage of right now.

If this report brought to your attention that you may be getting manipulated by your current credit card processor, and you are willing to explore how you can work with us to not be a victim anymore; be sure and truly consider what we have to offer you.

With your permission, we would be happy to spend some time with you to talk about your credit card processing service, to see if we can help you save money, eliminate the headaches, and further help you keep more profit.

If you choose to do this, we are going to sweeten the deal even more **by giving you \$100** if we aren't able to save you money after looking over all of your statements. It is our goal to put together a customized solution for you that is 100% in line with what is recommended in this report.

If this offer is of interest to you, give us a call or send us an e-mail.

631-833-9679
dave@LITelecomCreditCards.com

Also check out our website at

www.LITelecomCreditCards.com

We will be in touch with you within a 24 hour period to schedule an appointment, and look forward to meeting you at our agreed upon time and place.

We look forward to serving you.

Best,
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Long Island Telecom Group, Inc.

