

# **IAAPA** Attractions **EXPO**

## **Credit Card 101**

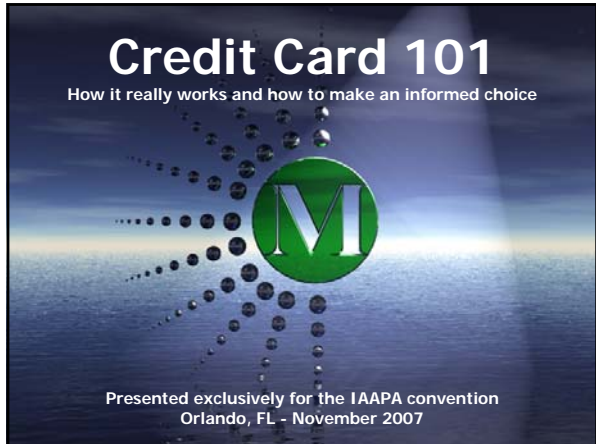
**11/13/2007**

**4:30pm**

**Room #S331CD**



**IAAPA**



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 **The Questions:** 

- How does Credit Card Processing Really work?
- How can I select the **BEST** Processor for my business?

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 **The Real Problem** 

- 1. You probably don't know how it works or how to find out
- 2. 30%-95% of your business is being charged a fee and you don't understand why

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## We will cover:



- 1. The basics of credit card processing
- 2. How to select the best Merchant Services Relationship for your business

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## Card type buckets:



Credit cards



T&E

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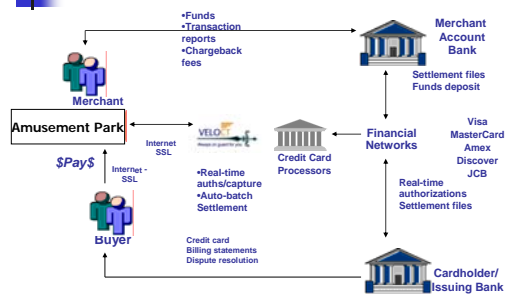
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## The transaction game




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## Transaction Costs



- Discount Rate
- Transaction Fee
- Effective Rate

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## The Discount Rate



- Communication
- Processor Fees
- Bank Fees
- Interchange
  - paid to card association
- Dues & assessments
  - paid to VI/MC

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## Interchange



- Association of banks that Issue, Fund and Acquire credit cards
- There are **more than 130 different** rates for Visa and MasterCard
- Each category has a different rate based on risk, cost and repay time
- **Every processor pays the same interchange fees no matter who or how big they are**

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## Fraud and what to look for



- Mostly due to:
  - Greed-especially in MO/TO
  - Counterfeit cards
  - Employee cheating
  - Merchant as well as consumer
- Ignorance
  - Professional Criminals stealing from you
  - Avoidable through education
    - Tools such as AVS, follow-up calls, bill-to=ship-to, CVVII
  - Many businesses have tools in place and do not use them

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## What customers really want!



- 1. Quality
- 2. Personal assistance
- 3. A solution to their problems
- 4. A fast response
- 5. A non-threatening sales person
- 6. Sincere cheer

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## How to select the best Merchant Services Relationship for you



Choose one that:

- Provides ongoing training and education
- Has knowledgeable representation of your industry
- Provides equipment at low cost with good support
- Has a reasonable cancellation policy and contract terms
- Can reference other satisfied customers
- Has easy access to customer service 24/7
- Provides the lowest total cost not just the lowest rate

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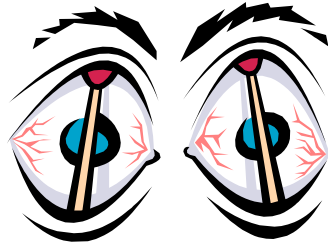
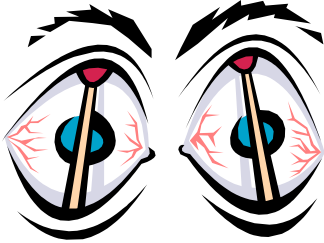
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Questions?



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Thank you!



Presented by: John R. Andersen  
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Orlando, FL

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