



Audit AdvantageSM
- Processing Consultants -

5 Tips to Reduce Your Payment Processing Costs

Credit card processing fees have become a necessary cost of doing business. Payment processing expenses are typically a top-5 business expense. 90% of business owners have underperforming programs. Our team of industry experts has collected the following tips to help merchants reduce their credit card processing costs:

1. Make sure you have an Interchange Pass Through program (aka Cost Plus)

- This is the most transparent and cost effective pricing strategy for all merchants
- Items such as Flat Rate, Mid-Qualified or Non-Qualified will indicate that your program is NOT an Interchange Pass Through program

2. Closely monitor your statements for price increases and miscellaneous fees

- Most processors are notorious for raising rates
- In many cases, fees can be avoided or may not be standard industry fees
- Processors may often times inflate legitimate fees
- Many merchants fail to take action when notified of a fee increase

3. Avoid downgrades when possible

- A downgrade occurs when a transaction qualifies at a higher rate than achievable
- Tiered merchants will see these amounts as Mid-Qualified or Non-Qualified transaction on their statement
- Cost plus merchants will see EIRF and Transaction Integrity Fees
- Whenever possible dip/swipe all cards and enter any required information to qualify for the lowest rate.

4. Stay away from high-cost equipment leases and software

- Credit card processing equipment and software can usually be purchased at affordable prices ranging from \$100 to \$400
- Leases can add up to thousands of dollars over time and most leases are not cancellable

5. Align yourself with a reputable processor and always read the fine print

- Reputable processors will guarantee their rates in writing
- Make sure to understand EVERY fee listed on the processing agreement/contract
- Before entering into any contract, remember to read the fine print and identify any pitfalls
- Avoid contracts that say "rates are subject to change"

Failing to implement these 5 simple rules can have a devastating impact on your program. For more information on lowering your fees, please contact us at 877-799-2720 or info@getauditadvantage.com.

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