

Why NOW is the time for the trades to accept “Plastic Payments”

By Madeleine Austin

Up until now it has been too expensive to process credit cards in the trades. How you physically process a card plays a huge part in determining the rate you pay.

Until recently, the only course of payment requires you to write down a credit card number and call the credit card number in. This method is considered very high risk. Processors don't like risk, so they charge top rates – 3, 4, 5+ percent; 50 percent more than should be paid.

Now there is a way for the trades to process cards on-site, consequently ensuring the very lowest rates. By being able to physically “swipe” that card on site, processors are assured a secure form of payment, rewarding the user with the lowest rates possible which is usually well under 2%.

The ‘tool’ needed to process cards on site is a WTT (Wireless Transaction Terminal, shown above). This perfected technology is vastly improved from its predecessors. WTT's are now affordable, reliable, safe and secure for both user and client.

Another reason why the trades have not included plastic payments, until now, is the fear of a client contesting the work and canceling their payment to you. Although that is possible less than 1% of claims are contested.



However make sure your account is set up properly. The Trades process much higher amounts than the credit card world is accustomed to. Make sure your processor has a “High Ticket” department.

If your account is set up correctly there is no problem processing the high amounts the Trades produce. A custom made processing program set up especially for your business insures you are paid quickly and securely.

Using a good processor is like having a pit bull on your side.

There are two main reasons why a client uses credit cards. One, because they just plain don't have the money now but need the work now. Two, a client has the money but wants to accrue Reward points. (Don't laugh; the North Bay is the number one area in the nation for Reward Cards.) Clients in the North Bay want to be rewarded, so now reward them by taking their plastic form of payment.

Consumers, as a rule, spend much more than they would if they had paid with a check.

Tough economic times are here. Now is the time to seek new solutions.

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