



# ABTEK TRIBUNE

News you care about. Tips you can use.

July 2024

Vol 4 Issue 7

Welcome to the latest edition of ABTEK's monthly newsletter! Stay in the loop with our updates, insights and exciting developments in the world of payment processing.

## The Essential Role of Payments in Shaping the Customer Experience

As a business owner, it's crucial to understand how payments influence customer behavior. Discover Financial Services Inc.'s 2024 Payment State of the Union report highlights several key insights to enhance your payment processes and boost customer loyalty.

**The Importance of a Positive Payment Experience.** 85% of consumers are less likely to return after a negative payment experience, emphasizing the need for a smooth and efficient payment process.

**Payment Systems and Customer Experience.** 59% of merchants believe payments are crucial to customer experience, and 39% consider customer interaction significant when choosing a payment partner. The way you handle payments can greatly affect customer perception.

**The Need for Diverse Payment Options.** 53% of merchants prioritize digital payment options, and 63% of consumers find using their preferred payment method critical. Offering multiple payment options can increase customer satisfaction and drive sales.

**Embracing Tap-to-Pay Technology.** 92% of merchants see tap-to-pay on mobile devices as highly valuable in the next three years. Accepting payments anywhere (61%) and providing a personalized sales experience (56%) drive interest in this technology.

**Bridging Online and Offline Shopping.** 76% of merchants find streamlined payment experiences across all sales channels important, and 40% prioritize seamless payments across multiple channels when selecting a payment partner.

**In-Store Payment Experiences Remain Vital.** In 2024, 43% of consumers expect to make most purchases in-store, up from 39% in 2023. This trend is strong in North America and EMEA, with 55% planning to spend much of their discretionary income in-store.

**The State of Merchant Technology.** 86% of merchants acknowledge their technology needs improvement, with only 23% offering a highly engaging digital payment experience.

**Finding the Right Payment Solution.** ABTEK can guide you to the perfect merchant credit card processing solution, whether through a secure payment gateway or a traditional credit card terminal. Enhance your payment processes to improve customer satisfaction and drive repeat business.



*By addressing these key aspects of payment systems, you can improve customer experience and stay ahead in the competitive market.*

### Product of the Month: Our Dejavoo P5

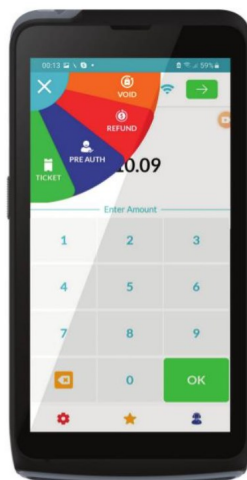
This low-profile powerhouse terminal is the perfect option for mobile payments. It features Bluetooth, Wi-Fi, and 4G wireless technology, along with front and rear facing cameras for scanning. With this pocket sized device, you have the ability to take contactless, chip and PIN, chip and signature or even swiped transactions on the go.

No paper needed! All receipts can be sent by text or email. Want to take advantage of dual pricing or surcharging?

This PCI certified Android device can do it all.

This may be what you've been looking for to fit your business!

Contact us to enhance your payment capabilities!



Reviews ★★★★★

Be on the lookout for our August Newsletter, where we announce the winner of our:

**\$1,000 Google Review Contest Winner!**



Success is simple. Do what's right, the right way, at the right time.— Arnold H Glasow



## Anticipated growth in chargebacks

The surge of online transactions is driving higher chargeback volumes, with e-commerce sales projected to grow from 3.35 trillion in 2019 to 7.3 trillion by 2025. This increase brings more consumer disputes and fraud risks as online experiences, including traditional in-person purchases through mobile payments, become more common. Subscription services are also booming, expected to reach 904.2 billion by 2026. Not all chargebacks stem from fraud; many result from transaction confusion or misuse. Businesses must improve transaction clarity and customer communication to reduce disputes, as e-commerce and chargeback volumes continue to rise. For best practices in avoiding chargebacks, please feel free to contact our compliance and risk team at ABTEK.



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### Dual Pricing vs. Surcharging for Your Business

Looking to cut down on credit card fees? Surcharging and dual pricing can both help, but which is right for your business? Let's dive into some questions you should consider:

- What is the payment preference of my customers?
- How much do I need to cover for my processing fees?
- Does my state permit surcharge fees?
- Can I adapt my POS system for surcharges?

**What is my typical sales volume?** For businesses with many small transactions, like coffee shops, these fees can add up quickly. A surcharge or dual pricing model might be just the solution to boost your profits.

**What Is Surcharging?** Surcharging involves adding an extra fee to each credit card transaction. If a customer buys a \$5 coffee, you will add a 3.00% surcharge to

cover the processing fee, making the total sale \$5.15. While surcharging helps cover these costs, it's important to consider potential downsides:

- Customers may dislike the extra fee.
- Not every state allows surcharges.
- Credit card providers may have rules limiting surcharges.

**What Is Dual Pricing?** Dual pricing, or "cash discount" programs, offer a lower price for cash payments. For example, a phone charger might cost less if paid in cash compared to a credit card. This strategy can:

- Increase cash flow.
- Allow for loyalty programs and discounts for cash customers.
- Encourage customers to plan for major purchases and save money.

**Finding the Right Payment Solutions** To effectively implement a cash discount program or surcharge, you need the right partner. ABTEK can help you decide

the best fit for your business, offering terminal and gateway solutions that calculate the additional fee. Let us help you cut costs and keep your business thriving.

The more you know, the better choices you can make for your business. Contact ABTEK today to see which solution fits your needs.

