

# Credit Card Solutions for Fledgling Businesses

By Angela Wu

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When I first started out on the Internet, one of the things that was repeatedly hammered into my head was that I \*had\* to accept credit cards online.

Time and time again, I was told that Internet surfers are an impulsive (and impatient) bunch -- very few people will take the time to write out a cheque, dig up an envelope, address it, find or buy a stamp, and finally go drop it in the mail.

Okay. I can understand that. Quite frankly, I don't order online myself unless I can use my credit card.

There was only one teensy little problem: at the time, I was a fledgling online business. I didn't have the funds for my own merchant account - assuming that I would have been approved, of course.

I simply couldn't afford the myriad of fees associated with a merchant account. Heck, I couldn't even afford the monthly fees - not when I didn't know how much I was going to sell!

Luckily, one kind-hearted soul pointed me towards third-party credit card processing companies. These companies take credit card orders on your behalf -- no monthly fees! Instead, they make their profits by taking a percentage of your transactions.

Sure, the percentage may seem a bit high -- but you don't have to pay ANYTHING unless you first SELL something. In other words, if you sell nothing, you pay nothing.

A few things to consider when searching for the right third-party credit card processor include:

- = Setup fees: is there a charge to activate your account?
- = Transaction fees: how much do they take as their "cut" of the profits?
- = Reserve: this is the amount of your profits that are (temporarily) held back to use against future returns or chargebacks.
- = Reliability and service: do they have a good record for dependability? Are they easy to contact and helpful if you experience problems?
- = Restrictions and limitations: do they handle only digital products? Is there a maximum price that you can set for your product or service?
- = Other ordering options: do they offer online chequing or toll-free ordering? Are there additional charges?

Third-party credit card processors can be found all over the 'net. The three I use myself are:

- = GloBill (for membership sites):  
<http://buildyourhomebiz.com/globill.html>
- = Digibuy (for eBooks and software):  
<http://buildyourhomebiz.com/digibuy.html>
- = Clickbank (for advertising sales, affiliate sales):  
<http://buildyourhomebiz.com/clickbank.html>

There are many more! Don't be afraid to ask others for their recommendations and opinions.

Third-party processors offer a win-win situation: your customers have a fast, convenient way to order online ... and you increase your sales without having to worry about covering fixed monthly fees.

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Angela is the editor of Online Business Basics, an exclusive newsletter for eBusiness beginners. OBB features ongoing tutorials on how to build a profitable Internet business on a shoestring budget. You don't need a million-dollar budget to be successful! Find out how you too can join the thousands quietly earning a living online:

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