Alternatives to Paypal

A solid alternative to Paypal is Chase Paymentech, and their credit card processing app, Square. They receive a relatively low number of complaints despite the size of this business. The Better Business Bureau has given them an A+ rating and they deserve it. They exercise excellent business practices such as tailoring accounts to merchant’s personal needs, month-to-month contracts, no cancellation fees for some account types, and no PCI compliance fees. They also have an honest marketing strategy and a monthly fee of $17. At $0.24 per transaction + 1.79%, a customer averaging 50 transactions per month, at an average of $45 per sale would pay $69 per month.

Another alternative to Paypal is Amazon Payments which offers two services; “Checkout by Amazon”, and “Amazon Simple Pay”. “Checkout by Amazon” is used to sell tangible goods, where as “Amazon Simple Pay” is used to sell digital products. Both services do not require the user to leave the retailers website. The Better Business Bureau also gives Amazon Paymets an A+ so they are on even footing with Chase. Complaints are super low for this company, but the real kicker is that there is no monthly fee or cancelation fee for their service. Chase, by the way has a $350 cancelation fee. At $0.30 per transaction + 2.9%, a customer averaging 50 transactions per month, at an average of $45 per sale would pay $80 per month.

A final alternative to Paypal is Google Checkout with Google Wallet. This service is very similar to Paypal and Amazon in that there is a cancel anytime policy that is free of charge, and that there is no monthly fee. The Better Business Bureau gives Google Checkout a B-. This is expected because complaints for this service are on the more average end, as opposed to Chase and Amazon which have excellent complaint records. There are also a number of small hidden fees associated with this service, such as the 1% surcharge to buyers not located in the sellers country. At $0.30 per transaction + 2.9%, a customer averaging 50 transactions per month, at an average of $45 per sale would pay $80, but I’ll bump that up to $85 per month since I am probably missing a few hidden fees.