There are numerous Online Payment Processors/Gateways.  One of the biggest ones is Authorize.net.  These financial intermediaries work with online businesses to handle online purchases.  For this service they charge a variety of fees to the merchant. In this assignment you are going to research the cost of using these services.

Based on Authorize.net please discuss the the following questions.

**PayPal**

According to PayPal.com PayPal acts as a payflow gateway. They handle all electronic monetary funtions for the merchant as well as the consumer. This can be payments, credits, returns and voids. Payflow is integrated to work with most payment processors. The money from transactions is processed and put into the merchants account within minutes.

PayPall is free for customers to set up an account however, there is a fee to send money as a personal payment using a debit or credit card. PayPal does not charge a monthly fee. The fee in the U.S is 2.9% plus $0.30 USD. For merchants there is a flat standard transaction fee. For online transactions there is a fee of 2.9% of the transaction amount plus a fixed fee based on currency. If the transaction is out of the country the fee is 4.4% of the transaction amount plus a fixed fee based on currency. If the transaction is in store the fee is 2.7% of the transaction amount plus a fixed fee if in the US and outside the US the fee is 4.2% plus a fixed fee.

There are fees for sending money to the US and Canada only when using a credit card, debit card or PayPal credit of 2.9% plus a fixed fee $0.30. Outside the US and Canada there are different fees for each country 1 to 4% plus a fee dependant on the country. The fee for a debit card is 2.9% plus a fixed fee.

**Authorize.net**

Authorize.net is a payment gateway that provides the complex infrastructure and security to process fast and reliable transmission of transaction data. Authorize.net is available 24/7 for processing transactions. They utilize the internet instead of phone lines to route transactions. Because the gateway is browser based there is no software to install or maintain.

Authorize.net charges a setup fee of $49 and a monthly fee of $25 along with a 2.9% + $0.30 charge per transaction and an additional 1.9% for global transactions. There are no hidden charges or additional fees for services.

The Credit card process entails the buyer sending money electronically to Authorize.net who then puts it through a processor and interchange meaning it goes to the merchants bank processors who then submit the transaction to the credit card networks of Visa Mastercard etc. the issuing bank either approves or declines the purchase based on the customers availiable funds and passes the transaction back to the credit card network. The network the relays the transaction back to the merchants banks processors then the processor relays the transaction back to Authorize.net who then stores the transaction results and sends them to the website for the buyer and merchant to view. The goods or services are delivered and the issuing bank sends the appropriate funds for the credit card transaction and sends it to the network who then forwards the funds to the merchant account which ends up in the sellers account.

**Square**

Square is a payment processing company. Originally it started out as a small cube attached to a tablet or cellphone to process payments it has shifted to a large player in being a reliable handeler of transactions in the e-commerce world. There are many services that Square offers like taking most forms of payment, utilizing payments with e-commerce platforms like WooCommerce, Wix and BigCommerce. Besides utilizing tablets and cell phones Squre can be utilized on a computer and can accept payments offline.

Pricing is 2.75% per swipe, dip or tap, invoices and e-commerce payments are 2.9% + $0.30 per transaction, virtual terminal and keyed-in transactions are 3.5% + $0.15 per transaction. The standard squre hardware is free, but to get a reader that can read chips it will cost $49. There is no monthly fee and the charges per transaction allow for reports and a dashboard to keep track of payment processing.

Square offers reliable safe and secure payment processing. It has a support line for any problems or disputes and it allows freedom of location as the square reader can be taken on the go.

1. Is this company a payment gateway, payment processor or they perform both functions
2. What is the setup fee for establishing an account?
3. What is the monthly fee for the account?
4. What is the cost per procesed transaction?
5. What other fees or charges could be incurred?
6. How do they handle Debit Cards?