

Title:

Merchant Accounts For Beginners

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Summary:

Looking for something that will explain merchant accounts to you? Are you in need of a merchant account for beginners, mini tutoring session? Then you have come to the right place. Below you will find a list of the fundamentals pertaining to merchant accounts and how they work!

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Keywords:

Article Body:

Looking for something that will explain merchant accounts to you? Are you in need of a merchant account for beginners, mini tutoring session? Then you have come to the right place. Below you will find a list of the fundamentals pertaining to merchant accounts and how they work!

Once you have completely established your web-based business, you will want to begin the application process for a merchant account. A merchant account will allow you to accept credit card orders through your website with your website acting as a virtual gateway for order processing.

Your website must be fully established before you apply for your merchant account, as a merchant account supplier will want to see that your business actually exists. Further, a merchant account supplier may require that you have a registered domain name, so you may want to take such information into consideration when you are creating your website.

Applying for a merchant account may take several days, so don't be surprised if you are not instantly approved. A merchant account supplier will verify much of the information you submitted and will also approve or deny your application based on a number of risk assessments. Such assessments are determined on how long you have been in business, what type of credit you have and what type of

business you are running.

Once you have been approved for a merchant account, you will be able to set up your merchant account processing software or appropriate links, depending on the merchant account supplier. Later, after you have successfully set up your merchant account access, your customers will be able to make purchases via your merchant account access and the merchant account supplier will handle all of your transactions.

You will be charged a transaction fee and a discount fee for each transaction, and a monthly statement fee from the merchant account supplier. Additionally, you may be required to set up a reserve based on the risk assessment initially conducted on your business. Although the reserve money belongs to you, the merchant account supplier holds on to such funds in the event that you encounter credit card fraud. Unfortunately, you will be responsible for such charges and your reserve will meet the sudden and unfortunate expense.

It all sound so easy right? Usually it is, however you can run into a snag or two. If you are denied a merchant account based on the risk assessment conducted, how will you collect credit card payments? Through a third party of course!

Third parties are willing to collect credit card payments for you if you pay the transaction fees required. A particularly popular third party processor is PayPal. There are no setup fees involved in enrolling in PayPal, however, you might be required to wait until you have verified your bank account before you can use PayPal's services.

PayPal is also easy to set up on your website and you can even accept payments via email. What's more, depending on the type of program you sign up for, you can even set up a shopping cart on your website or bill customers with PayPal's unique invoicing template. Finally, PayPal offers mediation services when a customer is not satisfied with a product and they also offer the very best technology to help prevent fraudulent transactions.

Merchant accounts and third party processors can literally change the way you conduct business on the Internet. What's more, both merchant accounts and third party processors broaden your business horizons by increasing the forms of payments that you can accept. Therefore, in using such accounts you essentially increase your bottom line!