



Fáilte Ireland

National Tourism Development Authority

GUIDE TO SELLING ONLINE

Covers the various payment solutions for your e-commerce website and how to set them up

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Introduction

One of the most important and critical parts of an e-commerce website is the payment solution for accepting online payments payments. This guide takes you through the various options available to you.

Skill Level

Basic **Inter** The majority of the topics in this guide are suitable for anyone who has basic PC knowledge. Towards the end of the guide there are a few more advanced topics that are more suitable for intermediate users.

Considerations for Selling Online — €€€

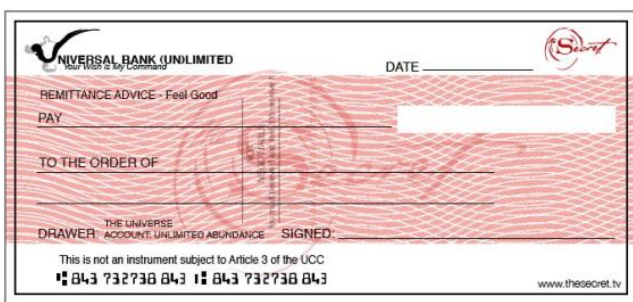
So you have decided you are going to sell online and you have found someone to build an e-commerce solution around your products. Now it is time to figure out how you are going to accept payment. This article is going to look at four options available to you; we will go through how each works and what steps you need to take to get there. Finally, we will discuss how to setup a Merchant account with your local bank.

1. Off-Line Payment.
2. Fully Outsourced Solutions.
3. Combination Merchant Account and Payment Processor.
4. Separate Merchant Account and Payment Processor.



Off-Line Payment

Although, not ideal, this is the simplest and quickest option to begin accepting payments from your website. With an off-line payment option, customers can browse your catalogue of products from the comfort of their own home, add items to their shopping cart and check out, just as they would on any other option. The only difference is that instead of presenting them with online billing options, you provide them with options to pay off-line. This can be via **bank transfer** or **lodgement** to your bank account or by posting a **cheque**, **bank draft** or **postal order** to your business.



Fully Outsourced Solutions

This option includes **PayPal Accounts**, **Google Checkout** and others. Setting up this style of payment can be quick and painless and is often the easiest option for sites with a low volume of sales. To get set-up, you simply register an account with your provider of choice, fill out your details and they will give you a piece of code that you add to your pages to display the “Buy Now” buttons.

The main advantages to this option are that it is quick to set up and you can access your money quickly. With PayPal setup you can be collecting payment from customers within minutes. The disadvantages are that your customers may not have an account with your provider and there can be higher transaction fees. Google Checkout is currently only available to merchants in the USA and the UK, but it is available to buyers in all countries and it is coming to Ireland soon.



Combination Merchant Account and Payment Processor

This option includes companies like **WorldPay**, **2Checkout** and **PayPal Merchant Accounts**. This option adds more flexibility than a fully outsourced solution; customers do not need to have an account with your provider and can pay with a wide range of credit cards.

To get set-up you will need to register for an account with your chosen provider and add your details to their account. Your provider will normally provide sample code to help you integrate with your existing e-commerce solution, including plugins for many of the popular open source shopping carts. If you are using a bespoke cart, then your developer will be able to integrate these methods for you.

The main disadvantages to this option is that many providers apply restrictions as to when you can get your money out of their account, such as time delays or minimum amounts. Providers in this category will often charge a set-up fee and/or an annual fee as well as a percentage of each transaction, generally 2-4%. There can be some more requirements to setting up with this option than with the fully outsourced solution, but it is easier than getting your own merchant account as is required in the final option.



Separate Merchant Account and Payment Processor

The main company offering this service in Ireland is **Realex Payments**. The difference between this option and the others is that you will need a merchant account with a local bank to accept payments. What payments you can accept will depend on what payments your merchant account can accept. You will need different merchant agreements for the different types of payment you wish to accept (e.g. one for Visa/MC/Laser, one for AMEX, one for Switch/Solo, one for automated direct debits etc).

The overall cost will generally be cheaper than the above methods if you are doing larger volumes of transactions. To that end, this method is best for people doing larger volumes of transactions or those who want more control. The main disadvantage with this option is the longer and more difficult set-up. There will also be set-up charges with your payment provider.



Payment Processor Comparison

Costs vary between **Realex RealPay** and **PayPal**.

PayPal

PayPal do not have a setup or recurring monthly fee and charge different percentages per transaction, based on monthly sales (details below).

- No Setup Fee
- No monthly charges

Monthly Sales	Price Per Transaction
€0.00 EUR-€2,500.00 EUR	3.4% + €0.35 EUR
€2,500.01 EUR-€10,000.00 EUR	2.9% + €0.35 EUR
€10,000.01 EUR-€50,000.00 EUR	2.7% + €0.35 EUR
€50,000.01 EUR-€100,000.00 EUR	2.4% + €0.35 EUR
> €100,000.00 EUR	1.9% + €0.35 EUR

A detailed list of charges and costs can be seen at:

https://www.paypal.com/ie/cgi-bin/webscr?cmd=_display-fees-outside

Realex - RealPay

The costs for Realex are as follows:

- No Setup Fee
- Lowest monthly €29 - includes 350 transactions
- Excess transactions charged at €0.19

The costs are:

Monthly Rates	Cost
No. of Transactions	350
Monthly Fee	€29
Effective Cost per Trans	€0.12

Note: Normal credit card processing charges for merchant accounts apply. These depend on your bank and can be obtained by contacting them

Set up a Realex Account

Doing business online requires an ability to accept credit and/or debit cards from customers. This entails processing authorisation requests in real time and ensuring the cardholder has sufficient funds.

Realex Payments provides a state-of-the-art internet payments solution, allowing the automation of online sales and payments processing through to fulfilment.

Merchants can integrate any Realex Payments' services directly from their own websites. Sample code comes in various languages to ensure quick implementation.

Steps to Selling Online with Realex

There are 5 easy steps to selling online:

Step 1 – Agreement with Bank

Merchants require a Merchant Service Agreement (MSA) in place with their acquiring bank for the appropriate sales channel or channels in which they wish to sell in the customer not present (CNP) environment - whether it be a website, call centre or interactive voice response (IVR).

If you already have a Merchant account for your business you will still have to contact your bank to arrange a separate Merchant Service Agreement (MSA) to use on your website.

Step 2 – Contact Realex Payments

Merchants must contact Realex Payments www.realexpayments.com and complete a registration form and contract.

Step 3 – Implementation

Realex Payments will support the merchant's technical contact (e.g. web developer) to perform the integration.

Step 4 – Activate Your Account

Once an MSA is in place with your acquiring bank, the bank will issue Realex Payments with an 'Activation Form' detailing merchant details.

Step 5 – Go Live!

Your website is ready to accept payments in real time.

Checklist to Selling Online with Realex Payments

- **Contact your bank** — Contact your bank for a Merchant Service Agreement
- **Registration form** — Complete a Realex Payments Online Trader package registration form
- **Receive a contract** — Receive a contract from Realex for your new account
- **Sign and Return** — Sign and return contract and an account will be then set up for you in test mode by our support team
- **Set up process** — You will be provided with sample code, shopping cart plug-in and integration support during the set up process
- **Confirm agreement** — Confirm your Merchant Service Agreement with the bank, and pass the number to Realex
- **Notify your integrator** — Notify your account integrator when you want to go to live
- **Code and password** — Receive confirmation of your live activation code and password
- **Live** — Your account will be then set to live within 24 hours
- **Accept payments** — Start accepting payments online or over the telephone in real time!

For further information please contact Realex Payments www.realexpayments.com



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