

Benefits of Payment Cards to Merchants

Day after day, consumers and businesses are seeking faster, more secure and smarter methods of payment for an increasing array of transactions. MasterCard Worldwide develops and markets a strong family of products and payment card brands including MasterCard, Maestro®, Cirrus® to help merchants open the door to commerce at more than 24 million merchant locations around the world. Whether credit, debit or prepaid, payment cards offer merchants a host of benefits that make them preferred over cash and checks. Card transactions are faster, more convenient to process, and more efficient than those paid by paper payments such as cash or checks. Accepting payment cards enables merchants to attract and retain customers, and studies have shown that the total value of a customer's purchase increases by 20%-30% when using a payment card.¹

Attract New Customers, Satisfy Existing Ones

- More and more customers insist on the security and convenience of using payment cards, and more and more merchants are accepting them in order to meet the demands of these customers.²
- Payment cards are, overwhelmingly, the most popular and convenient method of paying for goods and services on the Internet, as well as by mail order and telephone.
- Many issuers offer incentives to their cardholders, who can earn cash back, airline tickets, or other rewards. By accepting payment cards, merchants help their customers qualify for these rewards faster.

Enhance the Bottom Line

- Payment cards eliminate the risk of bounced checks, and merchants often have access to funds sooner than they would from transactions paid by check.
- Card transactions reduce the amount of cash merchants have on hand, which can lower the cost of preventing and ensuring against robbery.
- On average, customer transactions at the merchant point of sale using cards are higher than those made with cash or checks.³

¹ Bell, Matt. *Paper or Plastic?* Super Market Guru. April 30, 2004.

² Credit.com, "Credit Keeps Getting Easier," accessed on 8/17/05 at <http://www.credit.com/slp/chapter1/Credit-Keeps-Getting-Easier.jsp>.

³ Bell, Matt. *Paper or Plastic?* Super Market Guru. April 30, 2004.

Simplify Operations and Financing

- Payment cards offer financing and reporting tools that helps businesses, large and small, manage and track expenses.
- More than half of all the small businesses in the United States currently use credit cards to finance their operations and to smooth out their cash flow.
- Banks and payment organizations, such as MasterCard, together offer loyalty and rewards programs, as well as special advisory services, tailored to merchants.

Enable a Faster, More Convenient Transaction

- Cashiers don't spend time counting out change, waiting while customers fumble for exact change or sorting bills and coins into the correct sections of the register.
- Cashiers don't spend time waiting for customers to write checks or getting approval from a check authorization service.
- Merchants don't spend time doing tedious manual tasks such as handling or counting cash and checks or reconciling ledgers.
- Card transactions reduce the volume of paper payments that merchants handle, decreasing their need to pay for employees to deliver cash and checks to their banks.

Increased Security

- Merchants that accept payment cards carry less cash and decrease their vulnerability to theft and pilfering.
- MasterCard International's Payment Data Protection (PDP) and Site Data Protection (SDP) programs as well as its leadership in setting the Payment Card Industry Data Security Standard help merchants and their business partners safeguard card transaction data and prevent fraud.