

Card machine charges

Rent for card machines themselves are reasonable, but all card transactions incur a fee from the card machine supplier. This fee varies by supplier and has a significant effect on business profitability, so shop around, and negotiate hard. The rate charged will be based on the volume of transactions expected.

Types of cards

Debit card transactions are charged a fixed fee. As most transactions will be by debit card, this is the one to focus on getting as low as possible. Credit card transactions are usually charged at a percentage of the value of the transaction.

On some types of cards the transactions costs are higher, e.g., Solo and Electron, but the volume of sales on these cards maybe low enough not to matter. The exception is American Express, which charges around twice the regular fees and is therefore probably not worth accepting.

Contactless

Contactless card payments are a relatively new phenomenon but becoming more common and all new cards should now have this capacity. Currently contactless payments incur a lower transaction costs; they are also quicker, so can save time at the tills and minimise queues.

Convenience

Unicorn chooses not to impose a minimum on card payments, in keeping with supermarket norms and customer expectations. We believe convenience for our customers is worth the higher proportion of the sale spent on transaction fees on the few transactions we take below £5 – for smaller shops the picture may be different, however.

We also offer cashback, again as a convenience for customers. Cashback has the added advantage of reducing the amount of cash to be banked (which can incur a charge).

PCI Compliance

Businesses accepting payment with credit/debit cards must be PCI compliant – this is the payment card industry's Security Standards Council, which provides a worldwide benchmark for the protection of cardholder identity and transaction information. Discuss PCI compliance with your card terminal providers. Every retailer must prove compliance, either by hiring an external company or applying in-house using on-line forms*. Non-compliance can result in substantial fines.

*https://www.pcisecuritystandards.org/saq/instructions_dss.shtml