

The background of the entire page is a composite image. At the top, a hand is shown holding a smartphone. Below this, a city skyline at night is visible, with various buildings and lights. Overlaid on the city are several geometric shapes, including triangles and lines, in shades of blue and white, creating a digital or network-like aesthetic. The overall color palette is dominated by blues and whites, with some red accents from the logo.

B BB MERCHANT SERVICES

**8 Merchant Services Innovations:
Are you missing out on cost savings?**

8 Merchant Services Innovations: Are you missing out on cost savings?



James Yerkess
Head of Marketing and
Partner, BB Merchant
Services

The future of commerce is undergoing a large shift propelled forward by an unprecedented wave of technological innovation. Merchant services stand at the forefront of this evolution, acting as the backbone for financial transactions in an increasingly digital world.

The blockchain technology market, which underpins many of these innovations, is projected to grow significantly. As a result, by 2030, blockchain could contribute an additional £57 billion to the UK's GDP.

These services, once confined to processing credit and debit card transactions, are now expanding to encompass a broad scope of digital payment solutions, fraud protection mechanisms, and customer interaction platforms.

Businesses should ensure that the innovative changes taking place are reflected in the costs and terms offered by their Merchant Services providers. Otherwise, they run the risk of the providers benefiting from cost saves but not always passing these onto merchants.



8 innovations reducing Merchant Services costs

Here are the top 8 innovations, each promising to change how businesses process transactions, engage with customers, and secure data in the digital age. By taking advantage of these new innovations, Merchant Services providers will reduce costs and can pass these onto Merchants. Although, it is important to check that these cost savings are actually being passed on when it comes to commercial terms, contracts, mid-term changes and renegotiations.



1 BLOCKCHAIN TECHNOLOGY:

Integrating blockchain into merchant services promises a revolution in transactional security and efficiency. Creating an immutable ledger for transactions offers a solution to counteract fraud and ensures transparency, making disputes easier to resolve. Its decentralised nature could significantly lower transaction fees by eliminating the need for traditional intermediaries. The optimism around

blockchain's ability to generate commercial value, create jobs, and drive efficiency in payments and digital identity management is high. For instance, blockchain is expected to create 40 million new jobs by 2030 and generate more than \$3.1 trillion in commercial value.



2 AI AND MACHINE LEARNING:

These technologies are set to transform merchant services by personalising the shopping experience and optimising operational efficiencies. From predictive analytics forecasting inventory needs to AI-driven chatbots providing customer service, these advancements offer a dual benefit: enhancing customer satisfaction and streamlining business operations.



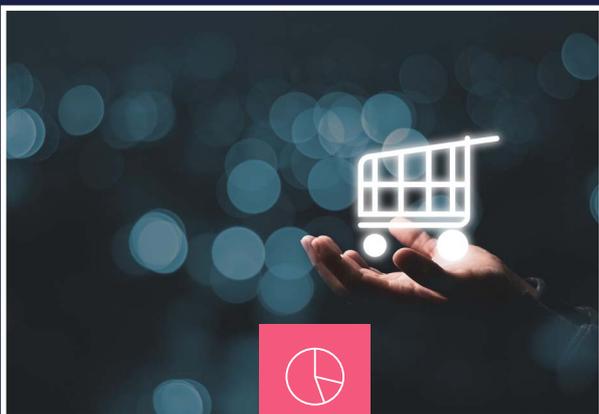
3 CONTACTLESS PAYMENTS:

Accelerated by health concerns due to the pandemic, contactless payments are becoming the norm. This technology speeds up the checkout process, enhances customer convenience, and reduces wear and tear on physical payment terminals, signaling a shift towards a more hygienic and efficient payment method.



4 MOBILE WALLETS & PAYMENT APPS:

As mobile device usage continues to soar, so does the adoption of mobile wallets and payment apps. They streamline the payment process and integrate loyalty programs and personalised offers, fostering a more engaging and connected customer experience.



5 SOCIAL COMMERCE:

By integrating shopping capabilities directly into social media platforms, social commerce represents a seamless fusion of social interaction and online shopping. This innovation taps into social media's vast user base, offering businesses a new channel for engagement and sales.



6 IOT PAYMENTS:

With the proliferation of IOT devices, from smartwatches to connected cars, new payment scenarios are emerging. These devices can initiate transactions for services or replenishments automatically, creating a seamless and almost invisible payment experience that blends into the consumer's lifestyle.



7 BIOMETRIC AUTHENTICATION:

Leveraging unique biological characteristics for transaction verification, biometric authentication offers a more secure and convenient alternative to traditional passwords and PINs. This innovation is key in combating fraud and enhancing user experience, marking a significant leap towards more secure digital transactions.



8 CROSS-BORDER PAYMENTS:

Innovations in this area aim to streamline and expedite cross-border transactions, addressing common pain points such as high fees, slow processing times, and currency conversion issues. By making international transactions more accessible and efficient, these advancements could significantly boost global commerce.

4 critical steps Merchants can take to reduce costs

There are several key steps businesses can take to check that their Merchant Services providers are passing the cost benefits from innovation onto them.



1 GATHER DATA

Gather data. The first step in merchant services benchmarking is gathering data on your current rates and fees. This information should include the following:

- **The type of merchant account you have (e.g., retail, e-commerce, mobile)**
- **The monthly or annual fee for your merchant account**
- **The percentage of each transaction that is charged as a processing fee**
- **Any additional fees, such as monthly minimums or PCI compliance fees**



2 COMPARE

Compare your rates to industry standards. Once you have gathered data on your current merchant services rates and fees, you can compare them to industry standards. There are several resources available to help you do this, and businesses such as BB Merchant Services maintain comprehensive benchmarks that can be used to provide clarity and cost-saving analysis.

4 critical steps to take



3

NEGOTIATE

Negotiate with your current provider. Once you have identified areas where you may be overpaying for your merchant services, you can start negotiating with your current provider. You may get a lower rate by agreeing to a longer contract term or increasing your monthly or annual volume. Working with experts can help with these discussions and provide better results.



4

SWITCH

Switch to a new provider. If you cannot negotiate a better rate with your current provider, you may want to consider switching to a new one. In this case, benchmarking data can help to quickly identify these options and clearly highlight the cost benefits of changing.

Bringing It Together

As we stand amongst a fast-changing market, the role of merchant services has never been more pivotal. From the secure, transparent ledger of blockchain to the personalised touch of AI and machine learning, from the convenience of contactless payments to the seamless integration of commerce into social media platforms, each innovation carries the potential to drastically reduce merchant services costs, as well as enhance.

Benchmarking and renegotiating payment processing costs to check whether these cost benefits are being passed on can be a

game-changer for businesses. With accurate data and negotiation tactics, companies can save money and optimise their cash flow to improve their bottom line. This can lead to increased profitability, competitiveness, and customer satisfaction.

By comparing industry averages and utilising expert help where necessary, businesses can check that Merchant Services providers are passing on cost savings in a fair and transparent way.

Contact Us

Contact us for further testimonials and how BB Merchant Services can assist with banking and merchant services advisory. Our team of friendly experts can help your business secure the support you need.

Email: jamesyerkess@bbmerchantservices.com
Web: bbmerchantservices.com
Call on +44 7931 207173

