

# The Future of CREDIT CARD PROCESSING is **CASH DISCOUNTS**

# PayLo

## What is a Cash Discount?

With the increase in reward programs, credit card processing has become increasingly expensive for merchants. Many are looking for solutions to be able to keep accepting cards, but avoiding the monthly processing bills.

An answer to this dilemma has been found in recently formulated cash discount programs - which were federally authorized in all 50 states in 2011.

Cash discount programs allow merchants to share or pass on credit card fees to customers in the form of a small per transaction service fee - typically a flat fee that when averaged out at the end of the month, more than covers the cost of interchange.

*To learn more about Cash Discount Programs, visit [getpaylo.com](http://getpaylo.com)*

## Real Life Application



*"PayLo has really made a difference with the fees that we pay on our credit cards. Before, the fees were pretty high. Ever since we switched to PayLo, those fees are gone. It has really made it a lot easier for us to manage our income and our net profit is looking good."*

Alice Burger in Palmdale, California, switched to the PayLo Cash Discount program in August 2016. The merchant has an average ticket size of about \$10, with a service fee of \$.80 per transaction. Comparing 5 months of standard credit card processing to 5 months of the PayLo program, the results are eye-opening. The merchant has been able to save an average of **\$1,569.73** per month on processing fees and is on track to save over **\$18,836.76** in 2017. Some may think there would be a decrease in credit card usage or a loss of

customers, but it hasn't been the case. Monthly card sales volume has remained consistent with the average of \$73,611.61 per month.

*"Customers don't really mind the service fee" says the owner. "I ask them if they'd like to save \$.80 by paying in cash, and they appreciate the offer, but continue with card payment every time."*

Monthly Average	Apr. 2016 -Aug. 2016	Sept. 2016 -Jan 2017	Difference	Annual x12
Sales Volume	\$72,159	\$75,064	+\$2,905	
Processing Fees	\$1,669.64	\$99.00	\$-1,570	\$-18,836

Monthly sales volume has remained consistent with the average of **\$73,611.61** per month. The merchant is looking to save over **\$18,836.76** on credit card fees in 2017.

Ready to learn more? Contact us at **866.749.9907** or visit **GetPayLo.com**