

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



## 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 been great for me. On average, my tabs run between \$20-\$25 and I have very few customers ask about the \$.90 service charge. When they do, I just compare it to an ATM service fee and they seem to understand the concept." said Mike Brewer, Owner of The House Sports Bar & Grill.*

The House Sports Bar & Grill, located in Arlington, Texas, recently joined the PayLo Cash Discount Program in April 2017. With an average ticket size of \$20 and a service fee of \$.90 per transaction, the PayLo program was the perfect solution to help them lower their credit card processing fees. After switching to PayLo, The House Sports Bar & Grill were able to eliminate their average interchange fees of **\$958** and instead only had to pay a \$99 monthly program fee.

With this kind of savings, they are projected to save **\$10,308** in the next year. By integrating the PayLo program, The House Sports Bar & Grill have not only decreased their processing fees, but have consistently retained credit card usage as well as customers. Monthly card sales volume has steadily remained with an average of \$33,040 per month.

Monthly Average	Nov 2016-March 2017	April-August 2017	Difference	Annual x12
Sales Volume	\$32,100	\$33,040	\$940	
Processing Fees	\$4,790	\$99.00	-\$4,691	-\$10,308

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?

