

10 DO's and DONT's of Successful Echeck Processing

So you are a merchant, and you want to accept electronic check payments for your business. This is commendable. It's a step in the right business direction. You give your customers ease, convenience, and more flexibility in payment options. In turn, they will patronize your business. When done correctly, echeck processing will definitely improve your sales and widen your customers base. However, you should follow established echeck processing protocols and avoid those practices that will harm your business.

Here are some do's and don'ts of successful echeck processing:

1.)DO ESTABLISH A MERCHANT ACCOUNT

As a merchant, it is necessary that you should have a merchant account. It's the starting point of your retail or online business. Go to your local banks and settle for the best merchant account deal.

2.)DO PUT A PREMIUM ON QUALITY PRODUCTS OR SERVICES

Remember that there are many established business entities vying for customers' attention. By insisting on quality products and services, you put your business ahead of any competition.

3.)DON'T LEAVE YOUR BUSINESS TO CHANCE

Always research and think of ways to improve your business. Do not sit and relax on your laurels. Embark on the winning business strategies.

4.)SELECT AN ESTABLISHED AND LEGITIMATE ECHECK PROCESSING COMPANY

For your echeck processing needs, choose a processor that has been long in the market. Settle with an echeck processing company that understands you and gives you the best competitive pricing package.

5.)DON'T BE ROUGH AGAINST YOUR CUSTOMERS

Treat them with respect. If they have some valid complaints, try to attend to it in the soonest time possible. And remember, sometimes it is necessary to bend your policy in favor of your customers. For example, if they want to return a defective product but it's already past your refund policy period, then bend over your policy and refund the customers. You will gain a good business reputation this way. And as you know, good reputation always attract more customers.

6.)DO MAKE A CLOSER SCRUTINY OF CUSTOMERS' PAPER CHECKS BEFORE ACCEPTING THEM

This is actually a very basic business rule. Make sure the check is properly filled up.

7.)DON'T RENT ECHECK PROCESSING EQUIPMENT

As much as possible, purchase echeck reader machines. You make considerable savings if you own proprietary devices. Only on extreme financial shortage should you rent echeck reader or writer equipment.

8.)DO SUBSCRIBE TO ADDITIONAL ECHECK PROCESSING SERVICE

For a very nominal fee, check verification and other services can protect you against a host of echeck scam and fraud.

9.)DON'T LEAVE CHECK SCRUTINY AND VALIDATION TO YOUR PROCESSOR

Some retail merchants with a point of sale environment just accept checks without scrutiny and leave the validation to their processor. A lot of errors could be prevented if merchant will take the time to examine the checks, scan it with echeck reader, and then heed the discreet message displayed on the equipment screen. If the echeck reader screen displays " bad check", then turn down the transaction. Don't ever accept a bad check simply

because the customer is your friend.

10.) DO DRAW UP AND FOLLOW GOOD BUSINESS FISCAL MANAGEMENT

No amount of excellent echeck processing service can financially overturn a badly-managed business. Good fiscal management means you spend less and save more of your profits then invest it wisely. Any business who draws up more expenses than earnings is doomed to fail. And while on the subject of good fiscal management, be sure to adhere closely to the terms of agreements with your echeck processing provider. Failure to do so would result to the termination of your echeck processing service and the potential closure of your merchant account. And that, surely, would not be good business fiscal management.

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About the Author

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