# MERCHANT SERVICES VS. PAYMENT GATEWAYS

A comparison for merchants who want to accept payments online

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## SERVICES.

When it comes to services, payment gateways differ from merchant service providers in how active a role they take in setting online sales up.

The lines are not always this defined, however. Some gateways offer merchant accounts and some merchant service providers tie-up with gateways on their own.

#### Payment gateway

- Recurring payment
- support
- Advanced fraud detection
- Checkout pages
- Card storage

SECURE TRANSACTIONS PAYMENT SOLUTIONS

- Merchant account
- Merchant category code
- POS systems
- Basic fraud detection

**Merchant services** 

## FEES.

As a rule of thumb, merchant service providers are less transparent with pricing than payment gateways.

fees over the non-negotiable ones. The full list of mark up costs differs from provider to provider (and gateway to gateway).

Markup rates can include any combination of additional

#### Payment gateway

- Variable rates for additional payment types
- Monthly fees • Flat fee per transaction

ASSESSMENT FEE INTERCHANGE FEE

- · Variable rates for different cards
  - and payment methods
- · Application/set-up fees PCI compliance fees Monthly fees

Statement fees

**Merchant services** 

### SECURITY. Payment gateways are better geared towards handling

detection, though.

recurring payments than merchant service providers. Both offer top-of-the-line PCI compliance and fraud

## Payment gateway

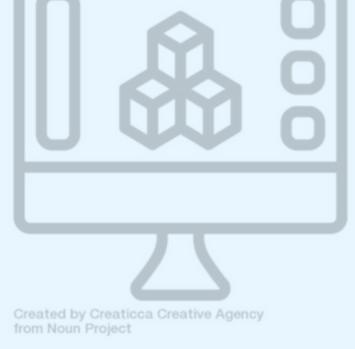
 Tokenization · Customizable fraud detection PCI COMPLIANCE FRAUD DETECTION

Merchant services

#### **PROVIDER OVER A PAYMENT GATEWAY IF:** POS systems are a part of your sales model (if you run an e-commerce or a subscription box

**CHOOSE A MERCHANT SERVICE** 

website). You run a high-risk business (i.e., you're expecting more than 1 chargeback for every 100 sales).





If you're evaluating payment gateways, we can help! We've compared payment gateways

in 20+ countries so choosing the right payment gateway is beyond easy.

**CHOOSE A PAYMENT GATEWAY OVER A MERCHANT SERVICE** PROVIDER IF:

You process recurring payments.

You want to start accepting payments fast.

You are willing to pay less for handling a few merchant services (like chargeback support) on your own.