WHAT BIG RETAILERS
LIKE WALMART AND TARGET
WANT YOU TO BELIEVE...

npr

Why many business owners would love it if you stopped using your credit card

But here are the facts:

Credit card acceptance is vital.

- Card payments accounted for the largest share of revenue among businesses surveyed by Mercator Advisory Group. **(Payments Journal)**
- According to a survey conducted by the Small Business & Entrepreneurship Council, access to electronic payments was identified by 87% of new business owners as an essential tool that helped them launch their enterprises during the pandemic. In fact, it tied for first place as the most crucial tool or technology for starting a new business. **(RealClear Markets)**
- The NFIB encouraged its members to accept credit cards, stating, "Accepting credit cards has numerous benefits for your business ...The increase in sales that a business realizes when they start accepting credit cards will typically more than make up for their processing fees, so they come out ahead." **(NFIB)**

NFIB

Top 10 Benefits of Accepting Credit Cards

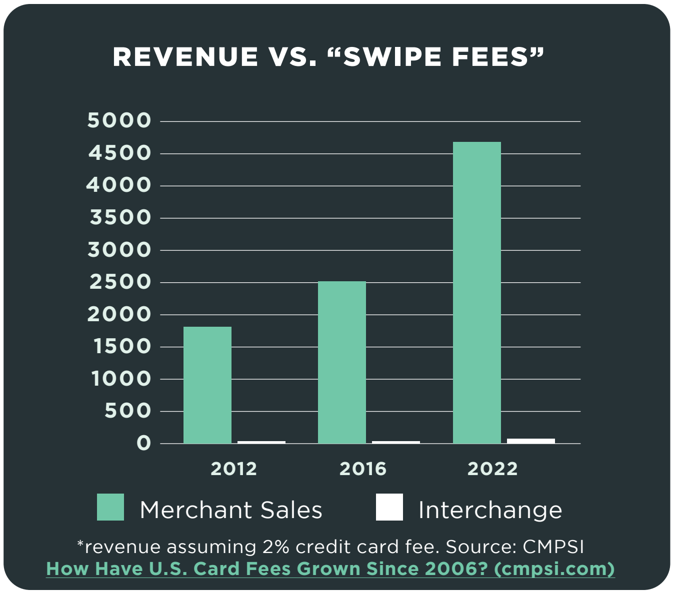
9. A merchant account is relatively inexpensive, considering what it delivers.

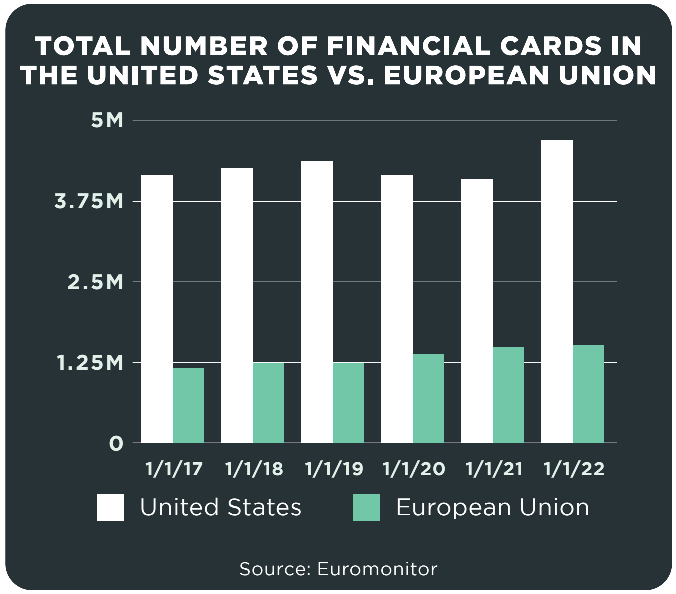
Credit card processing is a competitive industry, so even the smallest mom-and-pop outfit can find the right deal for accepting credit cards. The increase in sales that a business realizes when they start accepting credit cards will typically more than make up for their processing fees, so they come out ahead.

Credit card interchange has flatlined over the last seven years.

- The rate of interchange has remained flat for the past seven years. Revenue merchants collect from consumers who choose credit cards as a secure, convenient payment method, however, has skyrocketed.

- The average interchange percentage is approximately **1.8%**. That means for every $1,000 a retailer pays, they collect more than $55,000 in sales.



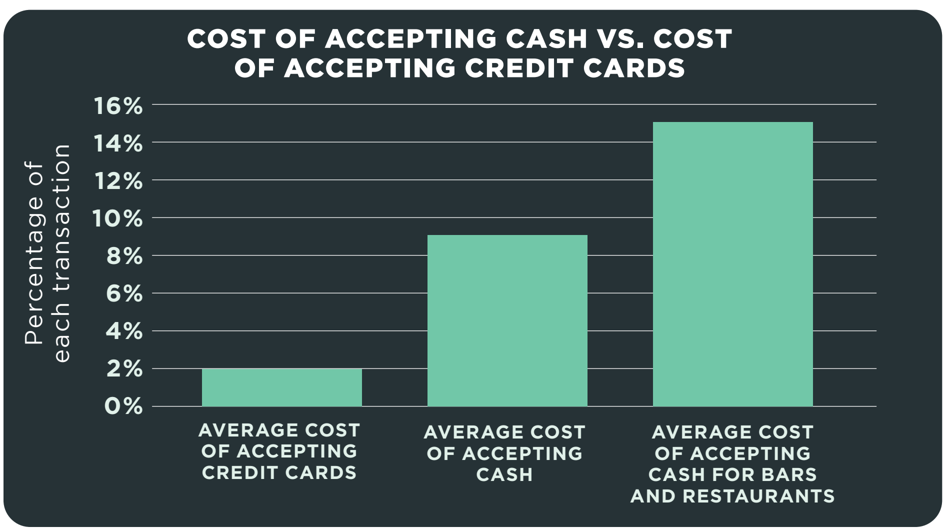


U.S. interchange rates are on par with similar economies.

- Interchange rates in the U.S. are on par with similar economies and offer significant value to consumers and merchants — which would be threatened by imposing new government mandates and controls.
- The U.S. and Japan — the largest and third-largest economies in the world — have essentially the same interchange rates. The U.S. and Japan have the most highly developed consumer credit markets in the world, and this is reflected in the value created for their consumers and merchants by their respective electronic payments systems.
- The EU does not have a global processing network and card usage in Europe, where nearly 60% of point-of-sale transactions are in cash, is vastly different than in the U.S. Government mandates were placed on interchange for existing networks in an attempt to help EU financial institutions create an EU-based global payments network.
- Those government price controls, unsurprisingly, resulted in less access, lower credit limits and reduced innovation, security and rewards among the industry — and the EU still does not have a global payments network.

Processing credit cards is safer and cheaper than handling cash.

- In addition to ticket lift, accepting cards also allows merchants to avoid some of the costs of cash, including operations costs, counting, storing, protecting, other handling costs, and theft risk. The cost of cash handling is high, averaging 9.1% of the purchase value across all industries and rising above 15% for bars and restaurants, **according to a retail industry study**.



EPC Electronic Payments Coalition