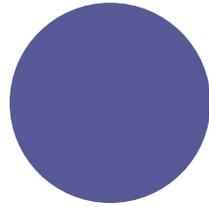
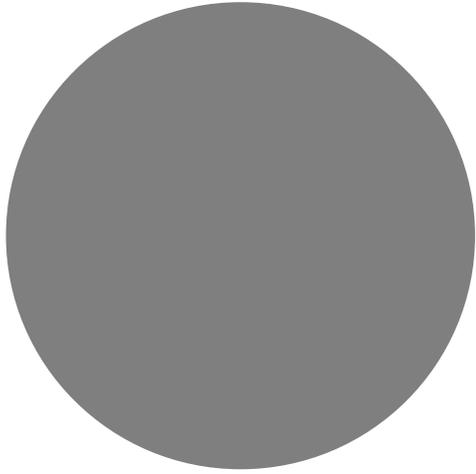


## Mobile Payment Mistakes Small Businesses Make; Here Is How You Avoid Them!



Mobile phones are one of the greatest devices ever invented. They mobilize the power of computing and allow us to live and work out of our hip pockets. And as e-commerce has evolved into mobile commerce (m-commerce), consumers have become even more empowered with the ability to make payments anytime, anywhere.

From the perspective of small business, this technology has also created a powerful purchasing tool with many added perks. Although mobile payments alone are no magic bullet for driving revenue, there are several advantages that can be easily overlooked. Perhaps your company is still unclear on how to harness the potential of m-commerce? Here are the most common mistakes companies make when jumping into mobile payments.

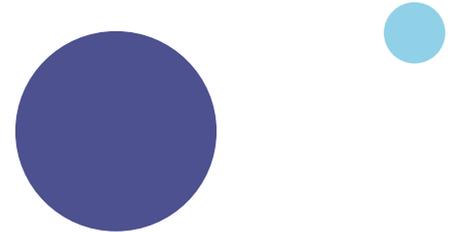


Although commerce is everywhere, too often companies neglect to take into account customer behaviour. Merely implementing m-commerce into your business is not enough. To maximize the value you and your customers receive from mobile, it's imperative to consider your customer's user experience and how they engage with your products and services. These factors are key in the decision making process when it comes to technology, partners and networks you'll use.

**TIP:** Hire a qualified and knowledgeable user interface or user experience (UX) designer. A good approach to solution-based systems and design are crucial for connecting you and the customer.

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## Mistake #1: Technology In Isolation



Not only can mobile payments enable merchants to collect data, they help businesses keep track of customer contact information, purchasing history and other pertinent facts, such as customer favorites and preferences.

Having this extra source of data about customers and their purchasing habits will enable you to offer more targeted and relevant deals, discounts and products to specific purchasers.

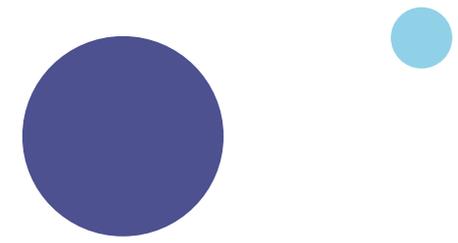
However, keep in mind that collecting data can be a bit tricky. There are privacy rights and issues that you need to comply with, so make sure your business is aware of how you can and cannot use customer information.

**TIP:** Understand the data that is created within a customer's relationship or transaction. Ask yourself how can this data be turned into insights or value for the customer.



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## Mistake #2: Not Leveraging Customer Data



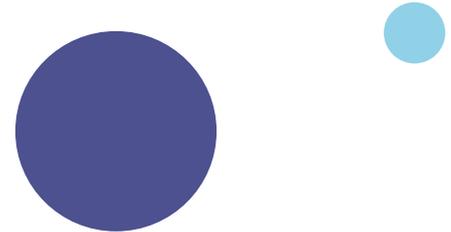


Since the information age lives 24 hours a day, 7 days a week, your customers expect that too. Sticking to conservative operating hours will become a barrier to your brand engagement strategy, especially when a Google search will show your customer a dozen alternative providers in seconds.

**TIP:** Your product or service should be designed so that mobile payments are available at all times.

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## Mistake #3: Limited Hours of Operation



Now that social media has become part of our everyday lives, users are connecting all the time, and at any location, with their social networks.

Location-based services make things local and bring physical context to the user experience and user-generated content. It's like a virtual layer on top of the physical world that guides consumers.

Businesses need to understand that the conversations and messages in these virtual layers can be used to their advantage. Smart marketers need to know how to convert the positives into brand advocates, and address the negative promptly.

**TIP:** Get involved in the conversations happening in the virtual world about your business, industry or products. Be open to learning and designing innovative processes that capitalize quickly on opportunities.

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## Mistake #4: Underestimating the Power of Referrals

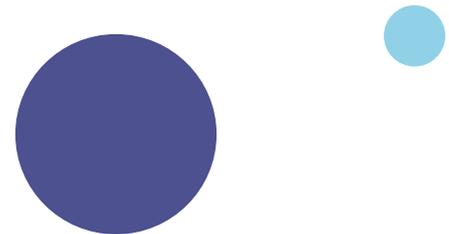


There is a great lesson to be learned in emerging markets such as iTunes music purchases, smart phone app purchases, digital downloads and more. The key here is redesigning pricing to be 'bite sized'. Paying less is generally better than paying more. People are more willing to pay frequent small payments rather than throw down a lump sum. A smaller barrier to entry means it's easier for people to 'try' your product or service. The key here is that a large majority of people will invest significantly more time deciding as the price increases.

**TIP:** Small business can follow this trend by selling less-expensive goods in the digital domain, as smaller goods tend to be great traction lines and get people 'in the door'. Once in, you can create ongoing value in that relationship. Customers find it easier to rationalize those smaller purchases and drive more sales to your business.

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## Mistake #5: Failure to Scale Down



Most M-Commerce providers will charge high card processing costs with no negotiation on the rates and fees you pay. Rates as high as 5% of the transactional volume plus a per transaction fee will apply. This will affect any small business's bottom-line. Take the time to understand fully what you are being charged; most providers will hide or mislead you on what you are paying.

**TIP:** Most M-commerce's card processing rates are charged at a standard rate. Therefore, shop around for the best prices on – cost of device, rates charged per transaction both foreign & domestic, high spend cards like Amex, PCI, cost of per transaction fee and any other fees associated with Admin such as Cancellation or Activation.



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## Mistake #6: Paying High Card Processing Rates and Fees



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