

Your Guide to Credit Card Processing for Restaurants





According to statistics from market research provider Euromonitor, the vast majority (92 percent) of all restaurants in the United States accepted credit and debit cards in 2012. Additionally, 81 percent of money spent at full-service restaurants was charged to debit, credit or prepaid cards, up from 66 percent in 2004.

Stated simply, if you're in the restaurant business and not set up to [accept credit cards](#), you're not meeting your customers' expectations and risk losing them to your competition. Can you really afford that kind of a loss? If not, here's what you need to know about credit card processing and how it can benefit your operation.

Debunking Credit Card Processing Myths

Not accepting credit cards at your restaurant makes about as much sense as eliminating your waitstaff or menus. But some uninformed restaurateurs still resist because they buy into preconceived notions and misinformation like:

It's too expensive. Think the cost of accepting credit cards is too high? Have you considered the amount of money you're losing when potential customers choose to dine where they can pay with plastic? When you're in business, sometimes you have to invest money to make money – and this is one of those times!

Income from the diners that you retain and gain by adding credit and debit cards to your payment options should more than offset processing fees. Luckily, restaurants that accept credit cards are the standard today,

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not the exception. This means processing rates are very competitive. A reputable credit card processor will work with clients to make the process cost effective.

It's too complicated. Think applying for a [merchant account](#) is a major hassle, or that you won't be approved because your business is too small? Great merchant account providers streamline the application process and work closely with merchants of all sizes to achieve great deals. With TSYS®, you can start the process online and may be approved and ready to start accepting credit cards in as little as 24 hours.

It's too dangerous. You've heard stories about identity theft and credit card fraud, and you're afraid – we understand that! What you may not realize is that experienced processors like us take [PCI compliance](#) very seriously and provide state-of-the-art security solutions to help minimize those risks. Plus we work very closely with our clients to help maintain a secure processing environment.

Now that we've dealt with some of the myths, let's move on to the basics of credit card processing.



“A merchant account is a business arrangement between a merchant and a credit card processor that allows the merchant to accept payment cards from customers.”

Before you can start accepting credit cards, you must first establish a merchant account with a [merchant services](#) provider. A merchant account is a business arrangement between a merchant and a credit card processor that allows the merchant to accept payment cards from customers.

Under the merchant services agreement, in addition to providing the products and services needed to process payment cards, the processor acts as an intermediary between the merchant, the card issuing banks and the credit card networks. The processor also deposits transaction proceeds into the merchant’s designated bank account.

A restaurant merchant account and a POS credit card payment system from TSYS give you access to all the benefits of payment card processing including improved cash flow, customer service and employee productivity. They will also help to reduce long customer wait times and time spent trying to collect on checks that bounce back due to insufficient funds. By accepting payment cards, you meet customers’ expectations for professional and timely service throughout their dining experience and build their loyalty.

Defining Your Credit Card Processing Requirements

Credit card processing has the potential to give your restaurant an advantage over the competition. We believe that the smartest business decision is an informed one, so we are committed to teaching you about credit card processing for restaurants.

Regardless of the size, location and type of restaurant you run – fine dining, casual grub, quick service, nightclub or bar, food truck or kiosk – there are products and services designed to meet your needs. And at TSYS, we custom design a comprehensive merchant services package for each client to ensure efficient and affordable credit card processing.

Restaurant processing options include:

- [Point-of-sale terminals](#) – Traditional countertop credit card machines with phone line or IP connectivity remain a popular option for many establishments.
- [Online credit card processing](#) – Fast, secure and reliable processing through a virtual terminal.
- [Wireless credit card processing](#) – This modern alternative provides pay-at-the-table convenience and security.
- [Mobile credit card processing](#) – Ideal for on-the-go food vendors, we deliver options that transform a mobile device into a credit card terminal.



Expanding Your Payment Options

As popular as credit cards are with consumers, there are other payment options out there that you may want to consider accepting at your restaurant. They include:

Debit Cards

Also known as ATM cards or bank cards, [debit cards](#) are the most common form of payment in the United States today. You'll need a credit card terminal with a PIN pad to accommodate the customer's need to enter a personal identification number to complete a debit card transaction.

Checks

People do still occasionally pay by check. Technology has greatly reduced the risks associated with this form of payment, including fraud and bounced checks. We offer [check verification](#) that helps make the process more secure and reliable.

Prepaid Cards

These increasingly popular payment cards carry a network logo (Visa® or Mastercard®) and can be used at any merchant location that accepts that brand. [Prepaid cards](#) are reloadable and can be used for ATM withdrawals and other banking activities.

Gift and Loyalty Cards

A customizable payment option, [gift and loyalty cards](#) combine credit card processing with a marketing opportunity for your restaurant. These stored-value cards are the newest alternative to old paper gift certificates.

Getting Started

When you're ready to start accepting credit cards at your restaurant, put our experience to work for you. We'll analyze your business and industry trends to create a merchant services package that will keep your restaurant competitive and on the cutting edge of cost-effective credit card processing.

Our POS processing options for restaurants capitalize on all the benefits of payment card acceptance while delivering the industry-specific features that you need and your customers appreciate. Contact us today to discuss how we can make credit card processing profitable for your business.

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