Here’s How to Stop Worrying About Receiving Payments

Whether you’re into gadgets, fashion or fitness, bringing your business online is the next step forward. Not only is the internet filled with opportunities to scale any profitable idea, it also makes it easier to build a brand and reach a bigger audience.

According to statistics, about 95 percent of Americans shop online at least once a year. Of those shopping experiences, 55 percent are through branded online portals. The rest are done via marketplaces like Amazon.

From a startup’s standpoint, piggybacking platforms with an existing user base is the easier choice. It doesn’t require a high overhead, allows you to sell faster and makes site maintenance a non-issue. However, it also means you’ll be entirely dependent on an external party for the sustainability of your business.

Sooner or later, you’ll have to invest in your own digital storefront and be in total control of your brand. It may sound exciting, but it’s also full of challenges and uncertainties that could stop you from taking the leap – one of which is the question of how to get paid. This can have a number of possible solutions, depending on the nature of your business. To help ease your anxiousness, below are the tips on how to stop worrying about payments:

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1. Get an EIN.

Many online entrepreneurs use the same bank account and tax ID number when setting up their business. Although it’s

reasonable to wait until you’re starting to see a stream of cash flowing in, it will definitely become a nuisance once things pick up the pace.

You can refer to the IRS website if you need to apply for an Employer Identification Number (EIN), also known as the Federal Tax Identification Number. It’s assigned to all business organizations that operate in the U.S. for tax administration purposes.

Small online businesses, especially those who don’t have employees yet, can make a case as to why they don’t need to have a tax ID number. But it’s not just about compliance, it’s also about getting peace of mind as you focus on growing your venture.

2. Set up a merchant account.

If you want to be recognized as an authoritative seller in your niche, then you need to support as many payment methods as possible, starting with the ones that are preferred by online shoppers.

Statistics reveal that 42 percent of customers prefer to use credit cards when shopping online, while 39 percent and 28 percent prefer online payment gateways and debit cards, respectively.

Imagine if these prospects came to your online store, only to find out that their preferred payment method is unavailable. That would be a huge chunk of revenue lost right there.

When it comes to accepting credit card payments, you have the option to open either a dedicated merchant account or an intermediary holding account. The first option requires you to contact a partner bank, which in turn would review your eligibility. You can maximize your success by having a positive credit rating, working with credit card processor, or

accepting offers to adjust your account requirements for a fee.

Lastly, if you want your business to process credit card transactions, make sure you comply with the Payment Card Industry Data Security Standard or PCI-DSS. Learn more about this topic.

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3. Automate time tracking and invoicing tasks.

For B2B startups and freelancing businesses, sending over detailed invoices can be easily done with payment gateways. PayPal, for example, comes with an editor that can help you create branded invoices with the help of templates. Unfortunately, this can still be very time-consuming and tedious, especially if you're trying to accommodate multiple clients within the same period.

The good news is, there are now plenty of platforms that can automate various tasks in the time tracking and invoicing process. A notable one would be TimeLive, which streamlines time-tracking and billing through the same interface. Accounting software like Odoo, on the other hand, can automate follow-up reminders for unpaid invoices.

Over time, more and more services arise and offer automation as their core feature. Who knows? Maybe eventually, ecommerce platforms will also start automating the integration of payment gateways to their client sites.

4. Pick multipurpose ecommerce

platforms.

Most modern ecommerce websites come equipped with all the functionality you need to run an online store. A prime example would be BigCommerce, which can help you with everything – from designing your storefront to managing your marketing campaigns.

As far as online payments go, BigCommerce provides fast integrations with various payment gateways like PayPal, Stripe and Apple Pay. This means getting your business ready for payments is as easy as clicking your mouse and typing in the right credentials.

It's also worth noting that most comprehensive ecommerce platforms include visual page builders, which allows you to create checkout pages without writing a single line of code. This leads us to the last point in this post.

5. Make checkouts a breeze.

Whether you like it or not, the world of web design has embraced user experience as all-important. If you want to convince potential customers to close a purchase, be sure your checkout pages are easy to use.

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Design-wise, important elements such as the main fields and checkout buttons must be easy to find. The entire page itself must also be distraction-free and fast to load.

But even with a stellar checkout page, you could still be hurting your conversions by requiring customers to create an account before they can make a purchase. According to statistics, 30 percent of customers would abandon their shopping carts because they didn't want to sign up.

Finally, even if a customer is interested enough to click the “sign up” button, you shouldn’t assume that they’ll go all the way. Make sure you don’t put them off by asking too many questions that aren’t necessary for making the sale.

Conclusion.

Setting up a business from the ground up involves a number of worrisome steps. Figuring out how to actually make your money shouldn’t be one of them. Hopefully, the tips above are enough to give your online venture a kickstart. Good luck.