

Your Web “Cash Register”: Setting up on-line payment systems

What is the ultimate in website and business integration? For me, that is when my computer is my cash register; when I can sit at home, self-employed, and earn money through my computer and my website. When I can sell something through my website directly, when it can be delivered to the buyer’s computer online, and when the money is deposited directly into my account, then I can ‘sit on a beach somewhere’, the income is passive income, and I can sell an infinite number of “electrons” with no further effort. How to do exactly that is the subject of this article.

Obviously, if one is selling printed books, or some other physical item, some effort (and / or expense) is required to manufacture, store, pack, and ship the items. However, if your book, or other item such as music, is in a format that can be delivered online, then little to no additional time or expense is required. Your product may be a book in a format such as Adobe .pdf (“portable document format”); a video in MP4 or other format; a music CD in MP3 or .cda or other format, or perhaps a computer program.

Set up Your Financial Accounts: Paypal, OR Auth.net AND Wells Fargo

Paypal

You could use paypal to receive (and send) money, millions of people do. You may consider using this immediate option while your credit card capable website is being set up, a process which can take weeks. All you need is an email address, and a bank account. Go to paypal.com, and set up an account by giving your email address and choosing a password. You will have to verify both your email and your bank account, which takes a few more steps. Paypal will send you an email requiring you to clicking on a link to confirm that yes, you can receive email. To confirm your bank account is yours, Paypal will deposit a few cents into your account, and you can confirm the amount.

Now you can put a paypal button on your page. There is a “wizard” step-by-step interface to generate the code you will need to insert into your webpage. You’ll have some choices to set the price, description, look of the button, etc.

Taking Credit Card Numbers Directly

“off-the-shelf” order management systems

Most small businesses will need to shop around for credit card processing software. Once having chosen a system for a shopping cart or credit card processing, they make will a large investment in time and money in that system. Transferring away from that system, should that become necessary, will also likely be time-consuming and costly. Time taken in trying out several new systems, getting recommendations, etc. before fully committing to any one system is time well spent.

“Ready-made” ordering systems never are ready, that is, customized for your purposes. If your needs are slight, they will require little in the way of customization. But because these programs are designed for a mass-market, they generally have many, many features and finding the features you need may require reading a 300+ page manual, as anyone who has worked with the Paypal system, for example, can tell you. You or your web-guy, or both, will need to know the system thoroughly since it is mission critical to your business. If you find that you have very

specific, or unusual needs for your order form, be sure that the program you are committing to is capable of those requirements; I have seen cases where a client found out too late that the system they bought and built out ended in a blind alley.

Another option to the “off-the-shelf” order management systems must be considered, that is the “build it from scratch” option. Each option has its costs and benefits.

an ordering system built from scratch

You could get an ordering system built from scratch. This is what I have chosen for myself and some of my web clients. In a custom built ordering system, you get only the features you need. Your programmer (or you!) knows exactly what every line of code does in your program. On the downside, if you need greater functionality, those new features are generally built and added one at a time. You get all the benefit of having a real person to work with instead of a major corporation. Your programmer can help you figure out what you need, and you get some additional mileage from the similar work he may be doing for other client’s order pages.

Auth.net

URL

is the market leader in the credit card processing industry. Set up an account at auth.net by providing your financial information. You can choose among various auth.net banking affiliates; when I last checked Wells Fargo was the only nationally-known affiliate. Set up your Wells Fargo account if you don’t already have one.

Wells Fargo

URL

Many Steps in Processing a Credit Card order online

At bare minimum, auth.net needs several bits of information to process a credit card for you: your account number, the credit card number, the expiration date, and the amount. That’s it. Any further information that you collect does not necessarily need to go through auth.net. Auth.net provides a virtual terminal online, and processing credit cards manually is that quick. However, the chances are that you need to collect much more information than that, and some more information is generated in the process. You need to be able to manage that data. Auth.net is capable of taking in and helping you manage more data, (namely the items ordered, the billing and shipping addresses, etc.) and running reports on that data, but you don’t necessarily want or need auth.net to do that. You need to be able to get your data out of any proprietary program, in an interchangeable format (e.g. .csv) that you can use in whatever program you want, say an excel spreadsheet.

What type of data is required for the purchase, and what is optional?

Types of data verification

If the buyer does not enter in required data, the program returns him to the order page to complete it. No other data is lost or needs to be re-entered. Certain fields require certain types of data, e.g. the email field checks to be sure it contains an “@” sign, etc.

The ordering process: the customer’s experience

The customers:

1. select their product or products.
2. give their purchasing information.
3. confirm that it is correct, and go back to correct it if necessary.
4. submit their order, and it is processed. If their credit card number is authorized, then they are taken to a confirmation page. If they have ordered one or more digital items, they are taken to a page with a link where they can download those items. If their card is declined, the customer sees an appropriate page.

It is best to make the ordering process as direct as possible for the customer by not adding additional, unnecessary steps. What steps are you requiring other than purchase? Where in the process will you want to put those steps?

What are your order-tracking requirements now, and can you anticipate them into the future?

What are your shipping charges?

Calculating shipping charges, for regular, priority, international, etc., by weight, or by item quantity, or some combination or some other formula is tricky. How will you be calculating shipping? How can you simplify, for the customer and your programmer, how shipping is calculated? If you are selling digital items, there is no shipping cost, naturally. Is there a possibility that you might sell digital and physical items together? This would add a layer of complexity to your ordering that would be best to anticipate early.

Can you afford now to build in the features you will need, or will you add them on later?

If you can build the program with the additional features in mind, your upfront costs will be greater, but your eventual cost will be less.

Expect to rebuild your site every couple years, at least. As the technology advances, your business grows, and your programmers learn, you will want and need to rebuild your site in the future.

Managing your digital downloads

In the case of digital downloads, the program generates a copy of the digital file in a temp folder that has a unique name, so that the buyer cannot share the download site with others. These additional copies consume some storage, bandwidth and processing power; they require management (periodic deletion) and may incur additional hosting fees. You will want to compress large files for quicker downloading.

Notification to seller

When an order is generated, the program generates one or more emails (or text messages) to notify you of the sale. These consist of an amount of sale, customer name and phone number at minimum. If you need additional information, what do you need?

The credit card processing takes place on a secure server. Will you be purchasing your own secure server space, or will you be using someone else's? Customers of mine can arrange to use my secure server.

What your programmer needs

Your programmer will need your Auth.net and Wells Fargo user account information.

Your “view-orders” page

Credit cards numbers are not transmitted to you by email! They remain on the secure server. You must log-in with a username and password to view order information. From this page, you can cut and paste all your order info into an interchange format for excel, etc. A program to generate a .csv file directly is also available to more (or less!) advanced users.

Your view-orders page shows a transaction number; the date and time of transaction; the credit card number; expiration date; amount; items ordered; \$ subtotal for items; \$ shipping; \$ total; customer name; customer address in several fields (i.e., city, state, zip each separate); 2 phone number fields; email address (as a live link); comments.

If you need more information built in to your view orders page there will be an additional charge. Your view-orders page comes with a “house-cleaning” feature, allowing you to delete credit card numbers that are more than a month old.

Estimating Cost

You can expect that a “simple” ordering form will require 10 hours of programming time at minimum. If in the future you will be adding products, changing prices and descriptions, etc., you will incur ongoing programming costs.

Be sure to consider each step of the ordering process as its own programming task, in terms of your time, your expense, and production timeline. For example, the digital downloads is a completely separate step so far as your programmer is concerned. Set different benchmarks; get your ordering page set up first, then proceed to the digital downloads step. Each step must be carefully checked, fine-tuned, and approved, so expect each step to take a few weeks.

There is certainly more to the subject of designing your own digital download system; this brief article will give you a starting point for planning and discussion with your web-guy.

I have spent significant sums with my programmer developing a full-featured digital download system, and that system can be customized for your business at a very reasonable cost. You will share the benefit of having several similar sites in development, both in reduced costs and availability of new and developing functionality. For example, we are developing an interface for a client-editable order form.

Feel free to call me with further questions.

-Dan

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