



One of the Easiest Ways to Increase Sales and Decrease Costs

Business has two major goals – to increase sales and to decrease costs. If you are reading this, your specific interest is to increase sales to the federal or state government. Your credit card processing environment is a seemingly minor, and often over-looked part of your business that may be hindering you from fully achieving your goals.

Three out of five GSA schedule vendors have been set up to accept Purchasing Cards improperly. Many were set up to accept standard consumer credit or charge cards NOT purchasing cards. Purchasing cards require more detail, Level-3 line item detail, in order to provide appropriate controls to buying agencies. What does this mean? In a nutshell - lost sales and excessive costs.

You will lose sales because buyers, looking for a supplier will pass you by without you ever knowing they were looking. They will refer to the Visa International database that reflects vendors that can offer Level-3 line item detail, and you will not be there! You will never hit these “actively looking” buyers’ radar screen.

You will pay too much in processing costs because your rates will be as much as 1% higher than a company that has been set up properly.



How is This Possible?

GSA SmartPay purchase cards and corporate purchasing cards are special types of charge cards. These cards and their transaction reporting software typically possess more features, capabilities, and controls than standard consumer credit or charge cards.

Sophisticated online transaction reporting systems are supplied by each of the five Bank providers to the agencies that they support. These systems allow the agency Purchase Card Program Coordinators to electronically view transactions on a daily basis so that they can be audited and prepared for entry into the agency's accounting systems.

What is Level-3 line item detail information and who uses it?

A powerful feature of GSA SmartPay Purchase Card transaction reporting systems is their ability to report Level-3 line item detail for a transaction. Much like a detailed invoice, Level-3 line item detail defines "What" is being purchased and combines that information with the payment transaction and delivers it seamlessly and electronically to appropriate agency personnel.

Ninety percent (of Purchasing Managers) reported that receiving Level-3 data from a supplier is important when making a purchase card transaction using

electronic purchasing. (Source: Visa USA survey)

Does it cost more to provide Level-3 line item detail information?

No. In fact it can cost much less than processing a Purchase Card transaction with only Level-1 or Level-2 information.

MasterCard and Visa [™] have created special rates to support Purchase Card programs by reducing the supplier's transaction costs if Level-3 line item detail information is transmitted with the financial settlement.

By providing Level-3 data, a supplier may substantially reduce their credit card processing fees – sometimes by up to 40%.

Large-Ticket rates: In addition to the cost savings resulting from providing Level-3 for all transactions, both MasterCard and Visa have created a special "large-ticket" interchange rate for the GSA-SmartPay program.

When supplying Level-3 data with transactions greater than \$4500, the transaction rate can be calculated differently - a fixed transaction fee, plus a much smaller percentage. Thus, for a transaction of \$10,000 the effective rate may be just over 1% - **and** the supplier still obtains their money in about 48 hours.

Diamond Mind Business Services is a Purchase Card payment specialist, and an authorized agent of 3Delta Systems, Inc., a leading provider of electronic payment systems and gateway services. For more information contact Katherine Novikov on 240-898-1817 ext 1 or visit www.diamondmindinc.com

We offer a complimentary review of your current processing environment (done in person or by phone/email). This review includes a thorough analysis and the provision of a written report/recommendations.

Contact the Diamond Mind Business Services on 240-898-1817 ext 1 or via email at knovikov@diamondmindinc.com to:

- Learn more about Purchase Cards and how they are used in both government and business applications.
- Learn more about the benefits of accepting Purchase Cards as a method of payment.
- Learn how easy and fast it is to become enabled to accept Purchase Cards.
- Learn how to provide Level-3 line item detail.
- Learn how to reduce transaction-processing costs up to 40 percent, or more.
- Learn how to maximize use of Purchase Cards to increase sales opportunities.