

## PayPal Business Account

PayPal is a very popular online payment system that can be used for personal or business purposes. PayPal is used as a payment method exclusively for Ebay transaction, but as of 2016, PayPal operates in 202 markets and has 188 million active registered accounts. PayPal's services allow people to make financial transaction online by granting the ability to transfer funds electronically between individuals and businesses. Through PayPal, users can send or receive payment in any online transaction including online auctions, purchase or sell goods and services, and even donate money or receive a donation. Moreover, with PayPal Here, you can use the application to receive payment anywhere with debit card, credit card or PayPal account. Another feature is PayPal Credit which enables shoppers to pay the bill later upon credit approval.

For some people, using PayPal as an online payment method is easier because once you set up the account, you do not need to input all of your credit card or bank information which usually takes longer time and is less practical. Therefore, many businesses like to have this payment system available, not only because many people prefer to use this payment method, but also because it is free to set up and fees only occur once there is a transaction. However, not all countries will have access to this online payment system, such as Japan, India, Crimea, Turkey, Palestine, Ghana, Pakistan, Iraq and Afghanistan. Also, there will be currency conversion fees for each transaction that requires a currency transaction.

When signing up a new PayPal account, you can choose either a personal account or a business account. A PayPal personal account is designed for personal use which will help the user to experience an easy and fast payment process when they shop online. With a PayPal business account you can get:

### 1. Payment Solutions

PayPal Payment Solutions will allow you to accept PayPal or credit cards payments online, create & send professional invoices by email, accept contactless payments & chip cards in person and, select & extend point-of-sales.

- ***PayPal Payments Standard***

There is no set-up fee, no monthly fees or even a termination fee to enable PayPal Payments in your website. You are only charged a fee when you get paid, which will be 2.9% from the price purchased + \$0.30 per transaction for domestic transaction and 3.9% for international transactions. If your transactions are less than \$10, you can select Micropayments fees to save money where each transaction will cost only \$0.05, but 5% fee from the price purchased.

This PayPal Payments Standard will include:

- Accept PayPal Payments, Credit Cards and Debit Cards Payment
- Accept 26 currencies from over 200+ countries and markets
- Detailed transactions dashboard
- Optimized mobile checkout experience

- ***PayPal Payments Pro***

Once you have large volume of customers, you might want to consider this PayPal Payments Pro. There is a monthly fee of \$30, but depending on the volume of business being conducted, it may be more cost effective since you will be able to obtain a volume discount. In addition, it will also include the Virtual Terminal which will allow you to accept payments over phone.

- ***Create and Email Professional Invoices***

With PayPal, it is free to send professional invoice and track your payments. The fee only occurs when the invoice is paid online, which is 2.9% (domestic) or 3.9% (international) from the invoice + \$0.30 per transaction. Anyone with an email address can receive an invoice from you which will help them to pay the invoice in more convenient and secured.

- ***Contactless Payments & Chip Cards in person***

By PayPal Here, you will be able to receive payments anywhere in person. However, you will need some device in order to process the payment which may be your smart phone, tablet or the mobile Card Reader. Subscription includes one basic magnetic strip reader for free, additional readers will cost \$14.99 each. Otherwise, you also can buy the Chip Card Reader for \$149. In addition, there will be fee of 2.7% per US card swipe or 3.5% + \$0.15 to key in cards.

- ***Point of Sales***

PayPal offers many solutions to accept in-person or on-the-go payments with some integrated solutions for your growing business through their partners. You can also find some hardware and accessories you will need for your Point of Sales system.

## **2. Credit Solutions**

Dedicated for small business to drive growth, these credit solutions will allow you to apply for loans for your business or let your customer have more time to pay their

purchases. To apply for a business loan through PayPal, you are required to sell \$20,000+ through PayPal within 12 months and process your payments with PayPal within at least 3 months. *This loan application is subject to credit approval.*

### **3. Business Solutions**

Through some affiliated partners with PayPal, your business can gain access to services to assist in creating or upgrade an online store and add other marketing initiatives into your business. Each solution will have different fees depend on which PayPal's partner you will choose.