Selecting a Rock Payment Gateway Partner

Tony Visconti – RX2023

Agenda

1. My Payment Gateway Journey
2. Selecting a Payment Gateway Partner
3. Pricing and Negotiating Tips

A little about me – Tony Visconti

Eternal
People
Hope
Fun
Data
Jesus
Chat
Strategy
Curious
Chess
Patient
Kingdom
Vegan

A little about College Church In Wheaton

- Vision Statement: Proclaiming the Gospel (Since 1861)
- Average around 2000 in attendance in weekend across 3 services
- Migrated to Rock in July 2022

My Payment Gateway Journey

The Elders have asked us to...

Timeline

2014	2015	2022
• Processing Rates Research	• Pushpay Migration	• My Well Migration

Lessons Learned #1 – Selecting a partner might not be easy

Lesson Learned #2 – Processing rates are negotiable

Lesson Learned #3 – Cardholder Data

- Ask and you will receive…maybe

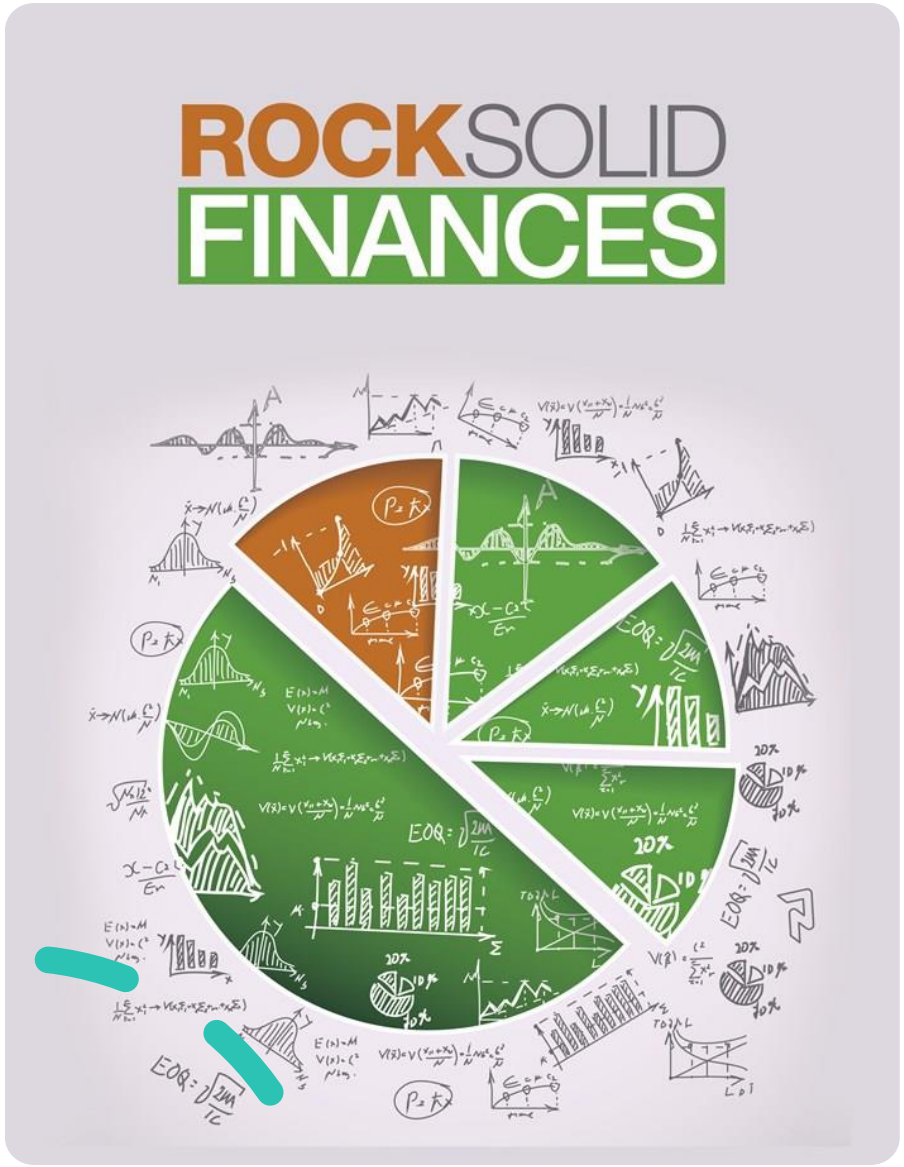
Payment Gateways and Rock

What is a payment gateway partner?

Payment Gateway Partner ~= Gateway (Processing Payments) + Solutions Provider (Apps, Engagement Tools, Support, etc.)

What is a payment gateway?

- Code
- Hardware*
- Collected and Send Payment Information
- Authorize Transactions



What kind of gateways does Rock work with?

- Various vendors offering Hosted and Un-hosted Gateways
- Rock Shop (8 Options)

For more details:

- The Rock Solid Finances Manual

Un-hosted Gateway

- Transaction Entry V1
- Transaction Entry V2 (Obsidian) (~13.2+)
- Utility Payment Entry Block (~14.3+)

V16 Support is ending for

- Payflow Pro Gateway
- Transaction Entry V1

Transaction Entry V2 vs Utility Payment Entry Block

Utility Payment Entry block

- Eventual replacement for the Transaction Entry block v1
- Advanced controls around automatically selecting a fund based on an individual's known campus
- Does not make use of the cover the fees feature

Both are currently supported by Rock

Selection Process

Overview of Process

1. Confirm
2. Interview
3. Research
4. Summarize

Step 1

Confirm Ownership of the Process

Step 2

Interview your teams

Payment Related Interview Categories

- Accounting Processes
- Event Payments and Other Payments
- Failed Gifts / Expired Card Information
- Fundraising
- Giving Page Features
- Migration
- Transaction Volume and Mix
- Significant Pain Points and Praise
- Pledges
- Pricing
- Supplemental Tools (App, Reports, Engagement)
- Support

FYI

Your selection should be based on the problems you seek to resolve

Step 3

Pick a few vendors to research

Kindrid by Ministry Brands

My Well MINISTRY

Pushpay

simple

Rock Giving Sponsors

FYI

- If you have researched, one payment gateway provider…

Provider Value Proposition Trends

Less differentiation

- Methods of payment
- Payment User Experience

More differentiation

- Supplemental tools
- Price
- Ease of Migration (To/From)

Step 4

Summarize your findings

	A	B	C	D	E	F	G	H	I
1				Gateway 1		Gateway 2		Gateway 3	
2		Features							
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Detailed Comparison

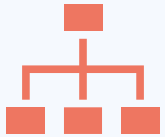
Comparing Vendors – Core Evaluation Categories

Processing Cost

Recurring Gifts Migration

Usability

Customer Support



Administration

Step 5 - Rank Each Vendor

- Cost (**+$19K / year**) ★☆☆
- Recurring Gift Migration ★★☆
- Usability ★★☆
- Customer Support: ★★☆
- Administration ?
- Score 7 - 9

Key Pros: …..

Key Concerns: …..

Session Takeaway

- Updated version of 2018 Survey put together by Luke Taylor
- 20+ Question and Responses From 3 Leading Payment Gateway Providers
- What, How, How Much

Pricing and Negotiating Tips

Knowledge is Power

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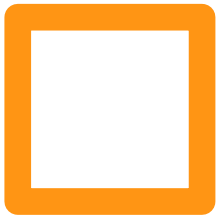

Payment Gateway Partner Business Cost

- Salaries & Benefits
- Facility/Utility
- Software
- Etc….
- **Processing Costs**

Processing Costs

- Most processing costs are Interchange fees

Interchange fees? What? Why?

- Fees paid to Card issuers (i.e. banks)
- Fees offset credit risk and card rewards

Average **Interchange** Price of Card Processing:

- 0.3%* for debit cards
- 1.8% for credit cards

Median ACH Transaction Cost

- $0.26 and $0.50 **cents**

PayPal

Flat Rate Processing
1.99% + $.49 per transaction

PayPal Markup

Debit Markup ~1.6%

Credit Markup ~.1%

ACH Markup ~ 1.99%

- Cards: 2.15% + $0.30
- ACH: 0% + $0.30

stripe

Stripe

Debit Markup ~1.85%

Credit Markup ~.35%

ACH Markup ~ 0%

Negotiate Pricing

1) Gather quotes
2) Digest Offering and Pricing Model
3) Validate
4) Communicate your knowledge of interchange
5) Request revised quotes

Pricing Key Questions / Key Qualifier

Can you help me understand what your what your actual card/ach processing expenses are?

Do you offer Interchange+ Pricing?

Transparency

If need to make a switch down the road, can we take our cardholder saved payment data with us?

Where to Start?

My Well
MINISTRY

- Start with My Well Saving Analysis
- Understand your annual estimate/actual interchange card processing fees
- Use this knowledge to evaluate potential markup and services charged by other providers

Cannot be beat on pricing alone

- (Cards): Interchange + 30 cents
- (ACH): 0% + 30 cents
- No markup

My Well MINISTRY

Only Non-Profit Partner

Partners with additional offerings

- Contracts will include some markup on processing costs
- Compare markup vs additional offerings

Pushpay

Kindrid by Ministry Brands

SimpleDonation

Thank you

Questions?

🚀💬 @ tony.visconti

✉ data@college-church.org