

## Tyfu Cymru: Technical Advice Sheet

### Mobile Card Payment Systems



Managing your customer experience can be essential in maximising the profitability of your growing business. Both farm shops and pick your own (PYO) businesses will need to provide a way for customers to pay for their produce, and streamlining this process can be essential in maximising customer appeal and speeding up transactions in busy periods. Making this process easier will also increase the amount that people are likely to spend either by allowing them to spend more frequently – an extra cup of coffee while picking fruit – or increasing total spend without worrying how much cash is in their wallet. While established farm shops are more likely to have a fixed till point, new businesses without those facilities may find this a challenge. PYO businesses may also wish to move payment facilities around their site as customers are steered towards different fields that are ready for harvest, so having a movable payment system can be helpful here – especially to reduce the time between picking and payment when fruit can be eaten before it is weighed. It also means that security is easier to maintain as equipment can easily be packed up at the end of each day rather than being left in place.

#### **Cash is No Longer King!**

How customers pay for their goods is also changing - debit card transactions overtook cash in 2017, and these are forecast to represent over half of all transactions by 2024. The move away from cash has also been driven by the increase in contactless card payments, and this is likely to only continue as the maximum cap has recently been lifted to £45 – these are forecast to reach 37% of all payments by 2028. This has been driven by reduced access to normal cash machines, and this can be a particular problem for tourist-facing businesses in Wales where visitors are unlikely to have reliable access to cash points in the more remote locations.

As a result of these changes, many growers are considering card payment systems for their customers to streamline sales and broaden customer access. Payment systems have rapidly accommodated mobile technology, and card payments are now easily made in market stalls, temporary “pop-up” shops and the outdoors where previously sellers were limited to cash-only transactions.

#### **Mobile Payment Systems**

While conventional card machines are still an option, mobile card readers may be a much more viable choice. These are small, palm-sized, card readers that carry out transactions through an app on a mobile phone or tablet paired via Bluetooth and cover both PIN and contactless payments. Contact between banks is then made across Wifi or mobile data networks to allow the transaction to take place. A number of low-cost mobile app-based systems are available and are quick and easy to set up. You only need to purchase the card reader without signing up for a contract or subscription with no monthly fees – you only pay a small fee with each transaction of around 1 – 2%. While this is less than general merchant card handling fees associated with more conventional sales terminals, it is without a monthly subscription so you only pay for the service when you’re using it – this is particularly helpful for PYO growers that only need to process transactions over the specific periods.

Besides offering card payments, the apps supporting the readers tend to offer a range of other benefits to help streamline your sales process from inventory management and invoicing through to stock control and accountancy, and easy-to-view analytics of your sales. There are a range of mobile payment systems available to small businesses, and the key features of three of the main systems are given below.



iZettle  
www.izettle.com

iZettle is one of the most common mobile payment systems in the UK. The palm-sized reader costs about £60 without set up or shipping costs, and you can quickly set up an account on their website. You'll need to input some information about yourself and your business, and you'll be set to go once identity and credit checks have been carried out. Sole traders or partnerships can easily register although you may need to provide some additional documentation if you're not a registered business. iZettle is an extremely popular system with solid reviews, and offers lots of benefits to help you run your business.

While the card reader requires Wifi or 3G/4G connection using a paired mobile or tablet, the system reportedly works well over weak mobile signals. The card reader is charged via USB, and will typically last over 250 transactions on a single charge. You can purchase an additional dock if the reader is going to be used in a fixed location with power available such as a farm shop or café. For farm shops selling barcoded products there are also compatible barcode readers to speed up transactions.

Payments can be accepted from all major credit and debit cards, and will appear in your account with a few days. Once you've paired the reader with the app on your mobile or table by Bluetooth, all you need to do is enter the amount on the app and press "Charge" – the customer can then pay with a card as normal. You're unlikely to reach the daily transaction limit of £200k, and the lowest transaction amount is £1.

You'll pay a fixed rate of 1.75% per transaction so you can easily forecast how much the system will cost you. The app has many features to make processing transactions (e.g. refunds) as easy as possible, helping this to become one of the most popular mobile payment systems. The system won't be able to print receipts, but the app offers email receipts and a range of analytics to help you track sales and there are compatible printers if you want to be able to offer printed receipts. VAT can be added on the app, and you can also log cash transactions for accounting purposes. The app also offers a range of clever benefits like analytics and stock control options if needed.

---



Sum Up  
www.sumup.co.uk

Sum Up is a straight forward, easy to use system that works by pairing a small card reader with an app on a mobile or tablet. Sum Up's simplicity is its key benefit – quick and simple to set up and use, this can be a very effective payment option. The reader costs about £60, and can ordered from the Sum Up website after you register although shipping can take up to a week. Registering is quick and simple and should only take 10 – 15 minutes. As well as registered sole traders and businesses, Sum Up also accepts not-for-profit organisations and private individuals as long as certain criteria are met.

Sum Up offer two types of reader. The "Sum Up Air" card reader requires a Bluetooth connection with an Android or iOS phone or tablet, but this is easily set up in the app. The reader is charged with by USB cable, and will last for around 500 transactions on a single charge although a docking station is available for fix countertop sales. If you don't want to pair the reader with a tablet or mobile, there is the "SumUp 3G" model – this is a bit more expensive at £100, but has an inbuilt mobile SIM so it won't need pairing with a second device and you can manage your account online.

The payment app is simple and straight forward to use: simply key in the amount on the app and charge it before asking the customer to pay using contactless or a PIN on the card reader. Contactless printers are

---

---

compatible with the SumUp Air card reader, or you can purchase a Sum Up 3G and Printer bundle. Payments will be in your account with 2-3 days, or you can choose to be paid on a weekly or monthly schedule. A record of transactions are kept on the cloud for later access, and you can also use the app to log cash transactions.

A transaction fee of 1.69% will apply to all transactions, and will be taken before the money appears in your account, but there are no fixed monthly costs. Refunds are free within 3 days (before the money has cleared into your account) but you'll be charged the transaction fee on refunds outside of that window.

---



**Square**  
www.squareup.com

---

Square is small and simple – it is a small, lightweight card reader that snaps on the top of your phone. The reader accepts contactless, but if the customer wants to use a PIN it's entered onto the mobile screen itself. The simplicity of the reader makes it relatively cheap at £20, although it will need a mobile or tablet to pair with via Bluetooth. Square is a simple, cost effective system that is particularly well adapted to food or retail sales.

Square operates in a similar fashion to other card readers – once the device is paired with your mobile or tablet enter the amount to be charged on the app and click to confirm the amount. Customers can then either pay by contactless, or be handed to the customer for PIN input. Some customers may be concerned about putting their PIN into a mobile device rather than a card reader, so it may be worth thinking about this aspect. Square also offer the Square Terminal – a combined card reader and point of sale terminal, although this is more expensive at £200, and requires a Wifi connection to work (not mobile). There is no regular monthly fee, but you'll be charged a flat rate of 1.75% on each transaction, and payments will appear in your account the next working day.

Square has a strong point-of-sale features, including lists and categories in a library of products that can be quickly selected as part of the order – this could be particularly useful for farm shops or cafes.

---

### **Safe & Secure**

New and unfamiliar payment systems may be of a concern for the security of by your customers and yourself. The readers outlined above comply with Payment Card Industry group standards (PCI DSS/PTS) – these are the same rules that conventional card readers must follow. The card readers are backed up by physical protection which will render them useless if tampered with, alongside end-to-end encryption to protect the data for each transaction. Some systems also offer charge-back protection in case a customer disputes a transaction – for instance, iZettle offers up to £250/month cover for disputes.

### **Other Aspects to Consider**

A key aspects of all these systems is connection with a wifi or mobile connection – it may be advisable to check how well you can achieve mobile signals where you intend to set up the card reader. It may also be worth considering what extra features a system may offer. For instance, the accounting and sales management feature may be of assistance when book keeping, while it may simplify stock control of farm shops with a range of dry or long-life products.

### **Disclaimer**

While every effort is taken to ensure the accuracy of these notes, they are provided only as a factual summary of the systems available and should not be taken as a recommendation for any particular system. Members are advised to fully review the information provided by each system before making a judgement as to which systems are most suitable for their growing business, and seek independent advice where relevant.