

PayPal

Patrick.j.Rice@gmail.com

Paypal

- PayPal is an e-commerce business allowing payments and money transfers to be made through the Internet.
- With a PayPal account, you can send and receive money.

What is PayPal?

- Founded in December 1998 Product launch: Dec. 1999
- Presently owned by eBay
- world's largest online payment service
- allows people and businesses to exchange currency over the Internet.
- send money to anyone else with an e-mail address

PayPal can accept money from the purchaser in one of three ways:

1. Charging the purchaser's credit card for any transactions (payments)
2. Debiting a checking account for any payments
3. The purchaser sending a check to create a positive balance in his account at PayPal, and having any payments deducted from the account

How PayPal works

- Free (individuals or businesses)
- Links to a credit card and/or a bank account
- Transfer money from the credit card or bank account into their PayPal account.
- Pay for goods with your PayPal balance.

- The specified dollar amount is then transferred from the buyer's PayPal account into the seller's PayPal account.

There are two kinds of PayPal accounts.

Personal and Business (premier)

- Personal accounts - individual use only and have limited access to PayPal's features.
- Premier and Business accounts - those with a high transaction volume or the need to accept credit cards.

Why PayPal?

For Buyers:

- Efficient way to send a payment for your auction items.
- Less time-consuming than making a trip to the ATM or writing and mailing paper checks.
- Most PayPal transactions clear instantly.
- It's always free to send money
- Receive your items faster
- Secure and private.

For Sellers:

- accept instant, secure payments from anyone with a credit card* or checking account, and an email address. (*Receiving credit card payments is a feature for Business and Premier accounts.)
- Sell via auctions, websites, marketplaces or email
- No set up or monthly fees
- Low transaction fees
- Instant availability of funds
- Proven fraud and chargeback protection
- Reliable customer service
- Non-U.S. payments from 44 countries
- Buy and Sell globally with PayPal's Multiple Currencies feature. Make or accept payments in U.S. Dollars, Canadian Dollars, Euros, Pounds Sterling and Yen.
- Convenient HTML interface for simple site integration
- Trusted by over 3 million businesses

Security

- SSL technology: keep your information safe.
- Recipients won't receive sensitive financial information like your credit card or bank account number. This way, you don't have to worry about paying people you don't know.

Advantages

- easy and cheap to use. (no need for a merchant account, credit card terminal, processing software, and you only have minor development costs)
- Time to market. (can set up a PayPal account to accept payments in minutes).
- Offers user another payment option. 25 million people have PayPal accounts.

Disadvantages

- Customer needs to leave your Web site to complete the transaction. This can be seen as unprofessional and also confusing to the user.
- Asking customer to give personal information to an organization they may not be familiar with.
- Entire order data is not in your database unless you ask for it twice.
- Any complaint about PayPal becomes a complaint against you.
- You do not have the flexibility that you may need for things like shipping charges, design, reporting and handling returns.
- PayPal is available to people in 45 countries. Unfortunately not in Barbados.