



# MILLIONAIRE IN YOU

## Sell merchants on next-generation wireless

---

*By Jason A. Felts*

Building a portfolio of significance requires creativity. It also requires an eye for opportunities that provide legitimate value to your prospects. This column is dedicated to the unique wireless market opportunity.

The emerging wireless POS market is among the fastest growing niches in the payments industry. It offers unprecedented entry to new vertical markets, new merchants and new ways to increase revenue.

Today's merchants seek speedy, portable, easy-to-use, convenient and professional POS solutions. Most importantly, they want reliable solutions that work every time, everywhere. Next-generation wireless solutions satisfy all of these needs.

### GPRS is next-generation wireless

The next generation in wireless technology is wrapped more around service and coverage than hardware. Ask any merchant level salesperson (MLS) what the most important feature in a wireless machine is. The first, and often only, answer you'll receive is coverage. To be viable, wireless POS solutions need to actually work, and GPRS (general packet radio service) makes this possible.

GPRS has become the global standard for mobile data communication. Used to provide fast, secure and reliable data transfer service in nearly every country in the world, the GPRS network offers coverage in 90% of the globe's populated areas. And it's growing.

Using GPRS, merchants can accept card transactions in areas that lack the necessary infrastructure for wired transactions. They can also dramatically reduce the transaction costs associated with portable merchants.

### Address the three C's

To actually sell a wireless solution, first consider the objections merchants may raise. Be prepared to offer fast, intelligent and truthful rebuttals either before or after objections arise. Remember, the best close is an excellent, comprehensive presentation (or interview) that covers all potential objections before they become points of resistance. Why would a merchant not choose to go wireless? The answer lies within the dreadful three C's: cost, coverage and convenience.

When selling wireless, cost doesn't have to be an issue if you provide free placement of a state-of-the-art wireless terminal as well as free shipment and activation. A reasonable gateway fee, such as \$12 per month, plus \$0.05 per item, also keeps costs low.

Coverage is not an issue when using GPRS because it offers the best in technology and coverage.

GPRS is the next generation solution for wireless processing.

When it comes to convenience, many wireless solutions today are awkward. Terminals often have either no printer or a separate printer. This is a headache when compared to a durable, all-in-one solution. While there are many emerging options for wireless processing, the Lipman Nurit 8000 stands out for AMS. We are also looking into Hypercom Corp.'s Optimum M4100 Blade and Commercial L.P.'s Mobilescape solutions.

The Nurit 8000 is a flexible, lightweight, handheld terminal that enables fast, secure, error-free transactions. Its multiapplication platform supports a range of payment and value-added services. It includes an easy-to-load thermal printer, a touch screen with signature capture, built-in PIN pad, rechargeable batteries and smart card reader. It also has a modem port, allowing merchants to plug in when necessary.

---

## Weighing in on wireless

To find out what the feet on the street think about wireless payment opportunities, Jason Felts asked members of the GS Online MLS Forum the following questions:

- *What's your favorite wireless solution? Why?*
- *What's most important to you about a wireless solution beyond coverage?*
- *Any tips for The Green Sheet readership on how you are selling these machines?*

**Here are some of the varied responses he received:**

"I would settle for one that works where it says it does. Can't get anything to work in most of D.C. or Virginia along the Potomac. Just another headache."

..... - *CoachBob*

"The Nurit 8000 GPRS has great coverage and is unbelievably easy to learn and operate. Not one merchant has talked down about these units. I have run into a few with the WAY Systems [wireless terminals], and these merchants are using them for the reduced cost but would trade for the Nurit, if possible."

..... - *Chett*

"The Nurit [terminals are the] best bet at the moment since they work a good 50% of the time. I'm starting to think that mobile merchants are worth it."

..... - *nwbc*

"I'm interested in trying out the new Hypercom Optimum M4100, nicknamed Blade. ... Of course all of us will claim coverage is the most important element in wireless terminals, and I can't blame them because for me it's the same. To pick a second item, I'd venture to guess and say durability.

"My one tip to the readers of The Green Sheet is to find yourself a niche market to sell, whether it be to restaurants so that customers can pay right at the table without worry of security breaches, or maybe to contractors who visit homeowners on-site, thereby escaping the higher rates associated with mail order telephone accounts.

"Or, it might be taxi drivers who can offer their riders a more convenient way to pay since the rider may not have enough to cover a ride that doesn't have a predetermined price when the rider steps into the taxi."

..... - *diamonte*

"There are really two types of devices available: those which are manufactured to be dedicated (Lipman, VeriFone, WAY, ExaDigm, Commercial) and those which are nondedicated (typically customer-owned cell phones and PDAs).

"Two primary competing solutions for networks [are] CDMA (Sprint) and GPRS/GMS (most others). The past [solutions such

as] Motient, BSWD, etc. are dead or dying ... with a long line of upset customers holding \$2,500 paperweights.

"We handle (and do merchant level billing for): VeriFone - limited exposure, with promising new Vx610 unit (GPRS and CDMA); Commerçant - up and comer [with] sig cap and checks (Sprint CDMA and touch screen); WAY Systems - Cingular GPRS - [which is] based on cell phone with infrared printer and PIN-based debit.

"Favorites? Each person is comfortable with his or her risk/reward scenario. Some love [that] you can put eight phones on with no monthly fees versus the dedicated devices (and perhaps charge a bit more for their own benefit). Some are frightened by the extra footwork to set up a cell ... just depends on the individual."

- Brett Mansdorf

### Hot markets for wireless POS solutions

- Delivery services
- Mobile vendors and traveling salespeople
- Stadium, arena and outdoor entertainment venues
- Special event vendors: fairs, markets, conventions, etc.
- Restaurant and food services
- Contracting, consulting and design services
- Construction trades: electricians, plumbers, etc.
- Limousine, taxi and automotive services
- Recreation providers: golf clubs, fishing charters, etc.
- Audio and video installers
- Locksmiths and towing services

## Pitch it right

Here are pitches AMS has used to succeed in specific merchant situations. These examples should help you sell merchants on wireless solutions:

**Situation:** Merchant is processing \$10,000 in nonswiped transactions per month (machine at the office) at a cost to the merchant of 2.59%.

**Pitch:** After reviewing your statement, may I suggest that if you swipe instead of type in your transactions, you could save over \$65 monthly and have a solution that's safer, more secure and more professional. If I could provide you with a wireless solution like that plus put more money in your pocket, would you want to hear more?

**Situation:** Limo driver who is not accepting credit card transactions.

**Pitch:** If I could show you how to dramatically increase your sales and tips by accepting additional methods of payment, would you want to hear about it?

Drivers may say accepting bankcards is inconvenient and costly, imprinters are unappealing, and calling for authorization is too time consuming. Tell them you understand and ask, If there was a way you could conveniently and professionally accept all forms of payment and not limit your customers to cash - and do it with a state-of-the-art machine that I'm willing to place in your business for free - would you want to hear more about it?

**Situation:** Spa or furniture delivery company that accepts credit cards but does not swipe them.

**Pitch:** I would like to introduce you to a revolutionary concept in the POS industry. I see you are accepting credit cards and most of your money is due upon product delivery. What if we could provide a state-of-the-art, battery-operated wireless machine so you could swipe transactions and

save over 0.50% per sale? Would you be interested?

Merchants may ask how it works. Ask them if they are familiar with accepting credit cards wirelessly. Then provide details: No phone or power lines are needed. It works anywhere GPRS cell phones work. We have the most state-of-the-art wireless equipment in the industry, and we are prepared today to make you an offer that will make accepting cards easier than you could have ever imagined.

**Situation:** Any business with a POS.

**Pitch:** If I could place a piece of POS equipment in your business for free that has a retail value of over \$3,000, would you be interested in taking five minutes to discuss it? (Merchants may be stunned at the \$3,000 figure.) A typical 48-month wireless lease costs at least that much, and with our program, you get it for free.

## Present it right

Now that you've gotten a merchant's interest, you need to follow up with a dynamite presentation. Here are the elements of a successful presentation:

- Meet, greet and build rapport.
- Interview the merchant.
- Complete a statement analysis if the merchant is processing.
- Present your offer demonstrating the value of wireless processing.
- Accurately disclose all fees.
- Answer the merchant's questions.
- Make an accurate recommendation based on the needs discovered in the interview.
- Ask for the business.
- Close the deal.
- Secure referrals.
- Install the machine.

## Close it right

Before attempting a wireless close, you need two things on hand: 1) an MLS agreement with a reputable processor that offers state-of-the-art wireless equipment, free of charge and 2) an application, as you will certainly be using it.

Now, here's my favorite way to close: Based on our conversation, it looks like what would be most useful for meeting your requests would be our wireless 8000. My competition usually leases that machine on a lease-to-purchase basis at \$69.95 per month for 48 months. That would be a total investment of \$3,357.60 plus a buyout at the end, not to exceed 10% of what you paid.

We would be happy to match our competition's offer if you want to eventually own the machine. Or, we will place this state-of-the-art wireless equipment in your business to use for free as long as you are processing with my company. Which would you prefer? Do you need any other closes? Absolutely not. With this presentation, you'll rarely have to use anything else.

---

*Jason A. Felts is the Founder, President and Chief Executive Officer of Florida-based Advanced Merchant Services Inc., a registered ISO/MSP with HSBC Bank. From its onset, AMS has placed top priority on supporting and servicing its sales partners. The company launched ISOPro Motion, its private-label training program, to provide state-of-the-art sales tools and actively promote the success and long-term development of its partners. For more information, visit [www.amspartner.com](http://www.amspartner.com), call 888-355-VISA (8472) ext. 211, or e-mail Felts at [jasonf@gotoams.com](mailto:jasonf@gotoams.com)*