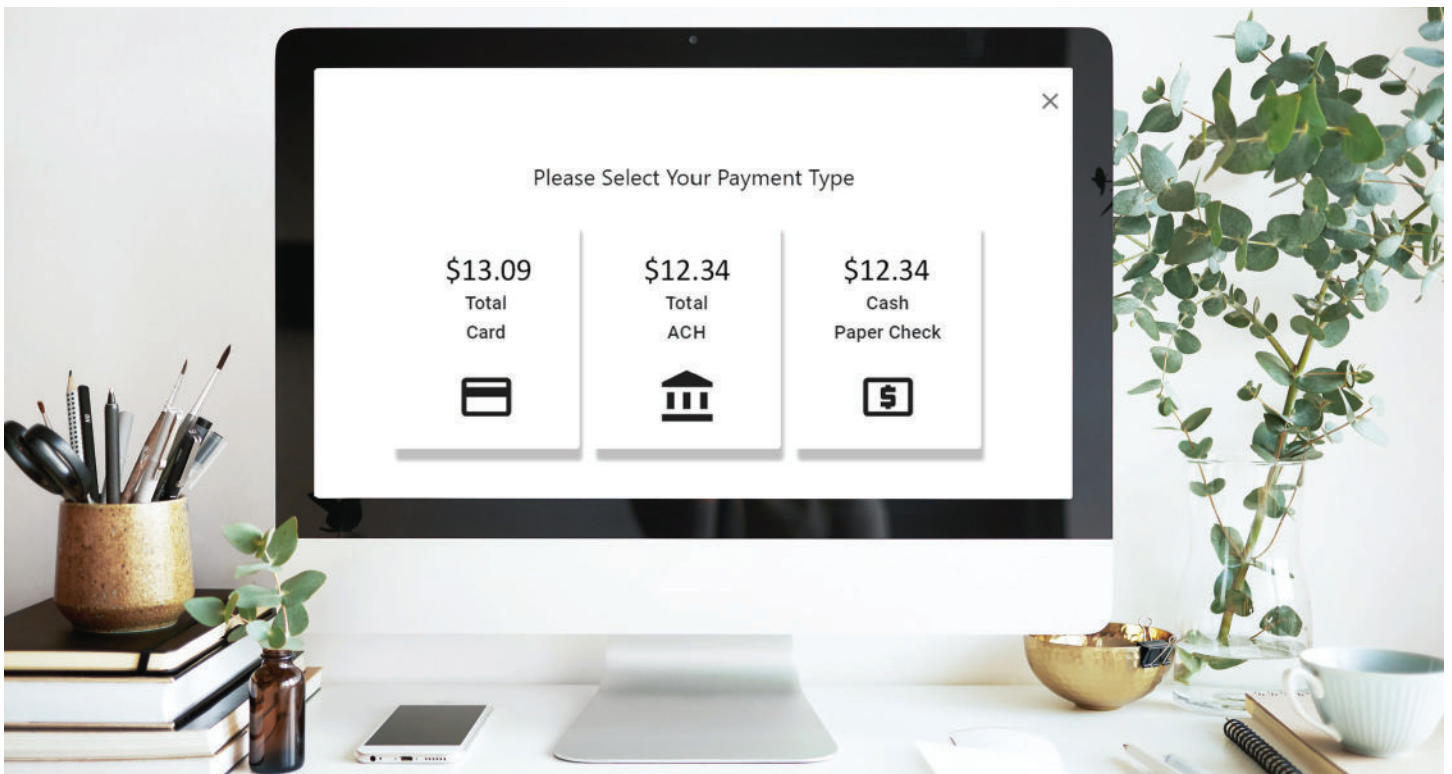


Guide to Cash Discounting with the Lightbox Terminal



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Description

Cash discounting is a pricing model where businesses offer a lower price to customers who pay with cash instead of a credit card. The discount is often the same or slightly less than the fee a credit card company charges to process the transaction.

Cash discounting can help businesses reduce credit card processing costs and improve profit margins. It can also be preferred over other fee recovery methods because it can be perceived more positively by customers.

The Lightbox terminal provides two ways for merchants to implement cash discounting. This guide will explain both methods and outline the steps for using each one effectively.

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Method 1: Merchant Decision Method

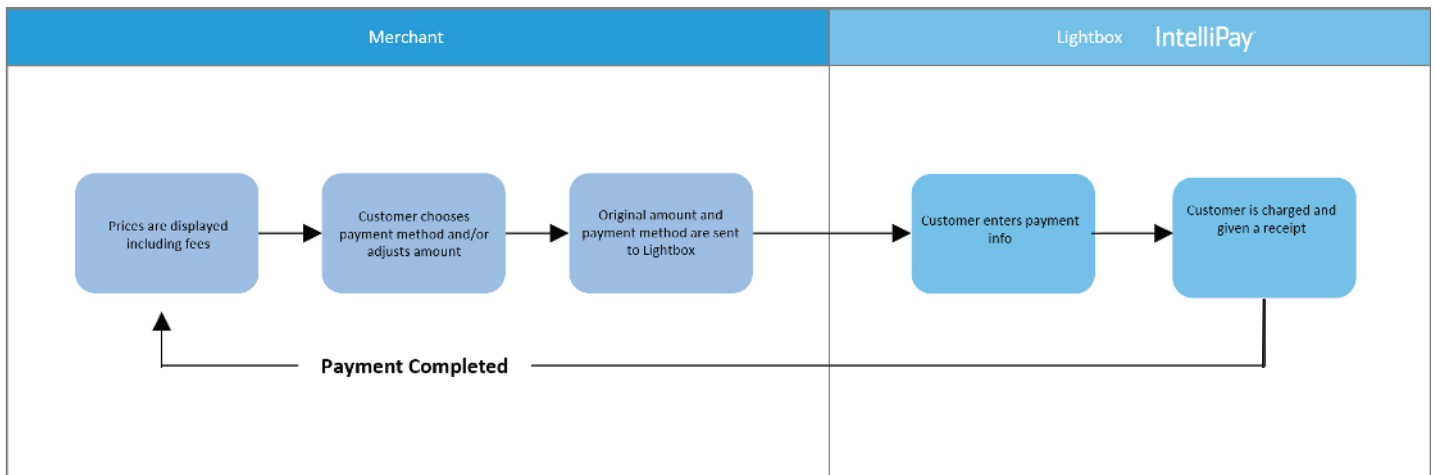
Description

In the Merchant Decision Method, the merchant calculates the non-cash price and displays it as the regular price to the customer. The merchant then provides payment options to the customer, who selects their preferred payment type. The steps are as follows:

Steps

- Merchant displays pricing to the customer including the fees
- Customer chooses the payment method and/or adjusts amount (depending on merchant preference)
- Original amount (minus fees) is sent to Lightbox along with the payment method chosen
- Lightbox customer enters their payment method details
- Customer is charged, provided a receipt, and sent back to the merchant's site

Flow Diagram



Benefits

- Merchant has control over the payment method selection process
- Merchant can provide a way for the customer to reduce the payment amount and recalculate the fees

Method 1: Merchant Decision Method

Limitations

- Requires coding changes on the side of the merchant
- May make it more difficult for the customer to change their payment type later in the process

Method 2: Lightbox Decision Method

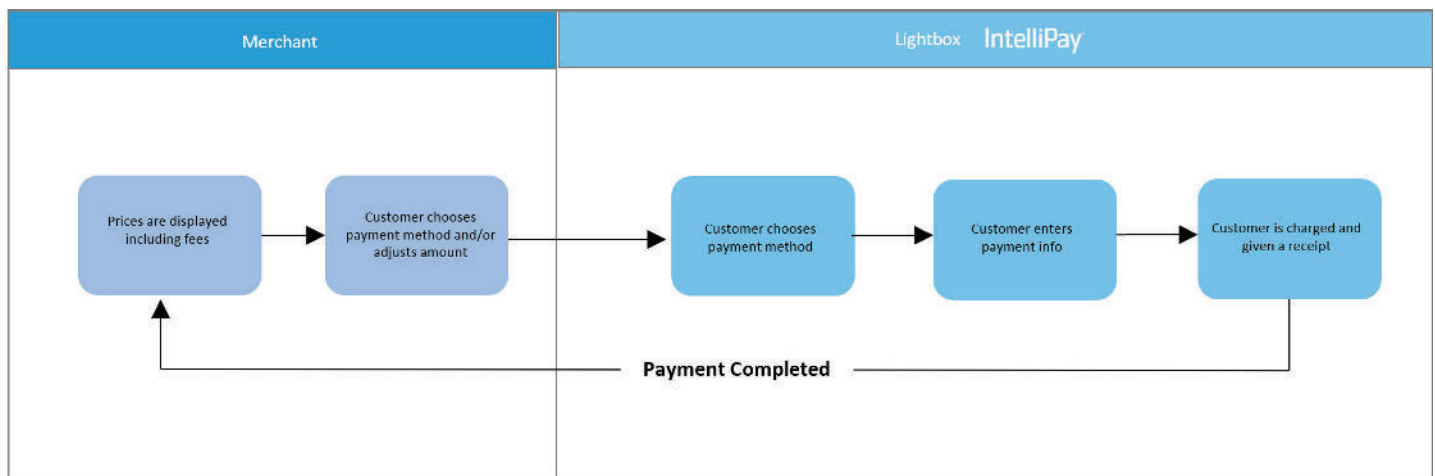
Description

In the Lightbox Decision Method, the merchant opens the Lightbox and passes the original amount. The Lightbox then calculates various payment options, including the cash discount and displays them to the customer. The steps are as follows:

Steps

1. Merchant displays pricing to the customer including the fees
2. Original amount (minus fees) is sent to Lightbox
3. Customer chooses payment method from Lightbox popup
4. Customer enters their payment method details or returns to choose a different payment method
5. Customer is charged, provided a receipt, and sent back to merchant site

Flow Diagram



Benefits

- No development required on the merchant's part
- Easier for the customer to change payment types further into the process

Method 2: Lightbox Decision Method

Limitations

- The amount is fixed and cannot be adjusted from the Lightbox

Fee Calculation Rounding Rules

To ensure consistency in fee calculations, the following rounding rules are used by the Lightbox:

- 0-4 Round down (e.g., \$0.3648 becomes \$0.36)
- 5-9 Round up (e.g., \$0.36510 becomes \$0.37)
- Rounding occurs on the fee separately and then it is applied to the total

Example:

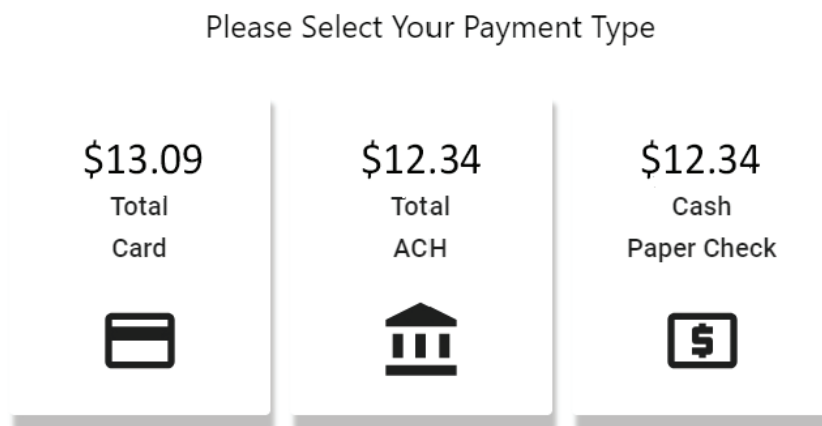
- Original amount of \$12.17 is passed
- Fee of 3% is calculated to be \$0.36510
- Fee is rounded to nearest second decimal \$0.37
- Fee is added to original amount to get total \$12.54

Merchants should apply these rules to match the fee calculations performed by the Lightbox.

Enabling Cash Discounting with IntelliPay

To enable cash discounting, contact IntelliPay Support (support@intellipay.com) and request they do the following:

- Set the appropriate fee
- Set the fee schedule to Cash Discounting
- Enable the relevant decision flow options
- Make sure on your end you are prepared to integrate into the Lightbox and send the appropriate values
- If you are integrating using the Merchant Decision Method, make sure you provide a place for the customer to choose their payment type. This should have the following elements:
 - Display all payment methods with their respective pricing (calculating the fees for each total)
 - Remove or omit any text that displays “Fees”. Optionally, you can indicate the cash price as a “Discount”
 - Optionally include a way for the customer to change the amount they are paying if that is a feature you offer. Make sure fees are recalculated and totals displayed after changing the price.
 - A common way to do this is included in the image below (taken from the Lightbox):



Lightbox Integrations

For more information on connecting to the Lightbox, see one of the Lightbox guides here:

Lightbox Online (Customer Facing):

<https://intellipay.com/wp-content/uploads/2022/08/LightBox-Terminal-Quick-Start-2.pdf>

Lightbox EMV (Merchant Facing):

<https://intellipay.com/wp-content/uploads/2022/08/LightBox-EMV-Terminal-Quick-Start-1.pdf>

Lightbox OneLink API (Email/SMS Links):

<https://intellipay.com/wp-content/uploads/2022/06/Intellipay-API-Documentation-OneLink.pdf>

Conclusion

By using either the Merchant Decision Method or the Lightbox Decision Method, merchants can implement cash discounting effectively. Each method offers unique advantages, allowing merchants to choose the one that best fits their operational needs.

Public Facing Screens

The screenshot shows a mobile payment interface for 'Diamon Technologies'. At the top, there is a diamond logo and the company name. Below this, the 'Customer ID' is 'Test123'. To the right, the 'Amount to Pay' is '\$ 12.34'. There are input fields for 'Email (Optional)' and 'Customer Name *'. A reCAPTCHA widget is present with the text 'I'm not a robot'. At the bottom, there are 'CANCEL' and 'PAY' buttons. The footer includes 'Powered by IntelliPay' and various security logos.

Cash

The screenshot shows a mobile payment interface for 'Diamon Technologies'. At the top, there is a diamond logo and the company name. Below this, the 'Customer ID' is 'Test123'. To the right, the 'Amount to Pay' is '\$ 13.59'. There are input fields for 'Email (Optional)', 'Routing Number', 'Bank Acct Number', 'Confirm Acct Number', and 'Name on account'. A dropdown menu for 'Bank Acct Type' is set to 'Checking'. A reCAPTCHA widget is present with the text 'I'm not a robot'. At the bottom, there are 'CANCEL' and 'PAY' buttons. The footer includes 'Powered by IntelliPay' and various security logos.

Checking

The screenshot shows a mobile payment interface for 'Diamon Technologies'. At the top, there is a diamond logo and the company name. Below this, the 'Customer ID' is 'Test123'. To the right, the 'Amount to Pay' is '\$ 13.09'. There are input fields for 'Email (Optional)', 'Name on card', 'Card Number', 'Expiry', 'CVV', and 'Postal'. A reCAPTCHA widget is present with the text 'I'm not a robot'. At the bottom, there are 'CANCEL' and 'PAY' buttons. The footer includes 'Powered by IntelliPay' and various security logos.

Credit Card Selection