dharma
Merchant Services

Payment Gateway Overview

Get familiar with credit card processing & our platform

What Do Merchants Need to Be Successful Online?

Understanding all of the working parts involved in your merchant customers' success online

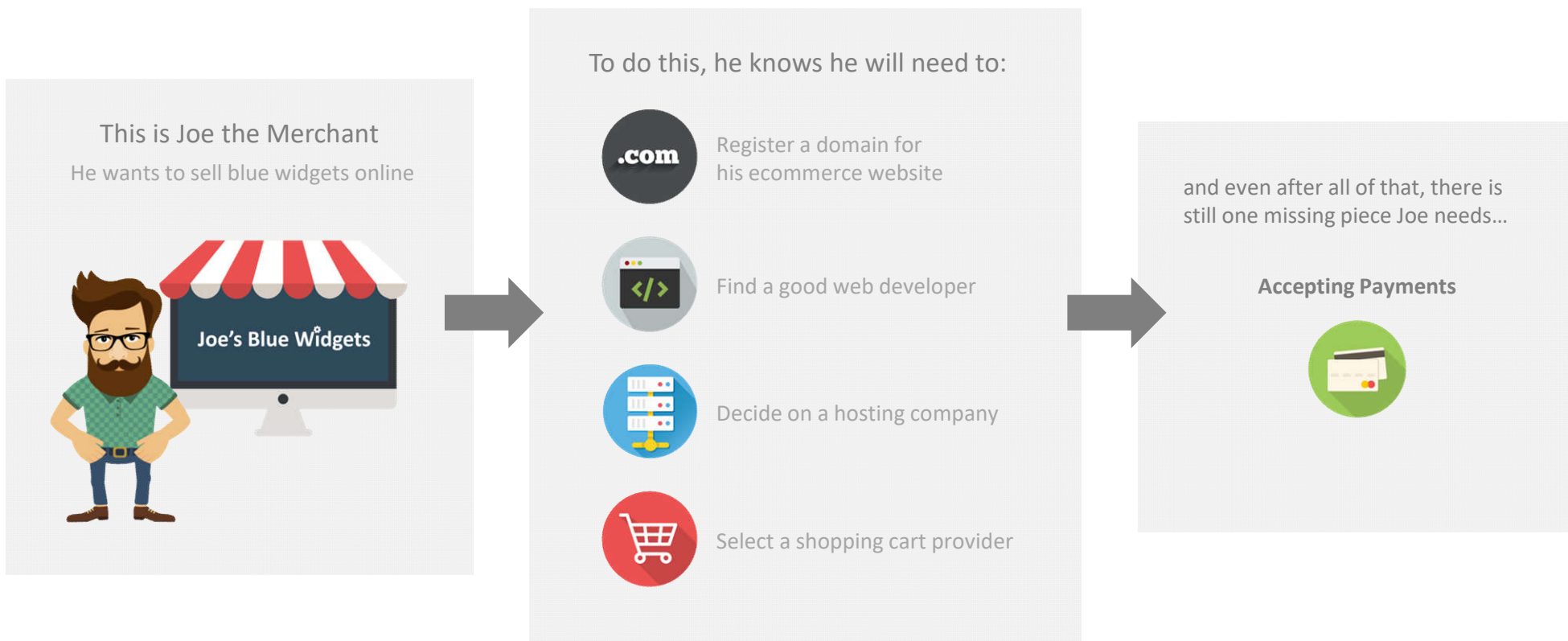Domain Registrar   Web/App Developer   Web Hosting   Shopping Cart   Accepting Payments

The Common Merchant Struggle:

Piecing together all of the working parts to get their ecommerce store up and running

This is Joe the Merchant

He wants to sell blue widgets online

Joe's Blue Widgets

To do this, he knows he will need to:

.com Register a domain for his ecommerce website

Find a good web developer

Decide on a hosting company

Select a shopping cart provider

and even after all of that, there is still one missing piece Joe needs…

Accepting Payments

Great Question Joe.
What Do Merchants Need to Accept Payments?

Merchant Account

- A merchant account, also known as a MID (short for Merchant ID), is a type of bank account that enables merchants to accept and process payments through debit & credit card transactions and connects the merchant with the processor.
- Merchants can obtain a merchant account through a Merchant Service Provider, like **Dharma Merchant Services.**
- Merchant accounts are a necessity for many businesses, and are essential for merchants with ecommerce businesses.
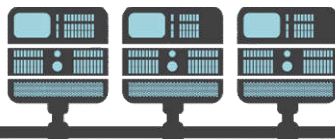
Payment Processor

A merchant account and payment gateway account both connect to the processor & both accounts are essential in order for merchants to accept payments.

Payment Gateway Account

- If a merchant wants to get paid, they need a payment gateway account.
- A payment gateway account connects to the processor & securely transfers information between the merchant's website and their merchant account.
- A payment gateway is what authorizes credit card payments and is the equivalent of a physical point-of-sale terminal located in most retail outlets.

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# Let's Walk Through the Steps with Joe

Now that Joe knows what he needs, he is only a few steps away from accepting payments on his ecommerce store
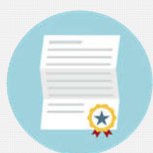
Joe's Merchant Account

- Joe applies for a merchant account through **Dharma Merchant Services**.
- **Dharma Merchant Services** has a list of requirements given to them by its acquiring bank (see slide 10 for definition).
- Joe's application satisfies all the requirements and he is granted a MID!

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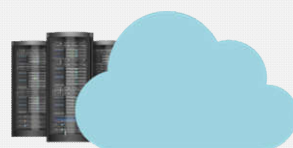
Joe's Payment Gateway Account

- Joe needs a payment gateway account so he can connect his MID to his website.
- Joe opens a gateway account with **Dharma Merchant Services** which allows him to input his MID.

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Now Accepting Payments!

Joe's Blue Widgets

How Does Credit Card Processing Work?

Understanding all of the working parts involved in processing a credit card transaction

Cardholder   Merchant   Payment Gateway   Payment Processor   Issuing Bank   Credit Card Network   Acquiring Bank
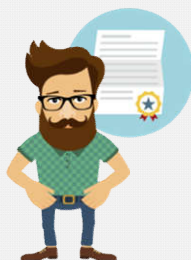
Key Players in Processing a Credit Card Transaction

Cardholder

A cardholder is someone who has obtained a credit or debit card from a card issuing bank. They are the one who begins the credit or debit card transaction by using their card to make a payment to a merchant for their goods or services.

This is Suzi

Merchant

A merchant is someone who wants to accept credit and debit card payments from their customers (cardholders) for the goods or services they sell. They must obtain a merchant account and set up a payment gateway account before they can start accepting payments and get paid.

Look it's Joe!

Issuing Bank
(Cardholder Bank)

The issuing bank issues credit cards to consumers. They are responsible for paying the acquiring bank for the purchases their cardholders make.

Suzi's Bank

Credit Card Network

The credit card network helps to connect the issuing and acquiring banks by routing the appropriate transaction information between the two banks.

Payment Gateway

A payment gateway authorizes credit card payments and is what securely transfers payment information between the merchant's website and their merchant account.

Joe's Payment Gateway Account

Payment Processor

The payment processor works to actually process the credit card transaction from start to finish. It does this by connecting the merchant account with the payment gateway so it can receive the transaction details and it also connects the **Dharma/NMI Gateway** to the Credit Card Network for authorization from the issuing bank.

Joe's Processor

Acquiring Bank
(Merchant Bank)

The acquiring bank is also referred to as the merchant bank because they create and maintain merchant accounts that allow a merchant's business to accept credit and debit cards.

Joe's Bank

Credit Card Transaction Flow

Joe's Blue Widgets

1. Suzi the Cardholder Purchases a Blue Widget

Suzi has been searching for the perfect blue widget and after finding Joe's Blue Widget's ecommerce site she decides to buy one. So she enters in her payment info and submits the transaction.

2. Suzi's Transaction Details are Sent to **Dharma/NMI gateway**

The gateway references Joe's MID and using a secure connection to the payment processor, routes the transaction details on to them.

Joe's Payment Processor

Joe's Payment Gateway Account with **Dharma Merchant Services**

Joe's Merchant Account
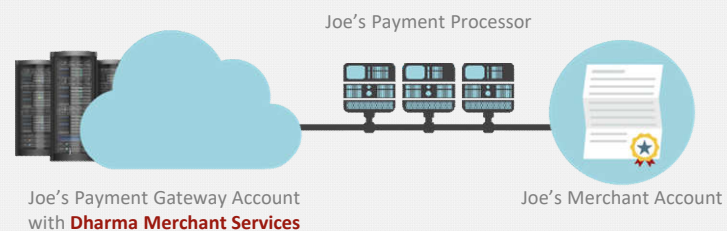
3. Joe's Payment Processor Receives the Transaction Details

After Joe's payment processor receives them, they send the request on to the Credit Card Network who identifies the issuing bank for the payment card and sends the request on to them.

Joe's Payment Processor

Credit Card Network

Issuing Bank (Suzi's Bank)

Step 3   Step 3

Step 4   Step 4
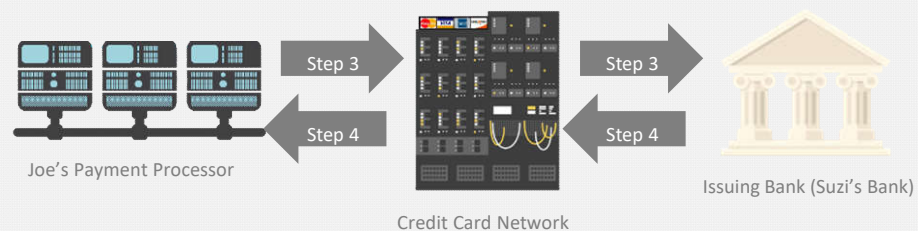
4. Suzi's Issuing Bank Approves or Declines Transaction

After the issuing bank checks Suzi's account, they either approve or decline the transaction and then the results back to the Credit Card Network who sends it back to Joe's payment processor.

5. Joe's Payment Processor Relays the Results back to Dharma/NMI Gateway

After Joe's Payment Processor receives the results, they relay them back to the Dharma/NMI Gateway where the Dharma/NMI Gateway stores the results and then sends them back to the website where Suzi & Joe see the approval or decline.

Joe's Payment Processor

Joe's Payment Gateway Account with Dharma Merchant Services

Joe's Blue Widgets
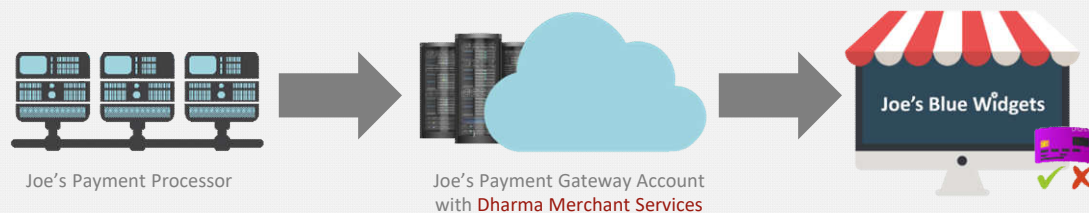
7. Joe Gets Paid

The issuing bank (Suzi's bank) releases the funds to the acquiring bank (Joe's bank). After the settlement period Joe's bank releases to funds to his account where he can access the money.

Suzi's Bank   Joe's Bank

6. Suzi's Transaction was Approved!

Now that Suzi's transaction has been approved, Joe can now send out the blue widget to Suzi.

Joe's Blue Widgets

What Does The Dharma/NMI Gateway Offer?

Understanding the payment gateway's Capabilities

Processing Environments

Core Features

Data Security &
Fraud Detection

Payment Types &
Acceptance Methods

Back Office Tools

Merchant Payment Processing Environments

Our omni-channel platform supports all types of merchant payment processing environments such as ecommerce, retail, mobile, MOTO, restaurant & Apple Pay

Virtual Terminal

Enables merchants to process transactions by submitting credit card and electronic check payments online.

SwIPe

Enables merchants using card readers to accept card-present transactions by installing a lightweight Windows based point-of-sale software application.

iProcess™

Enables merchants to accept mobile payments through a secure application for Apple & Android devices.

Mobile API

Provides developers with a toolkit that makes adding card readers to a payment application seamless and straightforward.

Gateway APIs

Take advantage of our flexible Integration Library that enables you to support ecommerce, mobile and retail payment processing environments for your customers.

Batch Processing

Facilitates processing large quantities of payments efficiently by multi-threading simultaneous transaction requests.

Payment Gateway Core Features

Virtual Terminal
Swipe credit & key-in cards, and checks from your browser

Product Manager
Manage product SKUs & quickly recall products when creating new Virtual Terminal transactions.
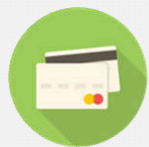
Currencies Accepted
USD, CAD, many international currencies based upon processor integration

Recurring Billing
Setup payment plans & subscriptions without having to collect payment information again
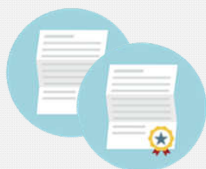
Card Types Accepted
Visa, MasterCard, Discover, American Express, Diners Club, JCB

Reporting Capabilities
Search & get detailed insight into transactions

Payment Gateway Core Features

Manage Multi-MIDs

Board multiple MIDs to a single gateway account to consolidate reporting, manage branches, organize products, Etc.

Customer Support

Our customer support team has extensive gateway knowledge and is here to answer any gateway related questions you have.

Advanced Transaction Routing Interface (ATRI)

Allows a merchant with multiple MIDs on a single gateway account to automatically determine which MIDs to route transactions to based on advanced load balancing directives

Three-Step Redirect API

Reduces a merchant's PCI footprint by eliminating transmission of sensitive payment information.

QuickClick

Allows merchants to quickly & easily link a website to the payment gateway by utilizing a native payment gateway shopping cart solution.
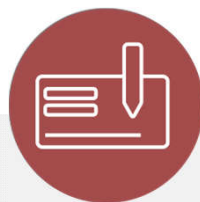
Gateway Emulator

Enables merchants to migrate from other industry gateways to the Dharma/NMI Gateway.

Additional Processing Features
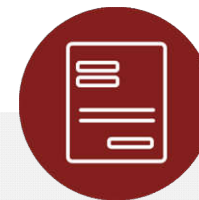
dharma Merchant Services

iSpy Fraud

Real-time fraud scrubbing utility that helps to differentiate legitimate from fraudulent transactions.

Electronic Check

Enables online and traditional merchants to accept and process electronic check payments directly from an ecommerce storefront or through Virtual Terminal.

Electronic Invoicing

Enables merchants to invoice customers via email. Customers can then submit payments by following an embedded link. Invoices are generated with line detailed information and automatically convert to PDFs that are attached and emailed to customers.

Customer Vault

PCI-compliant encrypted and tokenized customer credit card and ACH account data storage. Tokenization allows merchants to process transactions without transmitting credit card or ACH account data.
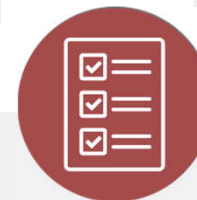
Level III Processing

Level III Processing is used by government and enterprise-level corporations when handling large orders through business-to-business and business-to-government transactions.