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Each day around the world, people complete millions of financial transactions through the computer. These transactions have their origin at a website and made possible by using a payment gateway. This type of transactions involves millions of dollars each day of the year.

Each year the number of financial transactions completed electronically has expanded. They must be able to be completed fast and securely. This primary goal is reached more efficiently with the use of a gateway. The information carried is both valuable and private.

Starting with the customer placing an order at a website or perhaps on the telephone, information about a financial transaction is being transferred. The data supplied by the customer is encrypted. It is encrypted to keep the information which is both sensitive and private safe as it journeys from the website to the server located with the merchant miles away. At the server of the seller, the information goes through another encryption prior to being sent to the gateway. This is done to ensure hackers do not intercept the sensitive data. The gateway will forward the transaction information to a processor located at what is termed an acquiring bank which has the account belonging to the seller.

The data then passes from the processor to the card association which is affiliated with the card. The card issuing bank gets the information so it can make decision about accepting or declining the transaction. Now the process must go in the opposite direction with a coded message containing the acceptance or denial. Starting with the issuing bank, the process is reversed traveling back to association, the acquiring bank processor then through the gateway and then ending with customer or seller. The code will determine if the merchant and buyer can move forward with their transaction. What seems should take a long time actually take mere seconds in real time.

The seller will at the close of the day will bring together or batch all of the transaction approved that day together. He will at this point send them to the bank for settlement. The bank will take the transactions and place a deposit in merchant account. This process will take anywhere from one to three days finish.

The use of a gateway for payments to process financial transactions centers about speed. The approval of payment for a purchase allows the merchant and the customer to complete their transaction. The merchant can collect accounts receivables in fast and efficient method. When receiving payment by way of a check, the merchant had to confront the float time. This is time between the time the customer wrote the check and when it finally clears the bank for payment and in the merchant account. Transactions through [payment gateway services](#) reduces the time it takes for merchant to have the money in their account to a fraction of account.

A merchant using a payment gateway can accept various forms of payment. Credit cards and debit cards are popular form of payment. Some merchants will accept electronic checks which are sometimes referred to as echecks. The merchants enter banking information from the customer including bank routing number and account number to generate the electronic check.

Anytime information is transmitted over the Internet, security and safety become an issue. Most of the gateway providers take measures to assure that the information is secure. The major credit cards providers have set security guidelines with which they must comply. Verification of user data helps to lower the chance of fraud.

Cash flow has always been critical to the life of a business. By using a payment gateway, a business can insure that the cash will be flowing quickly as more and more payments are paid electronically.

Are you looking for payments services? They are crucial for all online business owners. They offer the [merchant account services](#) for you enable you to provide customers a variety of payment options, letting you always [accept credit card payments](#).

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