The Most Expensive Secret in Pest Control

Exterminate lies & boost profits

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An eBook dedicated to the lies, secrets, and delusions offered by major pest control software platforms.

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This eBook is dedicated to the deceptive practices used by major software companies and major payment processors across the United States.

Without your bullying business practices and unscrupulous methods, books like this couldn't exist and we couldn't be the White Knight. We like being the good guy, and you can't be a good guy without a villain.

So, cheers to the villains.

But a bigger cheers to us.

Because good vs. evil and stuff.

A Word of Caution

We are geeks. Some of this may be a bit technical for your liking.

We're going to do our best to get our point across quickly, and at the same time we're going to do our best to land each and every point you really need to know as a pest control company officer or manager.

In light of this and despite everything the marketing guys are telling me as I write this... here's the gist of the book.

You have a choice.

No matter what pest control software you use, or any software for that matter (for the most part), you have a choice.

Competition breeds favorable pricing. Don't buy their nonsense.

Now read on my fearless and soon-to-be-enlightened new friend.

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Part One: The Problem

First off - don't freak out. This will be a quick read and I'm going to do my damnedest to make it interesting. There are lots of secrets to the universe and I don't claim to have many of the answers... but I do have one. And it's a doozy - and it matters to you. A lot.

PestRoutes, Service Pro, WorkWave, and even ServiceTitan - they all have a secret that they don't want you to know.

When you choose a pest control software, you are choosing that software for what the software does - routing, scheduling, marketing, customer management. Chances are you've had the same software for years and you depend on it so much the idea of changing anything at all gives you night sweats.

What all of these pest control software companies just glaze over or offer as a "powerful feature" is integrated payments.

Sure, integrating payments is a great feature - necessary for many businesses in today's environment of speed and

reduced human capital. We wouldn't advocate for disconnecting payments or understate how important it is.

What we would be remiss in not discussing though is the cost of those payments and that one secret that these companies don't want you to know.

WorkWave integrated payments, PestRoutes integrated payments, ServSuite integrated payments, and even ServiceTitan integrated payments offer what we in the industry call "captive payments". They either overtly (in the case of ServiceTitan and WorkWave) don't allow their clients to choose their processor or they make it very difficult to choose your own processor.

They tell you that the software only works with "their" payment "platform", or that there are very specific settings that are required to integrate payments. This is only partially true and believe it or not, most of the people you're talking to believe it to be true.

> **Integrated payments is not a feature. Integrated payments is a money grab that drives software company profits at the expense of its client base.**

They have no idea that there is a secret path to use the pest software and benefit from integrated payments, but also have the freedom to choose their processing partner.

So why would a company force you to use only one payments provider? Why would they aggressively train their service technicians and customer support agents to believe that there was no way to uncouple their overpriced payments services?

Imagine this scenario...

Your business is the ONLY business that offers pest control and the ONLY business that is even allowed to offer pest control services in your geography.

What would your prices look like?

With no competition you wouldn't need to be, well, very competitive.

The pest control software companies get this concept, and their clients are paying for it.

This is half of the secret in the pest software space, but knowing this half doesn't really help that much, does it?

Part Two: The Secret

Here's the truth - the secret that is going to help pest control companies save money on payment processing in their pest software.

Despite what your pest software support techs want to tell you or what their documentation says, you ***DO*** have a choice.

You see, these softwares all work on something called a *gateway*. That gateway can be connected to any processor that knows how to issue those gateway credentials. We'll get into how they store all of those credit card numbers and customer profiles later.

The result of this back-end swap is huge savings. One client went from paying an effective rate of 3.34% with WorldPay - the company that their software provider said they "had to use".

Effective rate is simply the cost of processing payments divided by the total dollar volume processed.

Here's the rub. The company referenced here has been in business for a long time. It's a second generation pest

management company. To build and maintain a business that lasts for generations, you have to be a pretty smart business owner. It's never been more difficult to achieve

> 🧠 **Brain Food:**
> A **payment gateway** is a connector to a merchant account that passes cardholder data to the processor to retrieve approval or denial, and store data for reporting.

success running a small business.

Do you think there is any chance that they signed on at 3.34%? That they agreed to a rate that is OVER 3%? While doing over $200,000 per month in volume during the busy season? If your answer was no, then you'd be right. These owners are tough and tested and they know that while nothing is free and they know when something smells too good to be true, they also know when they're overpaying.

What happened? How did these tough, shrewd business owners find themselves paying 3.34%?

Lack of competition happened. WorldPay, the processor that ServSuite "requires" their clients to use, knew that they couldn't lose the account. Rather than relying on that predictable revenue based on an agreed-upon rate, WorldPay increased their rates.

Not once, not twice, but eleven times. Eleven.

Not only did they increase the rate paid by this client eleven times, but they hid their increases inside hundreds of line items without explanation.

Effective rate is the simplest way to hold your processing partner accountable.

Effective Rate is Your Friend & Ally

Let's run through an example WorldPay statement and calculate effective rate. Below is a screen grab of the area of the statement that shows total fees:

TOTAL FEES	
Processing Fees	316.28
Interchange and Worldpay Fees	2,839.38
Other Fees	605.25
Discount Collected	0.00
Total Fees	3,760.91

In this example, we have Total Fees of $3,760.91. Now we need to get our total volume.

PROCESSING ACTIVITY SUMMARY

Card Type	Settled Sales	Amount of Sales	Settled Credits	Amount of Credits	Amount of Net Sales	Average Ticket	Settled Per Item*	Disc Rate	Processing Fees
AMEXOPTBLUE	116	7,592.93	0	0.00	7,592.93	65.46	0.1000	0.1000	19.19
DISCOVER	38	2,076.83	0	0.00	2,076.83	54.65	0.1000	0.1000	5.87
DISCOVERDEBIT	2	119.88	0	0.00	119.88	59.94	0.1000	0.1000	0.32
MASTERCARD	321	18,393.46	0	0.00	18,393.46	57.30	0.1000	0.1000	50.49
MCDEBIT	230	13,594.11	0	0.00	13,594.11	59.10	0.1000	0.1000	36.59
MCDEBITCAP	134	8,269.16	1	39.94	8,229.22	61.71	0.1000	0.1000	21.81
VISA	559	33,686.24	0	0.00	33,686.24	60.26	0.1000	0.1000	89.59
VISADEBIT	141	8,836.05	0	0.00	8,836.05	62.67	0.1000	0.1000	22.94
VISADEBITCAP	440	25,477.42	0	0.00	25,477.42	57.90	0.1000	0.1000	69.48
Total	1,981	118,046.08	1	39.94	118,006.14	59.59			316.28

Ignore the "processing fees" section. It's a flat out lie.

In this example we have $118,046.08 in gross volume. The rest is easy.

$$EffectiveRate = TotalFees/TotalVolume$$

$$3{,}760.91/118{,}046.08 = 0.0319$$

0.0319 = 3.19%

Let's ignore the fact that this isn't a good rate. It isn't. I get it. Here's what you need to keep in mind.

Two Key Data Points from Effective Rate

1. **The rate.** I know, I know - obvious right? If your rate is above 2.75% you absolutely need to get a professional

in to analyze your statement. If your average transaction is over $50 and you're over 2.5% then you should get someone to take a peek at your statement. There's a chance you have some hidden fees in there.

2. **Changing Rates.** The rate itself is one data point, but keeping an eye on how your effective rate changes month to month or over time is just as important. While month-to-month fluctuations will happen if you're not on a flat rate program, it shouldn't be drastic and it shouldn't be trending upward over time.

Each month, you could spend 30 seconds keeping tabs on one of your biggest expense line items and hold them accountable to the deal you initially struck.

The challenge is that life gets in the way and things get lost. Or, what many processors are doing, they make it hard for you to even access your statement. These two things make it hard to access the information you need to even do this simple calculation.

Part Three: Knowledge is Power

L et's say you do the calculation and you realize that you're being taken advantage of. What do you do? You can call (and assuming you get through) and yell at someone (assuming you get a human), demand they reduce your rate back to what you agreed...

But what if they don't?

When you can't switch without basically trashing one of the key functions of your software, you're stuck.

You don't have any leverage.

Without knowing how to keep your payments integrated to your software you're stuck. And they know it.

There is hope though...

Earlier in this book, we mentioned that all of these platforms run through a gateway. The gateway then connects to the processor.

Some of them even have legacy connections they don't want you to know about.

Here's how it works for ServSuite & PestRoutes:
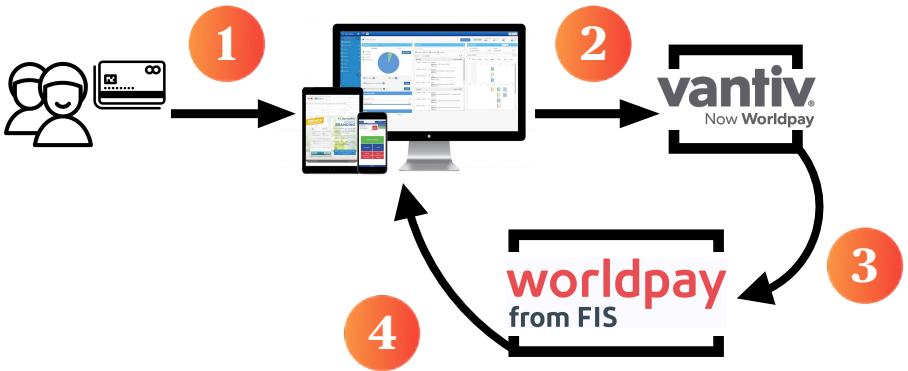
1. Customer card information is entered into the software.

2. The software sends the cardholder information over to the Vantiv Integrated Payments Gateway.

3. The Gateway hits the payment network and obtains an authorization.

4. The authorization turns the cardholder information into a "token" and links the gateway token to the customer profile in the software.

From your perspective, what you see on your statement, it's a little simpler. You just see a billing amount from your software company and a monthly statement from WorldPay. The gateway costs are either built into your processing rate or you're paying separately (it will appear as TransForm Tokenization on your statement).

WorldPay does this on purpose. They merged with Vantiv because Vantiv was REALLY good at creating captive processing relationships.

The last thing they want the Vantiv clientele to know though, is that the Vantiv VIP gateway can connect to more than just WorldPay.

This is the code that we cracked.

Part Four: The Solution

You've made it. We've gone over The Problem, The Secret, The Knowledge, and now finally, we are going to hit The Solution. Here's the gist: because your software uses the VIP gateway, a knowledgeable IT team can not only swap the endpoint (the processor to which it connects) but even keep all those card numbers intact so your conversion is just saving money and better service.

The solution to overpriced processing is to make a change. Prior to reading this resource, you didn't know that was an option.

Now you know you can choose.

Obviously, we hope you choose us. We think we're pretty awesome.

Objectively, there are very few people as well-versed in this process and in payments in general.

All that being said, if you want to pursue a change on your own, these are the steps you'll need to follow. If you go with us, we'll do 95% of this for you.

Steps to making a processor change in most pest control software applications:

If you're tired of overpaying for processing and not being able to choose your payments partner based on their merits, this is what needs to happen:

1. **Statement Review** - no sense in going through a process, no matter how easy it may be on your side, if it's not worth it.

   Look at your statement yourself using the technique in Part One - if you're over 2% (or any amount if you want to get more insight on your pricing) get someone experienced with payments to dig into it and give you a detailed analysis. We do this for free and with no obligation.

   Make absolutely sure that whomever provides you a proposal or analysis is factoring in the VIP gateway costs - these are necessary to connect your software to the processor and there is a monthly fee and a transaction fee for this service.

2. **Obtain a new merchant account.**
   This is going to require an application and risk approval. Pest control is notoriously low risk, and the account should be approved same day or within a few days at most.

   Make sure that the MCC code listed on your application is 7342 and that the acceptance method is AT LEAST 75% CNP (stands for card not present - if this isn't

completed, then Visa will downgrade - make more expensive - many of your recurring payments).

3. **Create a tokenization test customer.**
The most critical part of this process is to ensure that the tokenization is working prior to closing out your old processing account. You need to create a new customer with a brand new card (one not previously used). We'll use this customer to test that tokenization cloning was successful.

4. **Build the file & get parameter sheet.**
Once you have an active merchant account, you'll need a file build and parameter sheet. This will give the gateway the "codes" on how to connect to your new merchant account. There should be a 16-digit and a 12-digit POS ID as well as a seven digit terminal ID plus several other pieces of identifying information that we'll need in the next step.

5. **Create the gateway.**
If you are not transferring cardholder data, this step is easy and is the final step. Connect your new processing account to the VIP gateway. You'll be sent a login to the VIP gateway which includes your free virtual terminal. From there you will need to get your processing credentials and enter them into your software.

6. **Cardholder data conversion.**
Once the gateway is created, you have a set of new identifiers that can be anchored to your cardholder data. Because your old gateway is no longer useable, the tokens will need to be cloned over to the new ID. Work with WorldPay to do this as the tokens are stored on

their servers. Failure to do this conversion will render all of your stored cardholder information unusable.

7. **Test transactions.**
   Create a new test customer using a credit card that is NOT on file. Run a transaction and obtain an approval. Check with your processor that they can see it on their side.

   Now test the transfer customer that we created in #3. Load up that customer profile and process a payment on that customer without entering any new credit card information. This is testing to see that the cardholder data was transferred successfully.

8. **Verify deposits.**
   Now that you've done test transactions, confirm your deposits. If you've done other transactions (after all business doesn't take vacations), check with your processor on the contents of the deposit and balance against charges run. They should be equal.

   If they aren't, it is most likely because transactions were taken after the cutoff time for next day funding.

9. **Close old account.**
   If you don't cancel your old account, you will absolutely 100% get charged a bunch of nonsense fees. We have seen balances into the thousands of dollars get accumulated for failure to close old accounts.

There you have it. It may seem complex, but with the right team behind you, it's a sure path to saving money on your payment processing even inside your software AND often will get you much better customer service.

Part Five: It's Go Time

You've learned why your processing fees may have increased over the years and why keeping you in the dark is a secret recipe for the increased profits of your processing partner.

You've been shown the light and now, you're ready to take advantage of your newfound information to benefit your business.

Take control of your payment processing - choose the partner YOU want to work with.

How Much Could You Save?

Saved over $960 per month

Saved over $180 per month

About the Author

Carrington Fisk is a Certified Payments Professional and advanced payment processing expert specializing in busting myths for small business owners.

He focuses primarily on integrated payments in a card-not-present, recurring environment and has authored connections to several formerly proprietary software systems including PestRoutes (now FieldRoutes) and ServicePro's ServSuite.

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