

CHAPTER 4

# Setting up a payment gateway



## Contents

### Setting up a payment gateway

Introduction	2
Why you need a payment gateway	3
Choosing a payment gateway	3
Make sure you're PCI compliant	4
Integrating a payment gateway	5
Find out more about going online	7
About PayFast	7

## Introduction

The PayFast Guide to Going Online is a comprehensive ebook to help aspiring entrepreneurs such as yourself turn your hobby into a successful online business.

In this fourth chapter of the guide, we explain why you need a payment gateway, how to go about choosing one and how to integrate it into your ecommerce store. Within this chapter you'll also find valuable tooltips to assist you in selecting the perfect payment solution for your ecommerce website.

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## SETTING UP A PAYMENT GATEWAY

Before your online store opens for business you need to integrate a secure payment gateway to receive online payments. A payment gateway **acts as the link between your website and your customer through which the secure payment data flows through.**

The term payment gateway is generally used as an overarching term that includes payment solution, payment platform, payment aggregator and payment facilitator.

### Choosing a payment gateway

While different payment gateways offer different services, generally they should all give you peace of mind that your customer's **payments are being processed safely and securely.**

Depending on the size of your business and what your needs are, there are a variety of options to choose from.

### Tooltip: Payment gateway checklist

Here are some important things to look for when choosing a payment gateway:

- Are they PCI-DSS Level 1 Compliant, to ensure that all of your customers' credit card payments are done in our secure environment?
- Do they offer 3D Secure on all card payments?
- What are their fees, for example do they have monthly fees and/or a per transaction fee and any hidden fees?
- What ecommerce platforms do they integrate with or have 3rd party plugins for?
- What additional services do they offer, and are these free or do they come at an additional cost?
- Do they offer multiple payment methods?
- Do they offer local after-sale and customer support?
- Do they have good reviews online by merchants and customers?

To receive online credit card or debit card payments, you need to have an internet merchant account with one of South Africa's main banks.

If you're a new business it can be a rather cumbersome process to set this up because you'll need to meet a certain criteria to be approved, including providing proof of being active for at least six months and proof of income. You'll also need to complete tedious paperwork.

A benefit of choosing a payment gateway like PayFast is that you can **sign up** and start receiving payments without the need for a merchant bank account.

## Make sure you're PCI Compliant

PCI DSS stands for Payment Card Industry Data Security Standard and is a PASA (Payment Association of South Africa) regulation in South Africa, meaning that **any website that accepts credit card payments on their website needs to be compliant**. So as an online store owner you'll be required to process cardholder data in a secure environment.

### ★ **Pro tip: Let your payment provider handle your PCI Compliance**

Choose a PCI Compliant online payment gateway so that all of the above is taken care of to protect you and your customers' information. PayFast is a PCI-DSS Level 1 Service Provider, so when a buyer makes a payment on your website they will be redirected to our payment page where they will enter their card details within a secure environment.

Once payment has been made, your customer will be redirected back to your site. PayFast takes PCI Compliance very seriously and through the redirect payment procedure, you don't have to worry about being compliant because you'll never handle card details directly on your website.

**PayFast is a PCI-DSS  
Level 1 Service Provider**



**PCI-DSS Level 1  
Service Provider  
Compliant**

## Integrating a payment gateway

There are several ways websites can integrate into a payment gateway. Some require developers to be involved and are complex, while others work with pre-built shopping carts, that usually just require an ID and other basic information from the gateway, in order to be integrated.

### Tooltip: Setting up your PayFast account and integrating it into your online store



#### Step 1

[Sign up for a free PayFast account](#) and upload the required identity documents to get verified - this will enable you to receive credit card payments. It's important to submit your documents as soon as possible to ensure our Customer Services team can verify them for you before your online store goes live, on average it can take up to two business days. For more information about the verification process, [read this knowledge base article](#).



#### Step 2

Integrate your PayFast account with your website to receive online payments. For instructions on how to do the integration with your specific ecommerce platform, [visit the PayFast shopping carts web page](#) and search for your platform. Here you will find a link to the appropriate knowledge base article with step-by-step instructions.

For a custom integration, visit the comprehensive PayFast Developer Docs for instructions on how to quickly integrate PayFast into your custom website: [developers.payfast.co.za/docs](https://developers.payfast.co.za/docs)



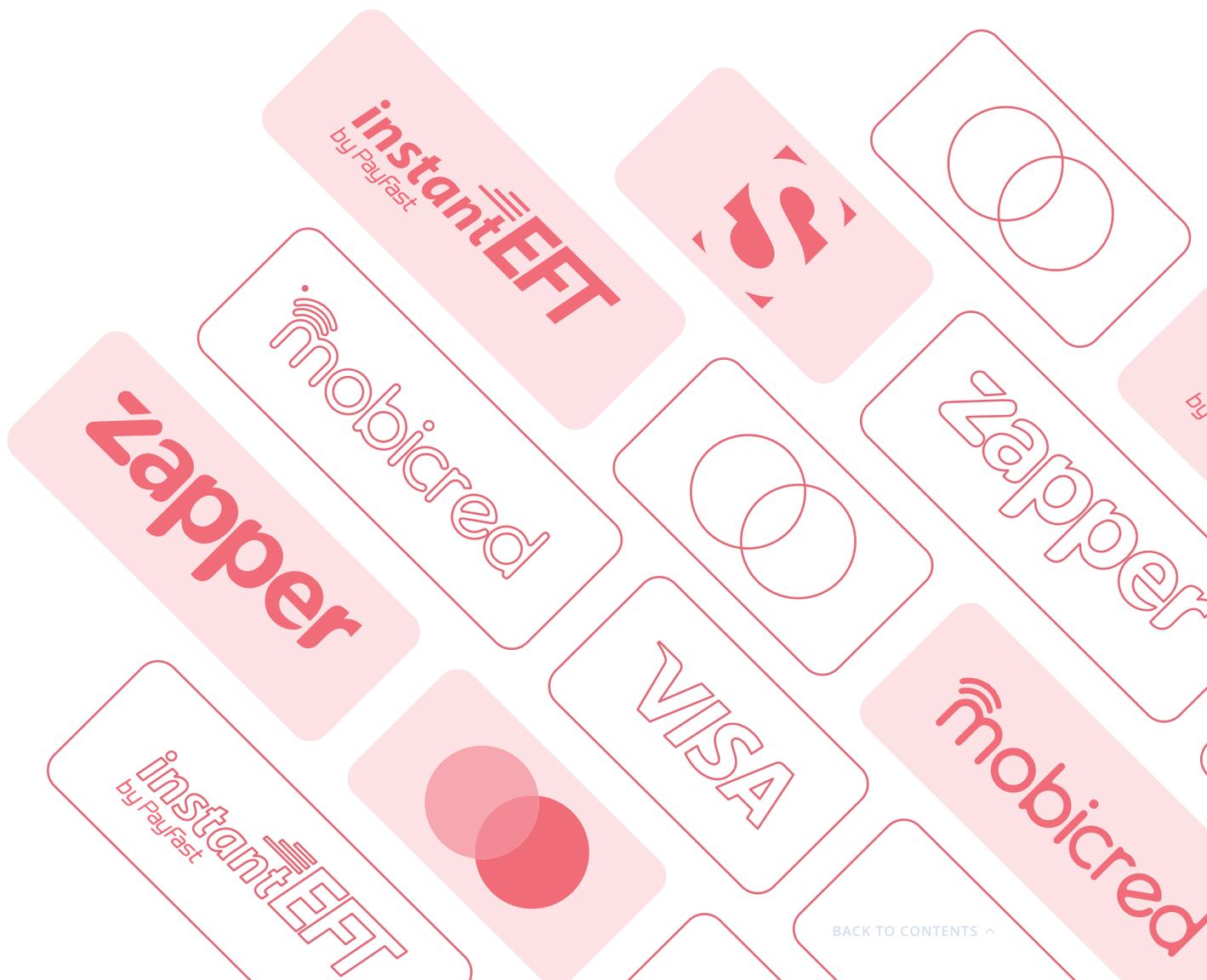
#### Step 3

Once the PayFast integration is complete, test it to ensure that your customers get redirected from your website to the PayFast payment page.

## Pro tip: Activate a variety of payment options

To cater to all of your customers' payment preferences, we suggest activating a few – if not all – payment methods that your payment gateway offers. This will allow your customers to choose their preferred payment method at checkout, and give them a backup option if for some reason their first choice is experiencing an issue, for example if OTPs are delayed for credit card payments.

Allow your customers to choose their preferred payment method at checkout





## Find out more about going online

To find out more about getting your business online, download the entire PayFast Guide to Going Online or any of the individual chapters that may be relevant to your online business.

### [Download the entire PayFast Guide to Going Online](#)

Download the individual chapters:

[Chapter 1: Developing your business plan](#)

[Chapter 2: Managing logistics](#)

[Chapter 3: Building your online store](#)

[Chapter 5: Marketing your online store](#)

[Chapter 6: Converting visitors into customers](#)

[Chapter 7: Capitalising on shopper trends like Black Friday](#)



## About PayFast

PayFast is a leading online payment processing solution for individuals, non-profit organisations (NPOs) and businesses of all sizes in South Africa. Over 80,000 merchants from a variety of South African businesses, big and small, have registered with PayFast to process and manage online payments made by their customers.

Visit [payfast.co.za](https://payfast.co.za) and follow us on:

