

7 Misconceptions about Accepting Online Payments

Our friends and partners at LawPay have graciously contributed this blog post to alleviate concerns about accepting online payments.

Advances in payment technology over the last few years have made it easier than ever for consumers to buy goods and pay for services online with a debit or credit card. However, despite the growing number of businesses and professional services providers who are giving their clients the option to pay online, at their convenience, from a computer or smartphone, many lawyers are reluctant to embrace online payments in their firms.

The reality is that offering your clients the opportunity to pay for your services online is a simple, safe, and convenient offering both for you and for your client. In this post, we're going to look at some of the most common misconceptions around accepting online payments in law firms, as well as the truth behind those misconceptions.

Misconception #1: Accepting online card payments is expensive.

It's no secret that accepting credit and debit cards means you'll be charged credit card fees. There is a cost to move money in our financial system, and processing fees cover this cost. But instead of looking at processing fees as an additional charge that accompanies these types of transactions, more and more professionals are accepting these fees simply as a cost of doing business in a modern professional service firm.

Much like paying for your internet connection, practice management tools, and other software solutions you rely on to run your practice, online

payment processing is another cost that more and more attorneys are accepting in order to run their practice as efficiently as possible. Additionally, many attorneys we've talked to have been surprised to find out how affordable online payments actually are to implement in their practice!

Misconception #2: It's hard to implement.

Some attorneys are hesitant to utilize online payments in their practice because they believe that doing so will be complicated and upset their existing workflow. In reality, however, online payments can do wonders to simplify your firm's billing, payments, and reporting processes. Studies have shown that firms that accept online payments get paid 39 percent faster than firms that don't. This increase in cash flow and quick turnaround time helps ensure you're paid quickly and that outstanding receivables don't carry over to the following month.

Additionally, online payments will display on your account as a pending charge almost instantly, with funds deposited in full within one to two business days. While some online payment providers will debit their fees before depositing money into your account, other solutions like LawPay will deposit 100 percent of your transactions into your account and will debit their fees all at once from your operating account at the beginning of the following month. This makes it easy for you to maximize cash flow in your firm and simple to reconcile client payments when you do your bookkeeping.

Misconception #3: Clients don't care if they have an online payment option.

The convenience and increasing pervasiveness of online payments is not just giving consumers more payment options—it's also affecting the way they think about paying for goods and services and their preferences. According to a recent survey, 75 percent of people prefer to pay with a

credit or debit card, while 74 percent reporting paying their bills online. Additionally, more than half of consumers say they don't use, or rarely carry, a checkbook. Requiring your clients to pay for your services with a paper check is actually a more complicated and inconvenient experience for them.

When you give your clients the option to pay you online with a credit or debit card, they're able to pay you quickly, conveniently, and on their terms. Consequently, you get paid faster while giving your client the exceptional customer service experience they've come to expect from modern businesses and service providers.

Misconception #4: It's unprofessional.

Many lawyers we've talked to over the years have stated that they think credit cards are a perfectly acceptable way to pay for goods in a retail store or at a restaurant, but not for professional services such as theirs. This thinking, however, does not align with the way that your clients view payments.

Attorneys who fail to offer online payment options to their clients risk being seen as out of touch or unprofessional. Most consumers these days—79 percent to be exact—expect professional services providers, like lawyers, to offer the same payment options that large national retailers provide, like Amazon.

This is especially true among younger clientele. 61 percent of 18- to 24-year-olds never write checks. So if you're hoping to bring in new clients to your firm, you need to offer the payment options they're used to if you want to make sure you aren't viewed as being behind the times.

Misconception #5: It's technically complicated.

Many lawyers assume that implementing online payments in their firm will require them to be extremely tech savvy. In reality, however, utilizing online

payments is, in most cases, as simple as copying and pasting a link.

Online payment solutions that are well-designed are specifically built to be intuitive and easy-to-use for any professional. For example, many solutions allow you to copy and paste a secure payment link in your emails or invoices. This gives your clients a simple way to click and pay, with no coding or technical prowess required on your part. Many online payment solutions can also show you how to quickly and easily add a link to your website where your clients can click and pay. And remember—the best solutions will have a friendly, responsive support team ready to support you and answer any questions you might have.

Misconception #6: It's not secure.

When it comes to accepting sensitive data online, like credit card numbers, professionals are right to be diligent when it comes to matters of security. However, offering clients the opportunity to pay through a secure online payment solution can actually help improve security in your firm.

Think about your office for a minute—do you have paper checks in or out of envelopes sitting on desks? Or credit card numbers written on post-it notes attached to client files? All of these habits are risky and open your firm up to huge liability if your office security is ever compromised.

By making the switch to online payments, you get this sensitive data out of your office and into the hands of providers who are well-equipped to protect it. Just make sure that when you're choosing an online payment solution, you work with one that's PCI Level 1 certified—the highest designation available.

Misconception #7: It's not compliant.

While consumers are expecting the same payment options of lawyers that they are of other professionals and retailers, they may not realize that law firms aren't run the same as other businesses—especially when it comes to

ensuring trust accounting compliance. Because of this, many lawyers are hesitant to accept credit cards in their practice, as they want to ensure they're remaining compliant with trust accounting rules and regulations.

The great news is that there are legal industry-specific payment companies that have built their solutions specifically for attorneys. Solutions like LawPay were designed to ensure that earned and unearned fees are always properly separated, and that attorneys' IOLTA accounts are always protected against any third-party debiting. By working with a company that truly understands the way law firms work, you can benefit from the convenience of accepting online payments and feel confident knowing that your payments will always be handled correctly.

Consumer expectations are shifting rapidly. If you want to provide your clients with an exceptional customer service experience and be seen as a modern attorney, offering online payments is no longer optional. Fortunately, making the shift to online payments is truly a win-win both for you and your clients. By partnering with a legal industry specific solution like LawPay, you can improve your workflow, get paid faster, and improve security in your firm.

And to make things even easier, LawPay is already directly integrated into TimeSolv. As a TimeSolv user, you can seamlessly accept payments through LawPay without having to manually enter payments or leave the TimeSolv platform.

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