

Improving Technologies – The Evolution of Online Payment Options Within the Legal Industry

It took a while for the legal industry to embrace online payments. Even as these options became common business practices, law firm leaders resisted. Based on apprehensions about high costs and concerns about ethical responsibilities, attorneys consistently hesitated to implement online payment options. It was not until the early 2000s that these payments started to emerge within the legal industry, and since then, technology has changed in various ways.

This post will take a look at that evolution and examine the improvements that drove the introduction of newer online payment tools.

PayPal

Many law firms started their journey into online payments with platforms like PayPal. As the grandfather of credit card payment services, PayPal carried a level of credibility that lawyers trusted. During these early times, in particular, clients were wary of handing over their payment information online. So, PayPal's name recognition made it a viable option for firms. In addition, it offered a simple set up. Firms could easily send generalized invoices to clients via email. These messages included a link that clients could visit to quickly make payments.

While the convenience of PayPal made it an attractive option, other details made the app less than optimal. First, it proved to be quite expensive. PayPal uses percentage-based processing fees, which could add up to significant costs for law firms, especially in jurisdictions where these costs cannot be passed on to the client. The other downside was the lack of

compliance tools. Because PayPal is not specifically designed to handle law firm online payments, it lacked any tools to help attorneys manage relevant ethical responsibilities.

QuickBooks

QuickBooks was another early online payment option commonly used by law firms. In addition to its accounting tools, the platform allowed firms to receive credit cards. Much like PayPal, QuickBooks provides firms with the convenience of sending a pay-enabled invoice that clients can pay online through a Pay Now button using a credit card, debit card, or ACH bank transfer. Another similarity was QuickBooks' positive reputation amongst consumers, which made it an appealing option for attorneys.

Unlike PayPal, QuickBooks required a monthly fee in addition to their per-transaction fee, which once again, brings cost into the discussion. The platform also does not offer specific tools to assist law firms with their state-mandated responsibilities.

Venmo

As online payments became increasingly more popular, some attorneys began considering peer-to-peer payment solutions like Venmo. This decision was partly driven by a younger generation of legal consumers that preferred these payment options due to their convenience and ease of use. But that convenience did not make up for the platform's numerous shortcomings when it comes to law firm needs. Those include:

- Low transfer limits place a maximum on how much money can be transferred each week
- Fees charged by peer-to-peer systems can prove expensive and prohibitive
- A requirement that the sending and receiving party have the same app
- Extensive privacy concerns that create security concerns for law firms

LawPay

LawPay was introduced as the legal community's solution to online payment processing. Its approval as a Member Benefit of 48 state bars made it a trusted tool for thousands of attorneys. LawPay offered attorneys a tool for ensuring that earned and unearned fees were properly separated. It also provided protection against third-party IOLTA debits.

With LawPay, law firms attach a secure payment link to their website, client emails, or invoices. Through the provided link, clients can quickly and easily pay with a click. In addition, its integration with numerous legal billing platforms made it easily accessible and usable by a vast number of attorneys.

Yet, even with the numerous benefits of LawPay, there was still room for improvement. Some firms found LawPay to be a costly expense for their larger clients. There are also several new innovations that the platform doesn't offer.

LexCharge

LexCharge also specializes in payment processing for law firms, which includes IOLTA account considerations. In addition, LexCharge offers law firms a recurring online payment option that automates the collection process and helps firms get paid faster. These innovations are aimed at helping law firms solve for low collections. The average law firm has thousands of dollars in uncollected invoices at any given time. The recurring payment option offered through the LexCharge platform helps alleviate that problem.

LexCharge also featured transparent pricing, which had been missing in most of the previous online payment options. They do not require a monthly fee, nor do they charge any card network surprise fees, which is very attractive to law firms.

TimeSolvPay

TimeSolvPay is one of the latest and most innovative online payment technologies to hit the scene thus far. Backed by TimeSolv legal billing, the platform comes with more than a decade of proven reliability, positive client reviews, and top-notch security features.

Like LexCharge, TimeSolvPay offers a recurring online payment option and secure storage of client payment methods. But they take the feature a step forward with a unique batch billing process. With batch billing capabilities, law firms can process numerous client payments with just a few clicks of a mouse. In minutes, rather than hours or even days, firms can process numerous payments to instantly improve their collections.

The Current Efficiencies of Online Payments

Online payment options within the legal industry have come a long way. What started with the limitations of PayPal has progressed into the numerous benefits of TimeSolvPay. To learn more about TimeSolvPay, click [here](#) to schedule a free consultation.