

# New card payments startup give SMEs the tools they need to thrive

[Yoco](#) has announced the launch of its integrated card payment and point-of-sale solution for small and medium-sized businesses (SMEs). After a successful beta programme, including over 500 merchants actively transacting on the platform and growing in double-digits every month, [Yoco officially launched](#) in October 2015.



The dynamic technopreneur founding team behind Yoco consists of Katlego Maphai (Managing Director), Carl Wazen (Commercial Director), Bradley Wattrus (Risk and Compliance Director) and Lungisa Matshoba (Technology and Product Director).

## Easy payments, real-time access to data

Yoco is an easy way for SMEs in South Africa to securely accept card payments at the store, or on the go. It offers businesses a choice of two mobile card readers that connect to a phone or tablet (iOS and Android) and transform it into a card acceptance terminal. The solution is designed for businesses that want to accept card payments quickly and simply. Because Yoco runs from a phone or tablet, a merchant only needs a device and an internet connection to operate it.

The solution goes beyond payment processing in that it includes a free point-of-sale app that lets businesses record card or cash payments, track which of their items are selling and manage their staff. In addition, a free business intelligence dashboard, the Yoco Business Portal, gives merchants access to extensive business intelligence from their transactional data, enabling business owners to monitor business performance and conduct business administration.

Yoco solves the problem of access and provides these small businesses with a basic point-of-sale and business analytics service. A young business can easily find itself working off paper to track sales. A business owner is able to use the real-time data generated by payments to analyse key trading times, staff sales performance and other key information that they are able to use to run their business more efficiently and strategically.

## Lack of sales history no longer needs to hamper SMEs

Hundreds of thousands of SMEs and sole traders in South Africa don't accept cards because services such as these are traditionally only offered by banks. Applying for credit card machines can be lengthy, complicated and expensive making them prohibitive for small business owners to access.

"With over 75% card penetration among adults in South Africa, a lack of technology service to this market is a factor holding back the growth of the SME sector," says Bradley Wattrus, Yoco Financial Director. "The traditional card machine fees are prohibitive for smaller businesses and the institutions place a lot of weight on trading history and steady transaction revenues to assess risk. Many of these businesses have to wait weeks to get a card terminal from a traditional institution," adds Wattrus.

"Any business can sign up for Yoco online and they can be up and running within four working days. You don't need a sales history to qualify and 90 per cent of applicants meet the criteria to qualify, which is the highest approval rate in the country," he continues.

"Since the introduction of mobile point of sale devices across the globe, accepting payments by card has been made substantially easier, cheaper and more convenient. And they have the same level of security as standard point-of-sale devices," adds James Simpson, Country Manager for Visa in South Africa.

## **Product benefits**

Other benefits of using Yoco is that merchants can link it to their own bank account, they are not locked into a contract. Merchants purchase the reader so they own it and are therefore not liable for penalties if it needs to be replaced. There are no monthly charges and all fees are fully transparent. No complicated equipment, installation and training are required to manage point-of-sale payments.

A period of successful lobbying resulted in Mercantile Bank, a South African bank granting them their license to operate as a payment facilitator. Once Yoco was granted the license, they closed a funding round with international angel investors. In the meantime, they had refined a customer-focused business model and laid out their plans for incubating the business. Once the product was developed, they recruited their core team and got the platform fully certified by Visa and MasterCard.

For more, visit: <https://www.bizcommunity.com>