



# SELF SUSTAINABLE MERCHANT'S PAYMENT METHOD.

## ➤ Project Description:

Merchants face a variety of costs and benefits from accepting cash, debit cards, and credit cards. These costs may be fixed or variable (i.e., depend on the value or volume of transactions), and they may be clearly expressed as fees or, less explicitly, as labour costs. The benefits are not as easy to quantify, but merchants generally value payment methods that are efficient, reliable, and secure, and that will generate sales. And that's where DASH comes in with its open-source project that delivers safe decentralized financial solutions. Dash is like digital cash, which can be spent easily and instantly online and at merchants and service providers worldwide.

The purpose of this project is to provide merchants with an independent method where they can privately, safely and securely do their payment transaction without going through the stress of paper works.

## ➤ **Merchant's Possible Problems with other payment system in Cameroon:**

### **1) Cash Payment:**

When payments are made by cash, funds are settled and received during the transaction. Merchants may thus view the liquidity of cash as a benefit because the funds are immediately at their disposal. However, cash exposes the merchant to the risk of theft, robbery, and counterfeiting, as well as the risk of human error during the exchange. Security measures (e.g., surveillance cameras and security guards), secure storage (vaults and cash registers), and investment in counterfeit- detection training are necessary fixed costs associated with cash. The costs associated with handling cash also make it the most labour-intensive form of payment, since it requires time to prepare cash registers, reconcile cash payments at the end of the day, and prepare deposits. Smaller merchants may have their employees deliver cash deposits to the financial institution, while larger merchants often require armored transportation services to make deposits on their behalf. In addition to labour costs, financial institutions charge fees for cash deposits, cash withdrawals, and coin ordering. These fees are set by the merchant's financial institution according to the package of services provided. Merchants may also wait a few days before making cash deposits at their financial institution, and it may be one to two business days before their account is credited. They therefore incur an opportunity cost from not earning interest on their cash holdings in registers and vaults or while it is in transit.

### **2) Mobile Network Company ( MTN and Orange):**

With the world gradually moving into the “Age of Digital Currencies”, Mobile network companies like MTN and Orange in Cameroon have join the race and ceased the opportunity from banks and local transaction payment by creating MTN Mobile Money (MoMo) and Orange Mobile Money respectively. With or without internet many Cameroonians have quickly adopted the system as they can easily transfer money and pay for services anywhere and anytime of the day. But the problem with this digital payment method for both merchants and individuals lies: **In the transaction fee (expensive as the amount to be transacted increases), less secure and also a limit to the amount of money to be transacted and also store in your account and also heavy transaction by merchants or individual requires the permission or document from the main office located in that area.** These issues have put many merchants into a difficult position.

### **3) Card Payment:**

Unlike with cash payments, merchants require payment processing services from a financial institution or a third party when they accept debit cards or credit cards. (In this role, the financial institution or third party is known as an “acquirer.”) Merchants often rent point-of-sale (POS) terminals from an acquirer and pay for maintenance and upgrades, although some of the larger retail chains, such as department stores,

own POS terminals and customized software. In addition to the fixed costs related to POS terminals, merchants pay a monthly fee for the communication lines used to connect to the card networks. In terms of variable costs, merchants incur a set fee for every debit card transaction and a percentage fee for every credit card transaction. The credit card fee, known as the merchant's discount rate, is applied to the total value of the transaction.

Despite the problems faced by merchants with these payments method, most merchants perceive cash as the least costly form of payment and, in comparison, find card payment (debit cards and credit cards) the most costly.

### ➤ **Merchant's Independent solution:**

One solution for this problems "DASH" the digital cash, which is coming in to fill the loopholes and take away the worries faced by merchants.

And how does Dash turn to solve the problems faced by merchants;

- Nearly unlimited transaction speed
- Secure of funds
- Free wallets to receive and send funds
- Instant send and private send
- A decentralized API which allows users/merchants to access the network securely
- Safe and stored transaction records.

### ➤ **How will we do it:**

Getting merchants to change from their previous payment system to adopt dash won't be a problem provided they have a community which is ready to accept the change as well and also ready to spend dash at their shops and store or shopping mall. So to do this, the project will be divided into two phases;

**Phase 1-** Educating the general public on dash, its advantages and ways of receiving and spending dash.

Steps to carry out:

- **Lectures on DASH payment method to 6 universities institutional in the southwest region of Cameroon.**
  - 1) University of Buea (UB) - [www.ubuea.cm](http://www.ubuea.cm)
  - 2) Catholic University Institute of Buea (CUIB) - [cuib-cameroon.org](http://cuib-cameroon.org)
  - 3) Higher Institute of Management (HIMS) - [www.himsbuea.org](http://www.himsbuea.org)
  - 4) PanAfric university - <https://pau-au.net>
  - 5) Landmark University and - <https://lmu.edu.ng>
  - 6) Trustech University - [www.trustech.org](http://www.trustech.org)
- **Survey on the general Public.**

**Phase 2-** Engaging and educating merchants to use and adopt dash as an independent payment system.

Steps to carry out:

- **Lectures DASH payment method to merchants (at least 10 merchants/day).**
- **Survey on merchants.**
- **General merchant assembly.**

### ➤ **Project objectives:**

Our goal is to use “one stone to kill two birds”. We aim on achieving our goals within the period of 3 months, with Phase 1 taking the first month and Phase 2 taking the rest of the months because getting merchants to adopt dash as a payment is our main priority.

### ➤ **What’s in for Dash Network?**

- The dash network will benefit from the wider adoption and the use of DASH.
- Also thousands of new members (customers) and also hundreds of merchants that will be prepared to contribute in the DASH ecosystem that currently exist.
- Because we will be educating a generation of young people that will serve as agents for the massive adoption of DASH in our country, leading us to the future of economics.