

PayFacto

The Hidden Costs of Card Payments in the UK

A Practical Guide for Hospitality & Retail Operators

Updated March 2026

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Executive Summary

Purpose

This guide helps hospitality and retail operators understand where card payment systems quietly create operational friction and unnecessary costs—and how modern setups reduce risk, improve reliability, and restore pricing clarity.

What's at Stake

Even when payments «work,» small inefficiencies can affect:

- Speed of service during peak hours
- Staff confidence and training time
- Monthly operating costs
- Customer experience and repeat visits

The 7 Core Risk Areas

1. Slow transaction speeds
2. Connectivity dropouts & failed payments
3. Outdated card terminals
4. Confusing fees & long-term contracts
5. Poor support during live trading
6. Systems not designed for peak environments
7. Not knowing if your setup is competitive

How Modern Operators Respond

They prioritise:

- Transparent, readable pricing models
- Local, consistent support teams
- Payment systems designed for high-traffic, real-world trading

Next Step (Optional)

A short, no-obligation review of your current setup can clarify:

- Where your costs are coming from
- Whether your pricing and support model remains competitive



Practical Insight

This review is designed to provide clarity, not push a provider change.

A Practical Guide For Hospitality & Retail Operators

For most UK businesses, card payments are treated as a fixed cost of doing business. As long as transactions go through, the system is rarely questioned.

In reality, payment infrastructure quietly shapes:

- Your operating costs
- The speed of service at peak times
- Staff efficiency and morale
- Customer experience and retention

This guide explores the most common hidden cost drivers in card payment setups across hospitality and retail, and how modern operators reduce friction, improve reliability and regain control of their processing costs without disrupting daily operations.

This is not a product brochure. It is a practical, operational framework designed to help you evaluate whether your current setup is actively supporting your business or holding it back.



Why This Matters Now

The UK payments landscape has changed significantly over the past five years:

- Contactless usage now dominates in hospitality and retail
- Customers expect near-instant checkout
- Multi-location operators rely on centralised reporting and predictable pricing
- Connectivity challenges remain common in older buildings and high-traffic environments

Yet many businesses are still running payment systems designed for a very different trading environment.

The result is rarely a single visible failure. Instead, it shows up as:

- Small delays that create queues
- Inconsistent support when problems arise
- Monthly statements that are difficult to interpret
- Fees that slowly increase without clear explanation

Over time, these frictions compound into measurable financial and operational impact.

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- **uksales@payfacto.com**
- **(0) 800 074 5030**

Problem 1

Slow Transaction Speeds

What's Really Happening

Restaurant Example

During peak dining hours, a few extra seconds per table can back up the host stand and delay order flow to the kitchen.

Retail Example

At the till, slower authorisations during promotions or weekend rushes create queues that reduce impulse purchases.

Older or under-optimised payment systems often rely on outdated hardware, inefficient software, or unstable network paths. Each transaction may only take a few seconds longer but, during peak hours, those seconds stack up into queues, pressure on staff and lost throughput.

Business Impact

- Bottlenecks at the till
- Frustrated customers during busy periods
- Increased staff stress and error rates
- Missed sales opportunities

What Modern Operators Do Differently

High-performance payment environments focus on:

- Optimised authorisation routing
- Modern terminals built for contactless-first usage
- Redundant connectivity paths

The goal is not just speed; it's predictable performance under pressure.

Problem 2

Connectivity Dropouts & Failed Payments

Restaurant Example

In older buildings or outdoor terrace areas, Wi-Fi dead zones can prevent tableside payments from completing.

Retail Example

Stock rooms or pop-up locations often rely on unstable networks, leading to failed transactions at mobile tills.

What's Really Happening

Many systems still depend heavily on a single Wi-Fi or Ethernet connection. In busy environments, interference, bandwidth saturation, or infrastructure limitations can cause intermittent failures.

Business Impact

- Abandoned transactions
- Awkward customer interactions
- Manual workarounds at the till
- Reduced confidence in the payment process

What Modern Operators Do Differently

Resilient setups use:

- Built-in mobile data failover
- Intelligent network switching
- Terminals designed to operate independently of in-store Wi-Fi

Reliability becomes a system feature, not a hope.

Problem 3

Outdated Card Terminals

Restaurant Example

Staff must manually enter amounts instead of using integrated POS flows, increasing error risk during busy shifts.

Retail Example

Older terminals slow down product scanning and payment handoff at the counter, especially for new staff.

What's Really Happening

Older terminals may still function, but often lack:

- Modern user interfaces
- Support for newer payment methods
- Integration capabilities with POS systems

Business Impact

- Slower training for new staff
- Inconsistent checkout experience
- Limited reporting visibility
- A dated impression at the point of sale

What Modern Operators Do Differently

Next-generation terminals are:

- Touch-based and intuitive
- Designed for fast-paced service environments
- Built to integrate directly with POS platforms

This reduces friction for both staff and customers.

Problem 4

Confusing Fees & Long-Term Contracts

Restaurant Example

Multi-location groups struggle to reconcile different rates and fee structures across sites.

Retail Example

Seasonal businesses find themselves locked into contracts that don't reflect fluctuating transaction volumes.

What's Really Happening

Many providers use blended pricing models, layered fees, and long-term agreements that make it difficult to:

- Understand your true processing rate
- Compare providers accurately
- Adjust your setup as your business grows

Business Impact

- Uncertainty around monthly costs
- Hesitation to review or improve your setup
- Paying more than necessary without realising it

What Modern Operators Do Differently

Clear pricing models focus on:

- Transparent rate structures
- Simple, readable statements
- Flexible commercial terms

This allows businesses to make informed decisions based on real data, not assumptions.

Problem 5

Poor Support During Live Trading

Restaurant Example

A terminal failure during dinner service can halt table turnover while staff wait for third-party support.

Retail Example

Queue build-up during lunch-hour outages forces staff to log manual sales or turn customers away.

What's Really Happening

When payments fail, response time matters. Generic call centres and third-party support chains often lack:

- Direct access to your account setup
- Understanding of hospitality and retail workflows
- Authority to resolve issues quickly

Business Impact

- Extended downtime
- Repeated handoffs between teams
- Frustrated staff and managers
- Erosion of trust in your provider

What Modern Operators Do Differently

High-performing operators prioritise:

- Dedicated account teams
- Local, business-hours-aligned support
- Direct communication with technical and billing specialists

The objective is continuity, not ticket numbers.

Problem 6

Systems Not Designed For Peak Environments

In restaurants

Lunch and dinner rushes expose system lag when multiple tables close simultaneously.

In retail businesses

Seasonal sales and holiday promotions overwhelm terminals not built for high transaction volume.

What's Really Happening

Many platforms perform adequately during quiet periods but degrade under heavy load, precisely when performance matters most.

Business Impact

- Slower service during rush hours
- Increased error rates
- Workarounds that compromise reporting accuracy

What Modern Operators Do Differently

Scalable environments are designed for:

- High transaction volume
- Consistent response times
- Stability during peak demand

This allows staff to focus on service, not systems.

Problem 7

Not Knowing If Your Setup Is Competitive

Restaurant Example

Operators rarely compare integrated POS and payments pricing against newer market options.

Retail Example

Merchants continue using legacy rates despite expanding into online or multi-location selling.

What's Really Happening

Most businesses never benchmark their payment setup after initial onboarding. Over time, market rates, technology standards and service models evolve, but the original configuration remains unchanged.

Business Impact

- Missed opportunities to reduce costs
- Delayed technology upgrades
- Acceptance of avoidable inefficiencies

What Modern Operators Do Differently

Proactive operators periodically review:

- Pricing structure
- Hardware capability
- Support responsiveness
- Integration potential

This creates clarity without forcing change.



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The PayFacto Operating Model

PayFacto is built around one core idea: your payment infrastructure should be reliable, clear and so seamlessly embedded in your operations that you barely notice it's there.

Our model focuses on three pillars:

Transparent, Competitive Pricing

- Clear rate structures
- No hidden fees
- Readable, consistent monthly statements

Consistent, Local Support

- One unified team, not agents or third parties
- Dedicated account management
- Direct access to technical and billing specialists

Flexible Payment Environments

- Standalone payment terminals for retail and hospitality
- Fully integrated payments with Maitre'D ePOS
- Scalable setups for multi-location operators

What a Rate & Setup Review Looks Like

A PayFacto review is designed to be practical, not disruptive:

- We analyse your latest merchant statements
- We identify cost drivers and performance constraints
- We outline potential optimisation paths

This process typically takes 10-15 minutes and requires no commitment to change.

The PayFacto Approach

Payments should be predictable, transparent and operationally invisible.



A Final Thought

Card payments are one of the few systems every customer interacts with, every day.

- When they work well, they go unnoticed.
- When they don't, the impact is immediate: on service flow, staff confidence and operating costs.

Taking time to understand whether your payment setup is truly competitive is not about switching providers. It's about gaining clarity.

Get Practical Insight Into Your Setup

If you would like a clearer view of how your current payment environment compares to modern standards, PayFacto offers a no-obligation rate and setup review.

You'll receive:

- A breakdown of your current cost structure
- Practical options for improvement, if relevant.

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