

# High-Risk Merchant Account: An Ultimate Guide

If you own an online business and want to process credit and debit card payments, but have a high volume of chargebacks or bad processing history, you need a high-risk merchant account. In case you do not know what a high-risk merchant account is or if you need one, you are in the right place.

Online merchants who do not process payments cannot succeed in the e-commerce world.

**Studies** show that **87% of UK households made online purchases** within the previous 12 months. It is the highest online purchase penetration rate in the country in the last 11 years.

To obtain a high-risk merchant account, you need a [reliable high-risk merchant account provider](#) to help you with the whole process and increase your chances of securing credit card processing for your high-risk business—but do not worry! We will explain everything here.

This is what you will see in this article:

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## What is a high-risk merchant account?

A high-risk merchant account is a type of account especially designated to high-risk businesses to allow them to process payments such as credit and debit cards. Most payment processors do not accept to provide merchant accounts for high-risk companies due to chargebacks, so high-risk payment processors like [iPayTotal](#) can help to offer merchant services.

## Who needs a high-risk merchant account?

High-risk businesses need a high-risk merchant account. Different factors may put some industries into the high-risk list, but it is the payment processor who decides to classify the business into high or low risk. The criteria are usually related to the volume of chargebacks, fraud risks, processing history and the processing volume of the companies.

Some industries are known for being high risk because of their reputation: the adult industry,

e-cigarette or CBD; however, other sectors surprise people for being high risk because they are very successful, such as the travel industry, the gaming industry or Forex services.

Therefore, if you choose a regular merchant account provider, the process of being approved for a merchant account can be challenging and overwhelming. The best alternative is to find a company that specialises in [high-risk businesses](#) and provides **instant approval**.

***iPayTotal assists you during the whole process of creating your high-risk merchant account, with a 24-48 hour approval.***

[Click here](#) and start the application process right now.

## The pros & cons of a high-risk merchant account

High-risk merchant accounts usually cost more to the merchant. Banks and financial institutions may also charge a rolling reserve because of the risks of fraud and chargebacks. These high charges are inevitable; however, it is advisable to find a high-risk payment processor that can offer you reasonable rates.

Still, there are many advantages for merchants, including: —

### Ability to process online payments

The most significant benefit of having a high-risk merchant account is the ability to process online payments on your e-commerce platform. Credit cards are still one of the primary payment methods within the UK.

According to [Statista research](#), the volume of online credit card purchase transactions amounted to **69 million!** Digital wallets are also more prevalent among customers, opening new payment alternatives for merchants to explore.

### Multiple payment options

Speaking of new payment alternatives, this is also a great benefit for a high-risk merchant account. The payment environment changes fast, and it is vital to stay updated. A high-risk merchant account offers you the possibility to explore multiple payment options beyond credit and debit cards, such as digital currencies, contactless payments and digital wallets.

You can also process payments with multiple currencies, grow your business by selling products and services worldwide and increase profit.

***Gain access to bigger markets with iPayTotal! We provide offshore merchant accounts that allow you to process payments worldwide. [Contact us](#) and find out more about our options!***

## Security

One of the main concerns of online merchants is the high risk of online fraud as well as chargebacks. A study from [UK Finance](#) states that an estimated **£359.3 million of e-commerce fraud took place on cards** in 2019, accounting 76% of total remote purchase fraud.

A high-risk merchant needs to pay special attention to fraud actions and chargeback volume; however, when a payment processor provides the best tools to secure your business, you improve customer experience and assure chargeback protection.

**iPayTotal uses 3D secure processing technology, which offers an extra layer of security to your transactions. Call us today at +44 800 776 5988 and find out more about our secure payment gateways.**

## What are the fees of a high-risk merchant account?

High-risk merchant accounts usually cost more to the merchant. There are inevitable fees you must be aware of before opening a new high-risk merchant account, such as the chargeback fee or the rolling reserve; but the rates depend on the merchant gateway you choose. At **iPayTotal**, we have no cancellation or early termination fees.

## What to consider when choosing high-risk merchant services?

There are many options for high-risk merchants, but it is essential to take time and consider critical factors before choosing a merchant provider.

### Experience

Check how long the payment provider has been on the market, their clients and expertise in the high-risk industry. It makes a huge difference to work with a payment provider that specialises in high-risk businesses because they will understand your specific needs and requirements.

### Reliability

It is essential to know about potentially costly tricks that fraudulent organisations use, and avoid them. Pay attention to possible pitfalls before choosing a new provider and ask as many questions as you need. Make sure your payment provider is reliable and that your money will be secure.

### Service fees

Some fees are inevitable for high-risk businesses, but many payment providers charge excessive and unreasonable fees for merchants. Make sure you choose a reliable provider that values transparency in pricing and charges reasonable and fair fees.

## Flexibility and customisation

A high-risk business needs flexibility and customised solutions. Your payment provider must offer different plans and alternatives that fit the complexity of your business, so make sure you will be able to customise the elements of the payment processing, rates and conditions.

***iPayTotal specialises in high-risk businesses and offers customised solutions for every merchant. Our priority is to help you find the most suitable solution to increase profit and expand your business. [Apply now](#) for a high-risk merchant account.***

## How to apply for a high-risk merchant account?

At **iPayTotal**, the [application process for a high-risk merchant account](#) is easy and fast. You may be required to provide extra documentation, such as bank statements and processing statements, a valid ID and a valid working website.

Once your account is approved, we will set up and provide the relevant integration tests. You can start processing payments within 48 hours, even as a high-risk merchant.

## Final thoughts

Now that you have a clearer understanding regarding merchant accounts that are high risk, you can see that it is not impossible to obtain a merchant account when you are a high-risk merchant. — Still, there are many things to consider before making a decision. Make sure you have the best and most reliable high-risk payment provider with you. Choose **iPayTotal**.

**At iPayTotal, you have the full package. [Contact us](#) today and start processing payments with instant approval for your high-risk merchant account.**