

After explosive growth at Square, Chase launches own version

October 21 2020, by The Associated Press



This Sept. 13, 2014, file photo, shows the Chase bank logo in New York. JPMorgan Chase says profits improved marginally in the third quarter, a notable change after the nation's largest bank had to set aside billions in the last two quarters to cover losses from the coronavirus pandemic. The New York-based bank said it earned a profit of \$9.44 billion, or \$2.92 a share, in the July to September period. (AP Photo/Frank Franklin II, File)

After watching the explosive growth at electronic payment start-ups like

Jack Dorsey's Square, JPMorgan Chase has launched its own version to lure small business owners increasingly relying on technology during the pandemic.

Chase Business Complete Banking with QuickAccept will allow businesses to process card payments almost instantly and have the funds available the same day.

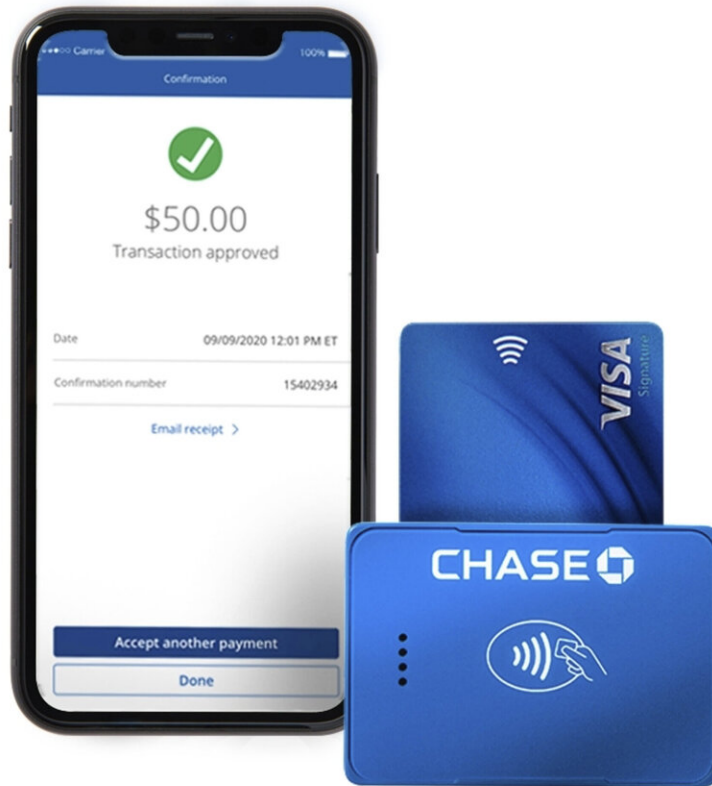
QuickAccept is only available to businesses with Chase accounts and same-day funding is free if the money goes into a Chase Business account, the bank said Wednesday. Chase has more than 3 million small business clients.

Square charges 1.5% plus processing fees for same day funding, according to its website.

Chase for Business, a division of JPMorgan Chase, said the new tool can be activated immediately for U.S. sales through the Chase Mobile app or contactless mobile card reader, which costs \$49.95. There is a monthly service fee of \$15 for the card reader, which can be waived by reaching minimum account balances or meeting other requirements.

Chase's pricing is almost identical to Square's and others—2.6% plus 10 cents for tap, dip, swipe transactions and 3.5% plus 10 cents for manual transactions through the mobile app.

Mobile payment platforms from Square and others had already become ubiquitous at small businesses, from restaurants to farmer's markets. The pandemic has accelerated that trend, with so many small businesses making transactions through a window or other barriers.



This image provided by JPMorgan Chase shows their new electronic payment platform and mobile card reader. After watching the explosive growth at electronic payment start-ups like Jack Dorsey's Square, JPMorgan Chase has launched its own version to lure small business owners increasingly relying on technology during the pandemic. (JPMorgan Chase via AP)

Quarterly sales growth at Square Inc. jumped from an already blockbuster 40% or more to more than 64% in its most recent quarter which ended in June. That growth comes after the company saw sales triple from 2018 to 2019, with projected revenue for 2020 expected to jump another 55%, according to FactSet.

Shares in Square fell 4.6% in afternoon trading Wednesday. Square was founded in 2009 by Dorsey, who is also the founder and CEO of

Twitter.

© 2020 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed without permission.

Citation: After explosive growth at Square, Chase launches own version (2020, October 21) retrieved 29 March 2023 from <https://techxplore.com/news/2020-10-explosive-growth-square-version.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.