Payment Gateway Charge

Commission Management · https://multivendorx.com/docs/knowledgebase/payment-gateway-charge/

Managing payment gateway charges correctly is essential for running a profitable marketplace. In MultiVendorX 5.0, this system is redesigned to match **how transactions actually work in real life**, while ensuring your earnings stay protected.

Why this feature exists

In a real transaction:

- The **customer pays the full order amount**
- The **payment gateway (Stripe, PayPal, etc.) deducts its fee instantly**
- The **admin receives the remaining amount**

This means the admin always **pays the gateway fee upfront**, even before commissions are calculated.

The problem without this system

Let’s say:

- Order value = $100
- Store commission = 70% → $70
- Admin commission = 30% → $30
- Gateway fee = $10

What actually happens:

- Admin receives → $90 (after gateway deduction)
- Store is paid → $70

- Admin keeps → $20

But admin was supposed to earn $30

So admin **loses $10 due to gateway charges**

This loss also includes the portion that belongs to the store’s share.

How MultiVendorX 5.0 solves this

MultiVendorX ensures that:

Gateway fees are recovered from the store’s commission

So instead of the admin absorbing the full transaction cost, the system **balances the deduction during commission distribution**, keeping your earnings intact.

Gateway Fees Settings

This setting allows you to recover the transaction costs charged by your payment provider.

These fees are **deducted from the store’s commission**, so your marketplace earnings remain unaffected.

Default

This acts as a fallback fee when no specific payment method rule is applied.

Example:

- ₹ + 10%

Payment method–specific fees (Dynamic)

Below the default setting, you’ll see a list of payment methods where you can define separate fees.

These payment methods are dynamically pulled from your WooCommerce settings:

WooCommerce → Settings → Payments

This means:

- Only **enabled payment methods** will appear here
- If you enable a new payment method, it will automatically show up
- If you disable one, it will be removed from the list

Example (based on enabled methods)

If your WooCommerce setup has these active:

- PayPal Marketplace → ₹ + 1%
- Stripe Marketplace → ₹ + 2%
- Direct bank transfer → ₹ + 5%

If you later enable another payment method (like Cash on Delivery), it will **automatically appear here for configuration**.

How the calculation works

Let’s take a practical example:

- Total order price = $100
- Marketplace commission = 20% → $20
- Gateway fee = $10 + 5%

Step-by-step flow:

1. Customer pays → $100
2. Gateway deducts fee → $15
3. Admin receives → $85

Now MultiVendorX adjusts the distribution:

- Marketplace commission → $20

- Gateway fee recovery → $15

Total marketplace earning = $35

Store receives = $65

What’s happening behind the scenes

- Admin pays the gateway fee upfront (automatically deducted)
- The system calculates the actual transaction cost
- That cost is deducted from the store’s commission
- Admin recovers the amount and keeps their intended earning

Why this approach is important

- Prevents admin from losing money on transactions
- Ensures fair cost sharing between admin and store
- Supports multiple payment methods with different fees
- Keeps earnings accurate and predictable

In one line

The admin pays the gateway fee first, and MultiVendorX ensures it is **fairly recovered from the store’s commission**, while payment methods and their fees stay dynamically synced with WooCommerce.