



PRIORITY
COMMERCE



How Flat Rate Processing Turned Payroll into a *Growth* Engine with Priority Payroll



< OVERVIEW >

Payroll was the Missing Piece

Flat Rate Processing built its business on helping small and medium-sized businesses take control of their payments. They had the relationships, the trust, and the merchant base. What they didn't have was a payroll solution worthy of that trust.

That gap was costing them. Not just in revenue but in relevance. Every merchant running payroll through a third-party provider was a relationship FRP didn't fully own. When FRP started looking for a payroll partner, the bar was high. It had to be something they could stand behind, something that would make their merchants' lives easier, and something that would generate real recurring revenue rather than a referral fee for someone else's product.



< CHALLENGE >

Good Relationships weren't Enough to Keep Merchants Close

FRP's merchants, mostly small businesses and contractors, were already juggling more vendors than they wanted to. Payroll alone often meant a separate login, a separate support line, and a separate invoice. When something went wrong, nobody knew whose problem it was.

The payroll providers those merchants were using weren't making it better. Complex pricing structures, slow onboarding, and support teams that were hard to reach left merchants frustrated and vulnerable to churn. For FRP, that frustration was an opening, but only if they could offer something genuinely better, not just another product bolted onto the stack.

The challenge wasn't just finding a payroll product. It was finding one that would deepen merchant relationships rather than complicate them; one that FRP's team could confidently sell, support, and build a business around.



< SOLUTION >

A Partner Built for Partners

When FRP turned to Priority Commerce, the difference was immediate.

Merchants who once waited weeks to get set up were live and running their first payroll in an average of just 3 days, with real people from the Priority Payroll & Benefits team walking them through every step. That human element changed the dynamic entirely. For merchants running lean operations, knowing someone would actually pick up the phone and stay on the line until things were right rebuilt the confidence that previous providers had eroded.

The economics shifted too. **Priority Payroll's margin structure came in at approximately 150% above buy rate**, transforming payroll from a grudging add-on into a recurring revenue stream that actually moved the needle.

Beyond the numbers, this solution opened the door to something bigger. Integrated across payments, banking, and

workforce management within the Priority Commerce ecosystem, it gave FRP the ability to offer merchants a genuinely connected experience.

“

Payroll rounds out a diverse product suite that allows Priority Commerce to be a one-stop shop.”



Michael Liu

CEO, Founder of Flat Rate Processing

For merchants, it meant fewer vendors and fewer gaps. For FRP, it meant deeper relationships and a stronger reason to stay.





3 Days

Average Time to
First Payroll Run

150%

Margin Above
Buy Rate

100%

Merchant
Retention

〈 RESULTS 〉

Payroll that Actually Moves the Needle

The outcomes aligned with the vision from the start.
Three numbers tell the story.

3 Days: *Average Time to First Payroll Run*

What used to take weeks now wraps up in days. Faster onboarding means residual revenue starts flowing sooner, and merchants clear the friction point that so often causes early churn before it has a chance to take hold.

150%: *Margin Above Buy Rate*

Payroll isn't a favor FRP does for its merchants. It's one of the more profitable lines in a merchant's portfolio. That margin makes it worth building around and worth actively selling, not just mentioning.

100%: *Merchant Retention*

Every company FRP has onboarded to Priority Payroll & Benefits is still running on it. Not a single merchant has churned. In an industry where payroll providers routinely see 10–30% annual churn, that number is a statement. It reflects what happens when merchants actually like their payroll experience. They stay, and the relationship deepens.

FRP wasn't just processing payments anymore. The company was becoming a core part of how its merchants operated day to day.



< CONCLUSION >

Sticky Revenue. Stronger Relationships. Real Results.

FRP's decision to add Priority Payroll & Benefits wasn't just a product decision; it was a strategic one. By bringing payroll in under the Priority ecosystem, FRP closed the gap between what their merchants needed and what FRP could deliver. The result is a portfolio that's harder to leave, a revenue stream that compounds over time, and a partner relationship built on something more durable than a processing rate.

For ISOs and payment partners looking to grow beyond the transaction, FRP's story is a clear proof point. Payroll isn't just a product add-on. Done right, it's a growth engine.

Ready to explore how Priority Payroll can help you expand your merchant relationships and grow recurring revenue?

Learn more at prioritycommerce.com.



About Priority Commerce:

Priority is the payments and banking solution that enables businesses to collect, store, lend, and send funds through a unified commerce engine. Our platform combines payables, merchant services, and banking and treasury solutions so leaders can streamline financial operations efficiently. To learn more, visit prioritycommerce.com.