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The Forrester Wave™: Global Merchant Payment Providers, Q4 2018

The 11 Providers That Matter Most And How They Stack Up

by Brendan Miller
October 10, 2018

Why Read This Report

In our 20-criterion evaluation of global merchant payment providers, we identified the 11 most significant ones — ACI Worldwide, Adyen, Chase Merchant Services, CyberSource, Elavon, First Data, Ingenico Group, Paysafe Group, Wirecard, Worldline, and Worldpay (formerly Vantiv and Worldpay) — and researched, analyzed, and scored them. This report shows how each provider measures up, and it helps digital business professionals select the right providers for their needs.

Key Takeaways

Adyen And ACI Worldwide Lead The Pack
Forrester's research uncovered a market in which Adyen and ACI Worldwide are Leaders; Worldpay, Worldline, and Paysafe Group are Strong Performers; First Data, CyberSource, Ingenico Group, Wirecard, and Chase Merchant Services are Contenders; and Elavon is a Challenger.

Global Omnichannel Delivery Is The Key Differentiator
As retailers transform their business to serve omnichannel customers, payment providers need to step up to support these transaction scenarios. Vendors that can provide global all-in-one omnichannel acquiring capabilities position themselves to successfully deliver a simpler payment solution to their customers.

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by Brendan Miller
with Fiona Swerdlow and Sara Sjoblom
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Table Of Contents

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The Forrester Wave™: Global Merchant Payment Providers, Q4 2018
The 11 Providers That Matter Most And How They Stack Up

October 10, 2018

Retail Payment Leaders Are Focusing On Omnichannel Experiences

Omnichannel is pervasive: 41% of US online adults used an omnichannel fulfillment method in the past three months while shopping online.[1] But omnichannel is still very much a work in progress for many retailers. Only 35% of retailers say they have the right technology to execute a consistent omnichannel strategy, and just 33% have clear visibility into consumer behaviors across channels.[2] In 2016, our inaugural Forrester Wave™ evaluation of global merchant payments providers revealed that two areas dominated payment decision makers' agendas: Europay, MasterCard, and Visa (EMV) fraud-reducing technology at their point of sale (POS) and new security technology such as tokenization. Fast-forward to 2018. Combating fraud is still important, but supporting omnichannel customer buying and shopping scenarios now tops payment leaders' agendas (see Figure 1).

Merchants that continue to simplistically view payment processing as a cost of doing business and that merely want to eke out another couple of basis points in their next contract renewal will continue to stumble in the age of the customer and miss the opportunities their payment vendors can bring to the table. Instead, retailers and brands selling direct to consumers should look for payment providers that:

› **Deliver next-generation omnichannel capabilities today.** To truly help drive their clients' digital transformation and omnichannel customer experience, payments vendors must go beyond simply tokenizing customer and transaction data for a holistic view of their customer. Instead, Leaders and Strong Performers in this Forrester Wave put the tokenized data to use by delivering unique customer experiences. For example, Adyen automatically recognizes your eCommerce customers in-store when they swipe or dip their card at the terminal. Strong Performer Worldline's "One Commerce Hub" lets store associates create recurring subscriptions for customers on the spot in-store by swiping or dipping a credit card for future transactions and interactions.

› **Simplify the payments stack for merchants while providing flexibility.** Winning payment providers find ways to minimize implementation complexity even in the midst of complex merchant requirements. For any global omnichannel retailer, it's nearly impossible to find one provider that matches its exact global footprint, which ultimately means it has to work with multiple providers and acquirers. Plus, treasury staff or other stakeholders may require that the company use a particular acquirer due to banking relationships in multiple geographies. But as Tamer Shabeen, senior director of omnichannel domain architecture at adidas Group pointedly tells his payment vendors: "I *do* shoes. You *do* payments."[3] He is increasingly unwilling to burden his already overloaded IT team with payments integration and certification work. In response to these trends, leading payment vendors like ACI Worldwide and Worldline are contributing to and adopting common specs like the nexo standards in Europe, which in turn help reduce their clients' integration burdens and payment terminal complexities across the globe.[4]

› **Integrate new value-added business capabilities.** Top payment vendors facilitate transaction data analysis for deeper customer insights, provide new ways to pay that expand a retailer's customer base, and find new means to reduce a merchant's overall risk of accepting payments.

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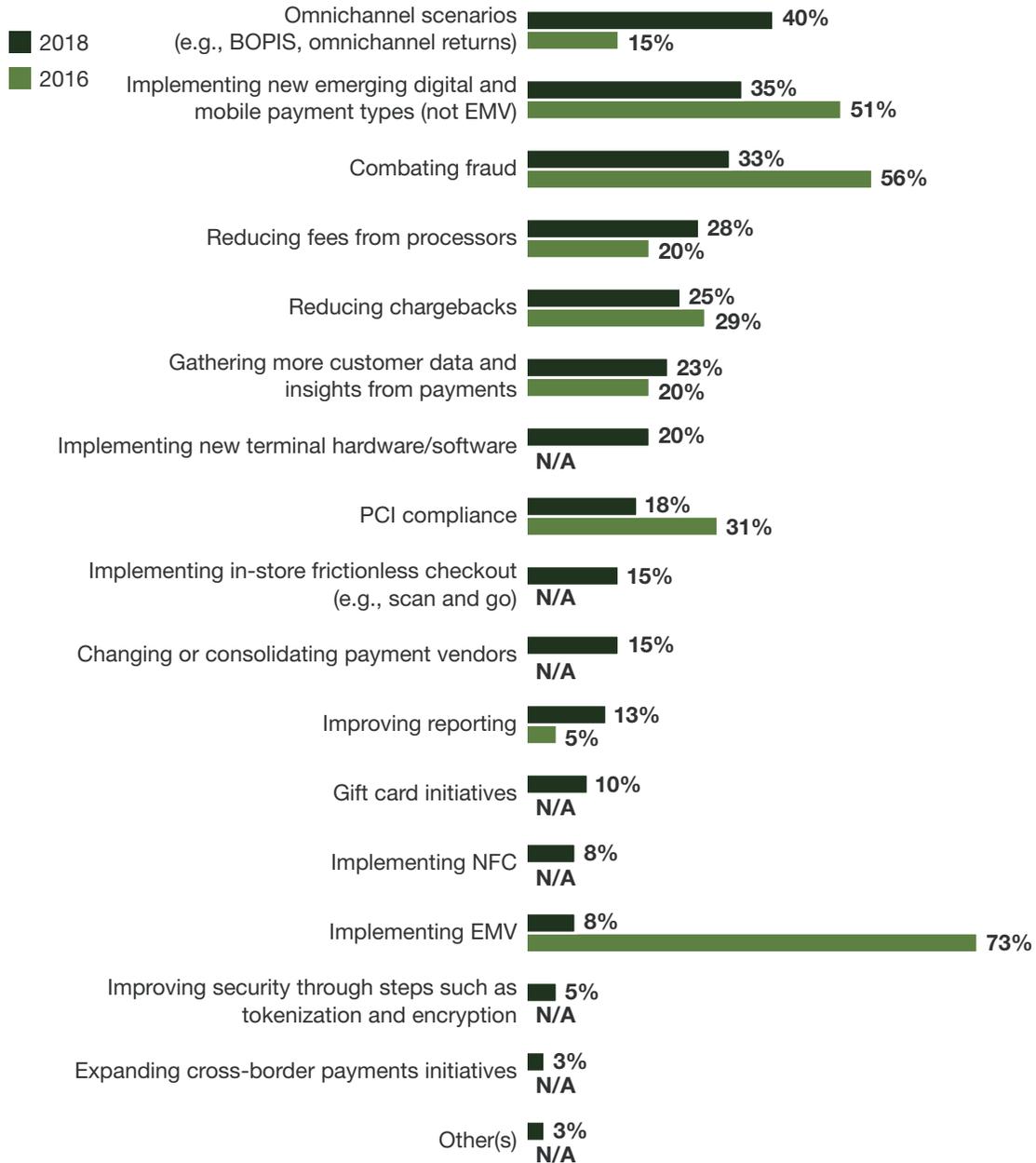The 11 Providers That Matter Most And How They Stack Up

October 10, 2018

The Leaders and Strong Performers in this Forrester Wave rise to the occasion: Paysafe's white-label consumer credit offering lets retailers offer customers instant alternative financing right in the checkout flow, which reduces cart abandonment rates. Worldpay's AuthMax, Intelligent Payments, and Precision Auth Mapping solutions use machine learning (ML) to help global merchants reduce customer churn and optimize approval rates across the globe. And firms like ACI and Adyen get ahead of increasing cross-channel fraud by working to detect potential fraud incidents in scenarios such as "buy online, pick up in-store" (BOPIS) or "return to store."

FIGURE 1 The State Of Retail Payments 2018

"What are your top overall payment-related initiatives over the next 18 months?"

- 2018
- 2016

Initiative	2018	2016
Omnichannel scenarios (e.g., BOPIS, omnichannel returns)	40%	15%
Implementing new emerging digital and mobile payment types (not EMV)	35%	51%
Combating fraud	33%	56%
Reducing fees from processors	28%	20%
Reducing chargebacks	25%	29%
Gathering more customer data and insights from payments	23%	20%
Implementing new terminal hardware/software	20%	N/A
PCI compliance	18%	31%
Implementing in-store frictionless checkout (e.g., scan and go)	15%	N/A
Changing or consolidating payment vendors	15%	N/A
Improving reporting	13%	5%
Gift card initiatives	10%	N/A
Implementing NFC	8%	N/A
Implementing EMV	8%	73%
Improving security through steps such as tokenization and encryption	5%	N/A
Expanding cross-border payments initiatives	3%	N/A
Other(s)	3%	N/A

Base: 40 to 59 retailers
Source: "The State Of Retail Payments 2016," an NRF Shop.org study conducted by Forrester Research,
"The State Of Retail Payments 2018," an NRF Shop.org study conducted by Forrester Research

FOR EBUSINESS & CHANNEL STRATEGY PROFESSIONALS

October 10, 2018

The Forrester Wave™: Global Merchant Payment Providers, Q4 2018
The 11 Providers That Matter Most And How They Stack Up

Evaluation Summary

Our Forrester Wave™ evaluation highlights payment providers that acquire in multiple markets (often referred to now as super acquirers) or technology providers that connect to multiple acquirers across many global geographies. We specifically asked the vendors to provide us with payment capabilities that could help global retailers focus on creating improved omnichannel customer interactions.

We intend this evaluation of the merchant payment provider market to be a starting point only and encourage clients to view detailed product evaluations and adapt criteria weightings to fit their individual needs through the Excel-based vendor comparison tool (see Figure 2 and see Figure 3). Click the link at the beginning of this report on Forrester.com to download the tool.

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The Forrester Wave™: Global Merchant Payment Providers, Q4 2018
The 11 Providers That Matter Most And How They Stack Up

October 10, 2018

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Global Merchant Payment Providers
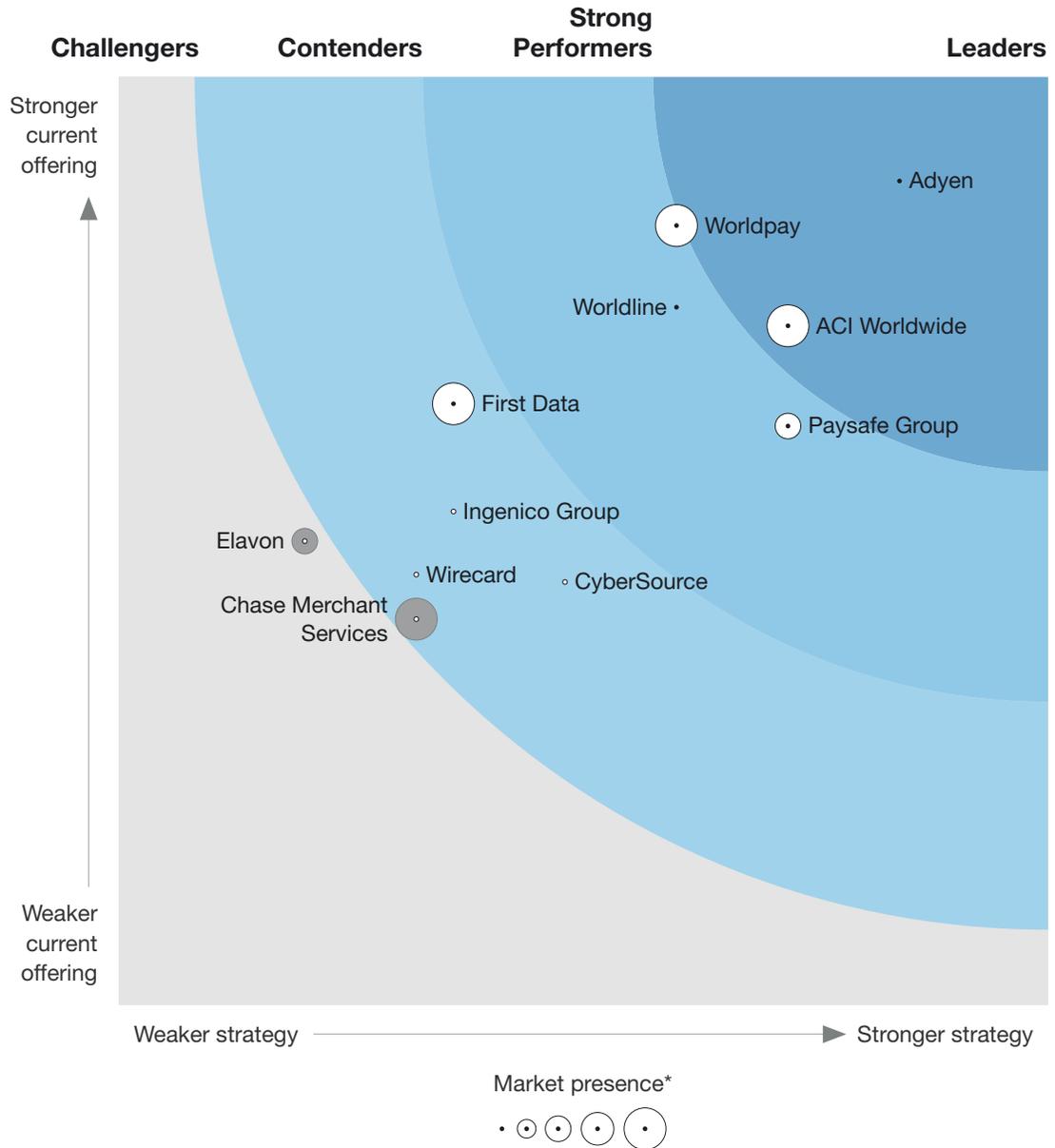
Q4 2018

*A gray marker indicates incomplete vendor participation.

FOR EBUSINESS & CHANNEL STRATEGY PROFESSIONALS   October 10, 2018

The Forrester Wave™: Global Merchant Payment Providers, Q4 2018
The 11 Providers That Matter Most And How They Stack Up

FIGURE 3 Forrester Wave™: Global Merchant Payment Providers Scorecard, Q4 2018

	Forrester's weighting	ACI Worldwide	Adyen	Chase Merchant Services*	CyberSource*	Elavon*	First Data	Ingenico Group*	Paysafe Group	Wirecard*	Worldline	Worldpay
Current offering	50%	3.66	4.44	2.08	2.28	2.50	3.24	2.66	3.12	2.32	3.76	4.20
Core global platform capabilities	40%	3.80	5.00	1.80	1.80	2.60	3.00	3.00	3.00	2.20	3.80	3.80
Core technology infrastructure	10%	4.00	5.00	2.00	3.00	3.00	2.00	3.00	3.00	3.00	4.00	4.00
Developer integrations	10%	3.00	3.00	2.00	3.00	2.00	2.00	2.00	3.00	3.00	4.00	4.00
Value-added features and services	40%	3.60	4.10	2.40	2.40	2.40	4.10	2.40	3.30	2.10	3.60	4.70
Strategy	50%	3.60	4.20	1.60	2.40	1.00	1.80	1.80	3.60	1.60	3.00	3.00
Product and service vision	40%	3.00	3.00	1.00	3.00	1.00	3.00	3.00	3.00	1.00	3.00	3.00
Corporate strategy and performance	30%	3.00	5.00	3.00	3.00	1.00	1.00	1.00	3.00	3.00	3.00	3.00
Omnichannel solution vision	30%	5.00	5.00	1.00	1.00	1.00	1.00	1.00	5.00	1.00	3.00	3.00
Market presence	0%	5.00	1.00	5.00	1.00	3.00	5.00	1.00	3.00	1.00	1.00	5.00
Installed base and processing volume	100%	5.00	1.00	5.00	1.00	3.00	5.00	1.00	3.00	1.00	1.00	5.00

All scores are based on a scale of 0 (weak) to 5 (strong).
*Indicates a nonparticipating vendor

Vendor Offerings

Forrester included 11 vendors in the assessment: ACI Worldwide, Adyen, Chase Merchant Services, CyberSource, Elavon, First Data, Ingenico Group, Paysafe Group, Wirecard, Worldline, and Worldpay (formerly Vantiv and Worldpay) (see Figure 4).

FOR EBUSINESS & CHANNEL STRATEGY PROFESSIONALS

October 10, 2018

The Forrester Wave™: Global Merchant Payment Providers, Q4 2018
The 11 Providers That Matter Most And How They Stack Up

FIGURE 4 Evaluated Vendors

Vendor
ACI Worldwide
Adyen
Chase Merchant Services
CyberSource
Elavon
First Data
Ingenico Group
Paysafe Group
Wirecard
Worldline
Worldpay

Vendor Profiles

Our analysis uncovered the following strengths and weaknesses of individual vendors.

Leaders

› **Adyen blends global omnichannel acquiring with native data and fraud capabilities.** The
Netherlands-based payment processor's differentiators are its all-in-one payment processing
platform and multi-jurisdiction acquiring capabilities. Plus, it is an EU-chartered bank, and the
solution includes a homegrown terminal software and hardware product. All of these features
combined help omnichannel retailers reduce the complexity of cobbling together various
technology vendors and acquirers across multiple geographies, thereby reducing integration
time and complexity. Adyen's single platform integration is the gold standard: Specifically, Adyen
merchants avoid the operational headaches that a multi-back-end architecture creates, such as
numerous settlement file formats, multiple settlement cutoff times, and in some cases multiple
reporting portals that plague their competitors.

Adyen provides significant value-added product capabilities such as fraud, security, and unique ML
capabilities that help reduce customer churn for subscription merchants. Some client references
noted that Adyen's fraud solution is still maturing. The only meaningful downside to working with

Adyen: If you're a merchant that wants the flexibility to choose your own acquirers in geographies because of negotiated rates, banking relationships, or specific terminal vendor preferences, Adyen isn't for you. The company does connect to some third-party partners in geographies where it doesn't acquire, but references noted it is not as turnkey as its all-in-one acquiring and processing solution. Adyen is a best fit for global omnichannel retailers that are looking to simplify their overall payments operations.

› **ACI Worldwide provides vast global reach with superior flexibility.** Merchants who choose to "architect" their own payments stack need look no further than ACI Worldwide. The company is the only non-acquiring technology vendor in this Forrester Wave. It boasts 350 acquirer connections and transacts in over 150 currencies and nearly 80 alternative payment methods such as Sofortüberweisung in Germany. Its PAY.ON platform is so prolific that many leading international payment service providers (PSPs) have white-labeled it, making ACI a global leader in providing a technology backbone to PSPs, MSPs, ISOs, and omnichannel enterprise merchants across the globe.[5]

The challenge (and weakness) for ACI is its dependence on other providers in the payments value chain, whereby it must integrate with other ecosystem players such as terminal providers and payment acquirers. This challenge was on full display in 2016 as it tried to certify EMV terminals to various backlogged payment processors for its clients. Client references told us that they rarely felt left out in the cold, though, and were quick to note that ACI is adept at advising and consulting with its clients in order to engineer the right solution. ACI is a best fit for retailers that want a global "payments integration hub" that provides maximum flexibility to manage multiple acquirers, payment methods, and technology providers.

Strong Performers

› **The new Worldpay creates a feature-rich transatlantic payments Goliath.** In 2018, the largest US payment acquirer in payment volume, Vantiv, acquired the UK's largest payment acquirer, Worldpay. The new entity took the Worldpay name. Vantiv's legacy is servicing some of the largest US brick-and-mortar retailers, while Worldpay has been a strong player on the global eCommerce stage. The go-forward strategy for the "new" Worldpay is to aggressively integrate the two firms to enable new product capabilities, extend cross-border capabilities' reach for Vantiv's US merchants, and bring more POS acquiring capabilities to new geographies where Worldpay has traditionally focused more on eCommerce.

Expectations run high for the new combined entity, and bear traps lie at every step when integrating two large companies with unique histories and different cultures. Integration progress thus far looks promising: Products like Worldpay's AuthMax, which optimizes approvals for global merchants, are already available for US-based merchants. The combined firm has vast capabilities across a wide geographic footprint, which should be appealing to global merchants, but it currently lacks significant customer proof points of bringing it all together for a global omnichannel

merchant. Client references were admittedly worried about disruption when the two firms merged but say their jitters have eased as they see the company implementing its strategy. Worldpay is a good fit for omnichannel retailers with US and/or UK brick-and-mortar storefronts that require global eCommerce scale.

› **Paysafe Group regroups in private equity with a bold strategy and vision.** Paysafe is a conglomeration of acquired and merged brands including iPayment, MCPS, Neteller, Optimal Payments, paysafecard, and Skrill. Until it was acquired by Blackstone and CVC Capital Partners in December 2017, the combined company was listed on the London Stock Exchange and part of the FTSE 250 Index. Key focus points and investments include improvements in technology and product, customer service, and geographic expansion.

Product offerings like paysafecard, the GOLO order ahead platform, and Paysafe's Pay Later white-label consumer credit solution give Paysafe one of the most differentiated solution value propositions of any of the providers in this Forrester Wave. It is the only non-bank provider in the Forrester Wave that has direct relationships with both merchants and consumers. Unfortunately, we didn't speak with a client reference that was consuming multiple products in Paysafe Group's portfolio to get a sense of the customer lift that Paysafe is generating for merchants. However, the client references we talked with were extremely pleased with Paysafe's transparency and customer service. Paysafe is a best fit for merchants that are positioned to take advantage of its many value-added services and consumer businesses such as paysafecard.

› **Worldline's acquisitions seek to give it European primacy and new global reach.** In 2017 and 2018, France-based Worldline acquired Paysquare and MRL Posnet in India and added eCommerce heft with Digital River World Payments. In May 2018, Worldline announced it would acquire SIX Payment Services and its Swiss, Austrian, and German activities, thereby strengthening its European presence. Worldline is quickly ingesting these acquisitions to grow its acceptance and acquiring reach while seamlessly integrating key capabilities into its overall product offering. Its new One Commerce Hub, born from the Digital River World Payments acquisition, is the omnichannel orchestrator for all of a retailer's transaction management, collection, and reporting. Worldline's single POS integration kit for all its local card-present acquiring countries, proprietary suite of terminal hardware, and the Xenturion terminal management solution help abstract the complexity of POS payments while providing the controls that merchants require.

Worldline's key historical geographical focus is Europe, so merchants that want to enter Europe and consolidate online and offline European payment operations should give this solution a closer look. Worldline hasn't yet secured a roster of sizable cross-border tier 1 multichannel retailers, partly due to Europe's traditionally regionalized market. But as the payments industry consolidates further in Europe and elsewhere, it is well positioned to capture clients and market share. Worldline is best for Europe-based brick-and-mortar retailers that have global eCommerce ambitions and for merchants looking for a global player with local acquiring capabilities in India and reach into Latin America.

Contenders

› **First Data's global capabilities impress; solutioning for omnichannel retail falls flat.** First Data is the world's largest payment processor, with offices in 35 countries, and it boasts joint ventures with top acquirers such as Bank of America, PNC, and Wells Fargo. Enterprise clients have endless possibilities to connect to First Data and power their commerce needs. First Data's capabilities and scale run deep; clients have access to add-on features such as superior reporting capabilities, chargeback tools, a US PIN debit routing solution, and gift and prepaid products.

Retailers choose First Data because of its global scale and capabilities, and in many cases, they can work with First Data across the globe for all their needs. Vast capabilities and scale pull First Data to Contender status, but it misses the mark in orchestrating those capabilities to deliver commercialized solutions to omnichannel retailers. Client references we talked with were generally happy with their relationship and impressed with First Data's Universal Commerce solution; however, First Data didn't discuss the details of the Universal Commerce product in its presentation to us. One client was concerned about the number of longtime employees that have left over the last few years and mentioned that "Sometimes the right hand doesn't know what the left is doing," as they often receive conflicting product or servicing messaging in their day-to-day interactions. First Data is best for enterprise-level merchants that can keep its attention or retailers that use solution or gateway partners to integrate to access specific capabilities or global regions.

› **CyberSource lacks traction in servicing omnichannel retailers.** CyberSource is a Visa subsidiary that specializes in card-not-present (CNP) channels and connects to more than 100 acquirers and processors in over 190 countries (and counting). More than half of the world's top 50 airlines rely on CyberSource for fraud and payment management.[6] In 2016, it introduced "CyberSource In-person Payments in partnership with Verifone," which enabled its eCommerce merchants to have an end-to-end EMV-certified POS solution that runs on the Verifone VX and MX series terminals.[7] Earlier this year, it introduced the CyberSource Token Management Service, which creates a 360-degree view of customer purchases by standardizing tokens across payment types and acquirers in Visa Data Centers.

Although CyberSource appears to be evolving its product toward an omnichannel solution, there is little evidence that this strategy is gaining traction with enterprise-grade retailers. Retailers we talk with still view CyberSource as a CNP-eCommerce player and wouldn't put it on their longlist for POS payments. Even the "Cross-Channel Payments" section of the firm's website discusses web payments, mobile device payments, and call center payments — and makes no mention of accepting payments at the POS. This positioning by CyberSource reinforces our assessment that it is a best fit for global merchants that focus primarily on CNP acceptance scenarios. CyberSource declined to participate in our research. Scores are based on Forrester estimates.

› **Ingenico Group puts together the omnichannel pieces for Carrefour.** In 2015, Ingenico brought together its two acquired eCommerce groups — Global Collect and Ogone — under the umbrella of Ingenico ePayments. The strategy since has been to merge its terminal business

and the ePayments side of the business to create an omnichannel relationship with its clients. In Ingenico's 2016 Investor Day presentation, the company announced that omnichannel is its key differentiator, which would create a new standard-bearer in omnichannel acceptance by 2020 and lead to double-digit organic growth. Carrefour bought into this vision and chose Ingenico as the consolidator for all of its in-store and online transactions. Ingenico is also supplying Carrefour with its Telium Tetra terminals, which are certified with the nexo standards.[8]

Enterprise retailers choose Ingenico because of its ability to help consolidate payment relationships across Europe and to streamline cross-border eCommerce operations. Ingenico enhances its core offering with an array of value-adds such as fraud, checkout conversion, transaction routing, and data analytic tools. A mixed bag of results from its omnichannel strategy holds it back: In 2017 Ingenico Group generated only 7% year-over-year growth overall, while the ePayments division fared slightly better at 11% revenue growth.[9] A spokesperson told us that omnichannel isn't Ingenico's current focus. Ingenico is worth a look for retailers that require global eCommerce scale. Ingenico Group declined to participate in our research. Scores are based on Forrester estimates.

› **Wirecard sets sights on North America.** Germany-based Wirecard is a global multichannel payments provider with blue-chip clients including ALDI, IKEA, Lidl, Qatar Airways, Rakuten, Sodexo, and Shell. In 2017 the company entered the US by creating Wirecard North America and acquiring Citi's Prepaid Card Services business. Its banking subsidiary, Wirecard Bank, allows it to offer retailers fully integrated payment and banking from a single source, including risk management, quicker settlement, and cash management services. More than 15,000 retailers worldwide use the services of Wirecard Bank. Beyond core card payment processing and global acquiring, Wirecard processes Single Euro Payments Area (SEPA) direct debit in 33 countries and offers a unique omnichannel ePOS Suite that gives merchants insights that use payment data in combination with other third-party data sources.

Challenges will run deep for Wirecard as it tries to expand into unfamiliar territory in the US with low brand recognition. The US business is untested, and we couldn't find any merchants (nor did it supply us with any references) that are using its front-end authorization platform. Wirecard is a best fit for retailers looking for an acquiring partner in Europe that can also act as a banking partner and for eCommerce merchants looking for reach into the Asia Pacific region. Wirecard declined to participate in our research. Scores are based on Forrester estimates.

› **Chase Merchant Services wins on transaction cost savings, little else.** As long as treasurers lead the payments function at large corporations, Chase's merchant services business will continue to thrive. In 2013, Chase launched ChaseNet, which included a 10-year deal with Visa that lets Chase-issued cards be processed through VisaNet, which ultimately lowers the merchant's transaction costs. Since then, it launched ChasePay, a digital wallet experience that can be used at a merchant's POS or online. The hope was to drive Chase cardholders into Chase acquiring merchants. Starbucks integrated ChasePay into its mobile payment experience in 2017 and even

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October 10, 2018

The Forrester Wave™: Global Merchant Payment Providers, Q4 2018
The 11 Providers That Matter Most And How They Stack Up

went as far as offering customers extra promotional Starbucks rewards to use it. However, usage has never taken off: Only 4% of online consumers have used ChasePay in the last three months, either in-store or online.[10]

Fast-moving merchants and their development teams will find Chase's bank legacy and culture challenging if they are looking for a streamlined integration process or if they have capabilities requests outside the norm. Users often complain about Chase's reporting portal and cite too many instances where custom reports are required. Furthermore, rival firms believe they have neutralized the ChaseNet threat with sophisticated PIN debit routing solutions that make up cost savings on the debit side of the equation. Chase is a best fit for enterprise merchants who use a third-party technology provider to integrate with them. Chase Merchant Services declined to participate in our research. Scores are based on Forrester estimates.

Challengers

› **Elavon specializes in the demanding airline and hospitality sectors.** Elavon processes payments for global airlines, hotels brands like Hilton and Wyndham, as well as retailers like Cabela's. Its specialty lies in the airline and hospitality sectors, in large part because of its global acquiring network and POS ISV relationships. Elavon's processing platform leads other vendors in multicurrency, cross-border, and multiple currency conversion. Further establishing its global footprint, Elavon has merchant processing platforms in the US and Europe and is licensed to process in 15 European countries along with Canada, the US, Puerto Rico, and Mexico. It is a wholly owned subsidiary of U.S. Bancorp, and its status as a financial institution also allows it to offer wholesale foreign exchange (FX) rates and manage currencies in-house, eliminating any need to outsource this function to a third party.

Clients often cite cost reductions and efficiencies as one of the top reasons for why they stay with Elavon. The firm was slow to integrate alternative payment methods into its platform and now leverages PPRO Group's platform to offer alternative local payment methods in Europe. Elavon is a fit for US merchants that use U.S. Bank and want to capitalize on the merchant's banking relationship and reduce processing costs. Elavon declined to participate in our research. Scores are based on Forrester estimates.

Evaluation Overview

The Forrester Wave follows a publicly available methodology that involves screening vendors, detailed questionnaires, and customer reference checks. In our scoring, Forrester uses a relative rating system to differentiate the vendor's capabilities. Vendor scores do not reflect a checklist of functionality, they are a comparison of the strengths and weaknesses of the offerings we analyzed. Find more information about the methodology in the Supplemental Material section of this report.

We evaluated vendors against 20 criteria, which we grouped into three high-level categories:

FOR EBUSINESS & CHANNEL STRATEGY PROFESSIONALS

October 10, 2018

The Forrester Wave™: Global Merchant Payment Providers, Q4 2018
The 11 Providers That Matter Most And How They Stack Up

› **Current offering.** Each vendor's position on the vertical axis of the Forrester Wave graphic indicates the strength of its current offering. Key criteria for these solutions include global footprint, terminal management systems, omnichannel and payment method capabilities, developer toolkits, fraud, and security and risk capabilities.

› **Strategy.** Placement on the horizontal axis indicates the strength of the vendors' strategies. We evaluated the product and service vision, corporate strategy and performance, and their omnichannel solution vision.

› **Market presence.** Represented by the size of the markers on the graphic, our market presence scores reflect each vendor's installed base and processing volume.

Vendor Inclusion Criteria

Forrester included 11 vendors in the assessment: ACI Worldwide, Adyen, Chase Merchant Services, CyberSource, Elavon, First Data, Ingenico Group, Paysafe Group, Wirecard, Worldline, and Worldpay (formerly Vantiv and Worldpay). Each of these vendors has (see Figure 2):

› **A track record of supporting global, omnichannel enterprise retailers.** Vendors in this category are deployed with numerous enterprise-class organizations, maintain the global scale to serve large customer accounts, and support complex omnichannel payment requirements. All of the providers have a legacy of supporting brick-and-mortar POS transactions in multiple geographies.

› **Mindshare among the Forrester client base.** We evaluated vendors that Forrester clients have frequently and consistently mentioned during inquiries, shortlists, and consulting projects over the past year.

› **A minimum of $50 billion in annual transaction volume.** To be included in this Forrester Wave, vendors had to have a proven product and state that they generate $50 billion or more in annual transaction volume.

Forrester did not include payment vendors in this assessment with a primary focus on other related market segments, such as:

› **Bank acquirers.** We did not include large bank acquirers like Bank of America Merchant Services, Wells Fargo, Fifth Third Bank, and Citibank, as these acquirers use third-party processing technology vendors such as First Data or Worldpay. Merchants with corporate banking relationships in which the bank is also an acquirer may prefer to have their payment relationship with their bank instead of introducing an additional financial provider into the mix. Merchants should evaluate whether the bank acquirer solution meets all of their requirements or whether they should go to the processor directly for acquiring and processing solutions.

FOR EBUSINESS & CHANNEL STRATEGY PROFESSIONALS

October 10, 2018

The Forrester Wave™: Global Merchant Payment Providers, Q4 2018
The 11 Providers That Matter Most And How They Stack Up

› **Gateways and PSPs that mainly focus on eCommerce environments.** Forrester identified several vendors that are successfully serving this space, including Braintree Payments (and PayPal), Stripe, Authorize.Net, and BlueSnap. These vendors have primarily served the eCommerce pure play or card-not-present (CNP) merchant market and don't have the card-present (CP), brick-and-mortar enterprise client track record.

› **Payment processing vendors focused on SMBs and midmarket companies.** Forrester also identified several vendors that are successfully serving small and medium-size businesses (SMBs), midmarket clients such as Cayan (subsidiary of TSYS), Heartland Payment Systems (subsidiary of Global Payments), and Square. While these solutions are more than adequate for clients with a few locations that want to minimize complexity or are based in the US market, they are not widely adopted by enterprise-level merchants with more complex global requirements.

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Gain greater confidence in your decisions by working with Forrester thought leaders to apply our research to your specific business and technology initiatives.

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October 10, 2018

The Forrester Wave™: Global Merchant Payment Providers, Q4 2018
The 11 Providers That Matter Most And How They Stack Up

Supplemental Material

Online Resource

We publish all of our scores and weightings in an Excel file that provides detailed product evaluations and customizable rankings; access this tool by clicking the link the beginning of this report on Forrester.com. We intend these scores and default weightings to serve only as a starting point, and we encourage readers to adapt the weightings to fit their individual needs.

The Forrester Wave Methodology

A Forrester Wave is a guide for buyers considering their purchasing options in a technology marketplace. To offer an equitable process for all participants, Forrester follows The Forrester Wave™ Methodology Guide to evaluate participating vendors.

In our review, we conduct primary research to develop a list of vendors to consider for the evaluation. From that initial pool of vendors, we narrow our final list based on a small number of inclusion criteria. We then gather details of product and strategy through a detailed questionnaire, demos/briefings, and customer reference surveys/interviews. We use those inputs, along with the analyst's experience and expertise in the marketplace, to score vendors. In accordance with the Forrester Wave™ Vendor Review Policy, Forrester asks vendors to review our findings prior to publishing to check for accuracy.

We include the Forrester Wave publishing date (quarter and year) clearly in the title of each Forrester Wave document. We evaluated the vendors participating in this Forrester Wave using materials that they provided to us by July 2018 and did not allow additional information after that point. We encourage readers to consider how the market and vendor offerings change over time.

Vendors marked as nonparticipating vendors in the Forrester Wave graphic met our defined inclusion criteria but declined to participate in or contributed only partially to the evaluation. We score these vendors to the best of our ability according to our Forrester Wave™ Incomplete Vendor Participation Policy and publish their positioning along with participating vendors.

Integrity Policy

We conduct all our research, including Forrester Wave evaluations, in accordance with the Integrity Policy posted on our website.

Endnotes

[1] Omnichannel fulfillment methods include "buy online, pick up in-store," "reserve online, pay and pick up in-store," and "buy online, ship to store." Forrester surveyed 4,509 US online adults (18-plus). Source: Forrester Analytics Consumer Technographics® North American Retail And Travel Benchmark Recontact Survey 2, Q3 2017 (US).

[2] See the Forrester report "The State Of Retailing Online 2018: Store Investments, Business Objectives, And Mobile."

FOR EBUSINESS & CHANNEL STRATEGY PROFESSIONALS

The Forrester Wave™: Global Merchant Payment Providers, Q4 2018
The 11 Providers That Matter Most And How They Stack Up

October 10, 2018

[3] Source: Phone interview with Tamer Shabeen, senior director of omnichannel domain architecture, adidas Group, August 24, 2018.

[4] Source: nexo Standards (http://www.nexo-standards.org/).

[5] PSP: payment service provider; MSP: merchant service provider; ISO: independent sales organization.

[6] Source: "Sabre and CyberSource, a Visa Solution, Partner to Simplify and Secure Payments for Travel Industry," CyberSource Viewpoints, July 30, 2018 (http://cybersource.tumblr.com/post/176450049709/sabre-and-cybersource-a-visa-solution-partner-to).

[7] Source: "CyberSource In-person Payments with Verifone Technology," CyberSource (https://www.cybersource.com/content/dam/cybersource/CyberSource_Verifone_POS_datasheet.pdf).

[8] Source: "Client stores: Carrefour," Ingenico Group (https://www.ingenico.com/our-solutions/client-stories/retail/carrefour.html).

[9] Source: "Full-year results 2017," Ingenico Group press release, February 22, 2018 (https://www.ingenico.com/press-and-publications/press-releases/finance/2018/02/full-year-results-2017-ingenico-group.html).

[10] Source: Forrester Analytics Consumer Technographics North American Online Benchmark Survey (Part 1), 2018.

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