

Majority of Retailers Have Yet to Implement Omni-Channel Payments Strategy, According to New Survey by PCM and ACI Worldwide

Study shows alternative payments, fraud prevention and payments security are critical to omni-channel strategy

LONDON--(BUSINESS WIRE)-- Despite the retail industry's ambition to move to an Omni-Channel strategy, only a minority of retailers have completed an omni-channel payments program, according to a survey of nearly 100 retailers by PCM Research and [ACI Worldwide](#) (NASDAQ: ACIW), a leading global provider of real-time [electronic payment and banking solutions](#).*

The research, titled [Omni-Channel Payments for Merchants: Myth or Reality?](#), reveals that retailers face multiple challenges when it comes to implementing omni-channel payments programs—with incompatible systems, data integration and the inability to track customers noted as the top challenges. Fraud prevention and payment security capabilities also remain an issue for many retailers.

Key findings:

- | **Only 21 percent of merchants surveyed have completed an omni-channel payments program.** This includes primarily large grocery and department store operators. Notable and concerning is that 46 percent have no plans for an omni-channel payments program within the next 12 months.
- | **When asked about the organisation's ability to innovate, 50 percent responded that they are in the 'early' or 'innovators' stages.** The other half categorized themselves as 'technology followers.' Asked why they are not moving faster into an omni-channel retailing environment, two reasons were prevalent: finding the business case and business sponsorship for the necessary funding to implement.
- | **Alternative payments, mobile and tokenization lead the way in desired omni-channel payments and tools.** 63 percent of retailers surveyed said they are interested in Alternative Payments and 53 percent in Mobile POS (mPOS) and Wallet.
- | **Fraud prevention and security remain major issues for many retailers.** Asked whether they have a common set of fraud prevention capabilities across all channels, the majority of respondents (53%) said no, 39 percent yes and 8 percent were unsure. 42 percent of respondents said they have no common set of payment security capabilities across all channels today, 9 percent were unsure and 49 percent of retailers indicated they had these capabilities.

"The path to omni-channel payments is complex and can seem daunting, and merchants are at a crossroads with the number of technology options. However, those that embrace these types of disruptive opportunities to serve today's anytime, anywhere consumers will come out ahead," said Andrew Quartermaine, Head of Merchant Retail EMEA, ACI Worldwide. "A frictionless payment experience for the consumer in any channel should be the goal of retailers and merchants."

The survey also shows that the preferred implementation strategy for omni-channel payments has moved from an in-house (on-premise) model to a hosted SaaS model. Increased payments complexity and PCI compliance are likely to be the biggest drivers for this move in delivery/consumption model.

"This survey and its findings shed light on the disparities in the retailer marketplace when it comes to omni-channel payments," said Alex Rolfe, Managing Director, PCM Research. "Although a good number of merchants are firmly entrenched in their strategies, there is still work to be done for many others—not to mention opportunities for the payment technology vendors that support them."

ACI will be hosting a webinar on May 10 at 11:00am EDT / 4:00pm BST on these omni-channel payment findings. Attendees will learn about key takeaways critical for merchants implementing, considering or embarking on an omni-channel payments strategy. To register and receive a copy of the report, please [click here](#) or visit <http://www.aciworldwide.com/campaign/2016/myth-or-reality>.

*Note to editors:

The survey approached over 500 large and medium sized merchants from various segments and around 100 responses were obtained; the survey was conducted from December 2015 through February 2016. A number of leading industry

analysts and consultants then provided commentary on the responses. Of those surveyed, the majority were from Europe, but there is a reasonable spread from the rest of the world. UK retailers were the largest single group of respondents followed by North America-based retailers.

About ACI Worldwide

ACI Worldwide, the [Universal Payments](#) (UP) company, powers electronic payments for more than 5,000 organizations around the world. More than 1,000 of the largest financial institutions and intermediaries as well as 300 of the leading [global retailers](#) rely on ACI to execute \$14 trillion each day in payments. In addition, thousands of organizations utilize our electronic bill presentment and payment services. Through our comprehensive suite of software and SaaS-based solutions, we deliver real-time, any-to-any payments capabilities and enable the industry's most complete omni-channel payments experience. To learn more about ACI, please visit www.aciworldwide.com. You can also find us on Twitter [@ACI_Worldwide](#).

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ACI Worldwide, Inc.
Katrín Boettger, 0044 (0)7776 147 910
katrin.boettger@aciworldwide.com

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