



**PREVIEW**

# *Emerging Payments, Millennials and the Omni-Channel Payments Environment*

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# Report Overview

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## WHAT IS THIS REPORT?

This 75-page report is a guide to understanding how the shopper's multi-channel journey is crafting the evolution of the retail and payments environment.

The first section of the report is a briefing on current payments trends and emerging payments trends including a look at the share of retail spending by mCommerce and eCommerce payment methods. This section of the report also takes an interesting look at the Millennial generation to understand how this group of consumers has played a critical role in leading shifts in payment technology through their consumer technology adoption and usage habits and how this group has transformed the customer shopping journey.

The second half of the report takes a deeper look into the omni-channel payments environment and identifies the implications of this new environment for payment players, especially merchant acquirers, and how payment providers can take advantage of the current omni-channel payments landscape.

## WHY IS THIS USEFUL?

This report will provide newcomers, and industry veterans, with useful information into the various facets of the omni-channel retail and payments environment. This report is an excellent tool for competitive awareness, potential partner identification, expansion efforts and general reference purposes.



Click here to purchase, the report price is \$1,450

*If you have any questions, or would like to purchase over the phone, please call 402.964.2617.*

# Report Overview

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# Executive Summary

## The Evolution of Payments

Over the last five years, an **increasing array of solutions aimed at different customer segments, and expanding channels such as online and mobile, have demonstrated the fast-moving evolution of the payments and retail space.**

This highlights why merchants and payment players are making investments in overhauling payment systems to be able to process growing volumes of transactions through the various new payment methods and channels.

## The Digital Omnivore Is Here

**Americans now spend more time on mobile platforms** (smartphones + mobile) than on desktop computers.

Leading retailers see a third of their monthly audiences coming from mobile platforms.

Successful multi-platform engagements can mean the difference between realizing valuable opportunities vs. suffering damaging consequences.

## The Omni-Channel Payments World

### What Is Omni-Channel Payments?

**The ability to manage, on a single platform, any type of payment transaction, instrument type, customer, channel and payment standard.**

Multiple systems make transactions time-consuming and cumbersome. Legacy payment engines don't take long to become obsolete as they are incapable of fulfilling the capacity or flexibility that is required.

## A Seamless Payments Approach

**Payment players that pursue a seamless payments strategy can remain relevant in a rapidly changing landscape while realizing benefits.**

- Protect and grow current revenue and share of payments volume.
- Strengthen merchant relationships and brand awareness.
- Increase control of customers' payments experiences.
- Access richer customer data to enhance and influence customers' payment preferences.

# The State of the Payment Landscape

# The State of the Payment Landscape

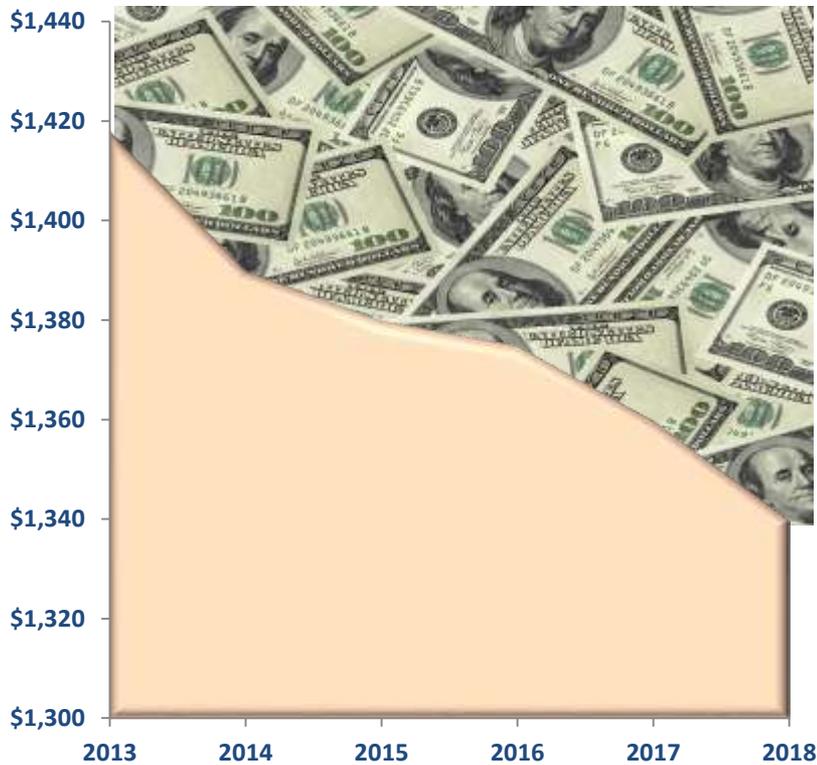


The way that consumers purchase goods has evolved from paper based tools (low technology) to cards and electronic payments (high technology).

## Cash Usage Is Weakening and Checks Are Dying

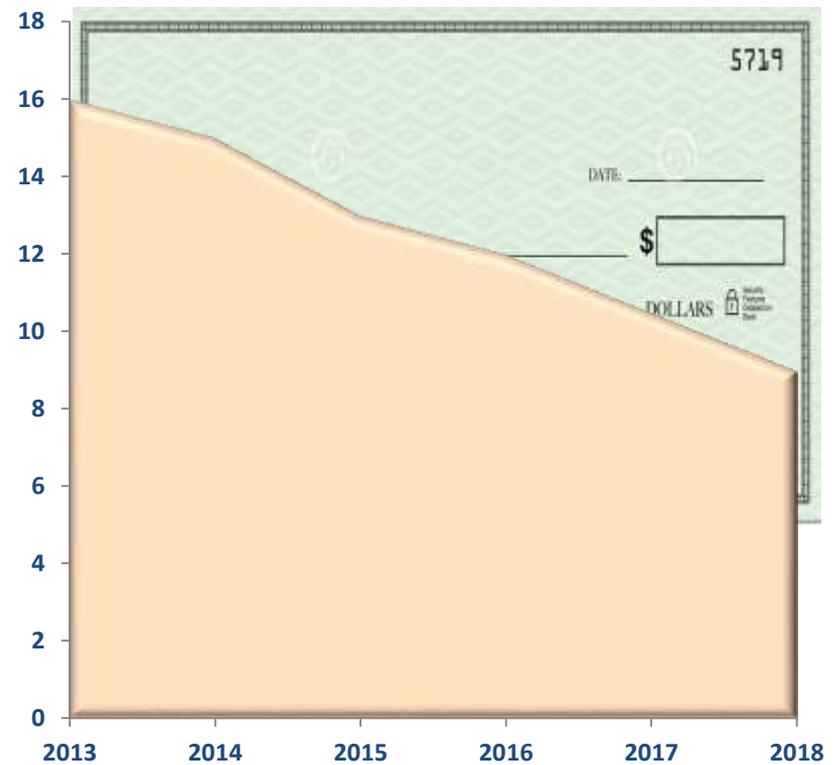
*U.S. Cash Volume*

*Consumer, Business and Government (in billions)*



*U.S. Check Transactions*

*Consumer, Business and Government (in billions)*



Source: Federal Reserve

# How To Capitalize On The Payments Evolution? Seamless Payments

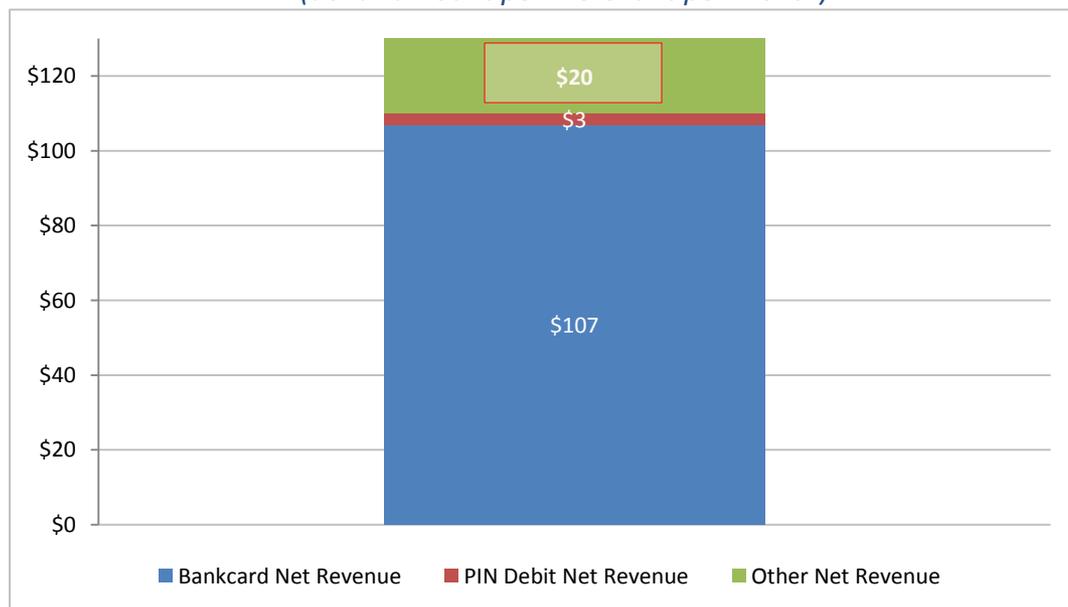


## A Whole New Game For Merchant Acquiring

### New Technologies And Intensifying Competition

- **Merchants are demanding value-added options because their customers are.** As customers expect more choice, channel integration and customization options, merchants must keep up, and acquirers have clear opportunities to help them here.

**Net Revenue by Contribution: June 2014 Trailing Twelve Months**  
(dollar amount per merchant per month)



Source: TSG MPPS Data and Analysis

# Related Reports & Services

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## Related Reports

- [Global Retail eCommerce Market](#)
- [U.S. Payments Mix](#)
- [Key Participants in the Payments Ecosystem](#)
- [Gateway Competitive Analysis](#)
- [TSG Directory of U.S. Merchant Acquirers](#)

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## Selected Free Resources from TSG

- [Comparable New Merchant Profitability](#)
- [Payments Industry 2015; No Clever Predictions Just Thoughtful Analysis](#)
- [2014 U.S. Payments Search Trends](#)
- [TSG Analysis – Vantiv’s Acquisition of Mercury Payment Systems](#)
- [INFOGRAPHIC: The Top Ten Ways Acquirers Can Block the Breach](#)
- [TSG Analysis - Global Payments' Acquisition of PayPros at a Glance](#)
- [Brave New World in Payments - Tapping the Power of Big Data in Merchant Portfolio Management](#)
- [INFOGRAPHIC: Why are Electronic Payments Important?](#)
- [Trend Graphs of Payments Industry Google Search Terms](#)
- [The 2014 Payments Market: The Wrap Up](#)

Have Questions?

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# About TSG

*The Strawhecker Group* (TSG) is a management consulting company focused on the electronic payments industry.

## *TSG's Service Groups*

**Payments Strategy** - Payments Strategy encompasses the full spectrum of advisory services within the Payments Industry. The depth of these services is built on deep industry knowledge - the Partners and Associates of the firm have an average of over 20 years of industry experience. With clients from card issuers to merchant acquirers, TSG has the experience and expertise to provide real-time strategies.

**Transaction Advisory** - Whether buying or selling, seeking investment funding, or planning your company's exit strategy, TSG's experience can be critical to achieving success. TSG has performed more than 100 Payments Company Valuation and/or Business Assessments in the past three years - ranging in value from \$1 million to \$1 billion.

**TSG Metrics** - TSG Metrics, the strategic research and analysis division of TSG, provides the Payments Industry with highly focused research and industry-wide studies. TSG Metrics takes data, boils it down to information, transforms it to knowledge and presents it to provide wisdom to its client partners.

## *TSG's Unparalleled Experience*

TSG consists of Industry leaders with extensive experience leading teams through explosive growth periods, mergers and acquisitions, and international and domestic expansion within the Payments Industry. Both Partners and Associates of the firm have held key senior management positions at leading industry companies including First Data / First Data International, Visa Inc., MasterCard, TSYS, Humboldt Merchant Services, WorldPay, Heartland Payment Systems, Cardservice International, iPayment, Alliance Data, RapidAdvance, Accenture Consulting, Redwood Merchant Services, Chase Paymentech, as well as other leading financial institutions and Payments companies.

## *TSG's Influence Shapes the Payments Industry*

Over the last three years, TSG has completed over 400 projects for more than 200 different clients including financial institutions, merchant acquirers, card issuers, card associations, technology providers, ISOs, processing companies and the investment community. Additionally, the firm and its Associates sit on several industry committees whose focuses range from emerging product development to governmental regulation advisement.

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Breach

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Indicators Report

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