

Open Technology at the Core of Global Payments

A Case Study of Planet Payment



THE CLIENT FACTS & FIGURES

1999

- Company founded

HEADQUARTERS

- Long Beach, New York

OPERATIONS

- 22 countries in North and South America, Europe, Asia, the Middle East and Africa

PRIMARY SECTORS

- Hotels, retailers, restaurants and eCommerce

160+

GLOBAL REACH

Convenient access to local acquirers and alternative payment methods in 160+ countries

50%

BUSINESS GROWTH

Planet Payment won 50% more clients after partnering with ACI Worldwide

Case

Planet Payment is a leading provider of international payment, transaction and multicurrency processing services. Founded in 1999, headquartered in the U.S. and focused on multinational retail, hotel and restaurant merchants, Planet Payment achieved significant success and growth over 16 years. It currently works with 71 global financial institutions in 22 countries, and its services are used by at least 118,000 active merchant locations.

Despite this longstanding success, Planet Payment began to experience difficulty recruiting new clients. Planet recognized its gateway, once cutting-edge, lacked some of the competencies many of today's global merchants need, such as far-reaching global processing capabilities, flexibility through open technology and cutting-edge tools to increase conversion rates. Thus, Planet Payment decided that to reach the next level, it needed to upgrade its payments gateway technology.

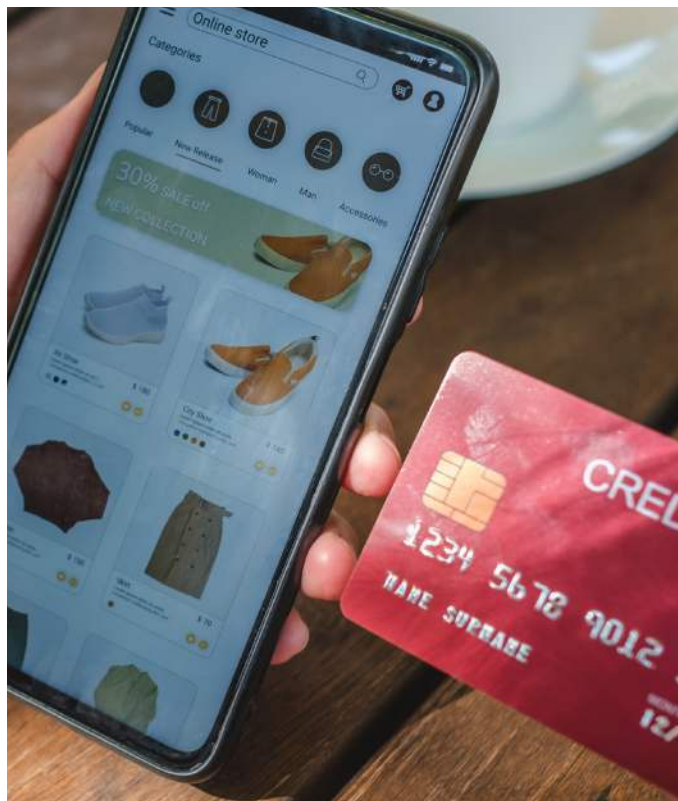
Challenge

Planet Payment's payments gateway performed its core competencies — payment processing, recurring billing and its foreign exchange component, multicurrency pricing (MCP) — with flying colors. Yet, the gateway was static and unable to add new capabilities, many of which had become vital for success in a market that increasingly expected truly global solutions. These missing technological pieces began having a negative impact upon Planet Payment's sales pitches, despite its compelling commercial offering. In particular, Planet found five areas where it rapidly needed a technological upgrade: like-for-like settlement in all currencies, the ability to offer global alternative payment methods, the tech to take an innovative China UnionPay solution global, mobile capabilities and a way to handle merchants' PCI compliance, while maintaining high conversion rates.



Like-for-Like-Settlement

Planet Payment clients are typically large multinational merchants and cross-border selling is an important facet of their businesses. Hence, Planet’s MCP solution, which allows merchants to price in more than 100 currencies, is valued by most clients. Despite being a strong MCP solution, it had one drawback: It could only settle in like-for-like in USD and CAD, not any of its other 100-plus currencies. Merchants want like-for-like settlement, sometimes referred to as in-country domestic processing, because it offers convenience and cost savings. Convenience because global merchants can settle in any currency they want — that of where they sell, where they are based, or in a commonly traded currency such as USD or EUR. Merchants save costs through like-for-like by taking advantage of lower interchange fees in particular regions. Planet Payment needed global like-for-like settlement to complete its MCP solution.



Global Alternative Payment Methods

Alternative payment methods (APMs) are an essential part of global eCommerce. Already accounting for more than 40% of eCommerce transactions in 2012, APMs were expected to reach nearly 60% by 2017. Global merchants, even those that primarily sell in the card-reliant North American market, need a robust APM offering to meet diversifying shopper preferences. Planet Payment specialized in cards and needed a significant APM upgrade to remain competitive.

The Technology to Take a China UnionPay Solution Global

China UnionPay (CUP) is the fastest growing card scheme in the world. It has issued more cards than any other scheme, 4.2 billion globally, and is third in transaction number and volume, trailing only Visa and MasterCard. CUP is a merchant’s doorway to China, and by most accounts, the largest eCommerce market in the world. Planet Payment offers a complete end-to-end solution for CUP acceptance, including gateway, processing, acquiring and settlement services. North American merchants, through Planet, can accept CUP through a single contract and service provider. Several acquirers, gateways, banks and PSPs outside North America showed interest in this unique and powerful CUP solution, yet Planet lacked the technology to offer it globally.





Mobile Solutions

Mobile payments were more science fiction than reality when Planet first developed its payments gateway. Fast forward to today, and mobile solutions are integral to eCommerce. Planet looked at its gateway and knew it needed the capability to render eCommerce sites onto mobile devices, offer mobile SDKs (software development kits) and enable in-app payments.

PCI-Compliant Payments Form

PCI compliance — the adherence to data security standards set by the Payment Card Industry Security Standards Council — is a prerequisite for anyone in eCommerce. Planet Payment gave merchants two options for PCI compliance: Handle it themselves or outsource compliance to a Planet Payment-hosted payments form. The former is not ideal because PCI compliance is arduous, requiring sophisticated data storage, intrusive audits and other challenges. Self PCI-compliance is not cost-effective for most merchants. The latter option shifted most of the PCI burden to Planet Payment, but it redirected shoppers to an external, Planet Payment-hosted payment page. Such a redirect triggers alarm bells for shoppers wary of online fraud, harming merchant conversion rates and bottom lines. Planet Payment needed a solution that handled PCI compliance while integrating within merchants' web shops.

The Next Level

Planet Payment needed a payments gateway that enabled it to reach the next level by providing clients and prospects with cutting-edge payments technology for every aspect of today's global eCommerce. This gateway needed to advance Planet Payment's technological offering, without infringing upon Planet's compelling business and commercial advantages.

Solution

Planet Payment thoroughly researched the market and considered all the payment gateway providers before choosing ACI® Payments Orchestration Platform™. Planet selected ACI Worldwide primarily because its platform featured the global technology that met or exceeded all of Planet's outstanding needs:

- An extensive global payments network of hundreds of alternative payment methods and acquirers globally
- A mobile solution that includes SDKs
- The ability to render web shops on mobile devices
- In-app capabilities
- COPYandPAY, an embeddable PCI-compliant payments form





Result

The ACI Payments Orchestration Platform allowed Planet Payment to upgrade its technological capabilities, offer additional services to existing clients and win clients it could not previously.

Global Like-for-Like Settlement

Through ACI Payments Orchestration Platform, Planet Payment has the missing piece for its MCP solution: extensive like-for-like settlement. Planet's clients, no matter where they are based, can now settle in the 100+ currencies it offers, giving them the flexibility to conveniently sell nearly anywhere in the world. In addition, Planet can now utilize local acquirers worldwide to offer lower cross-border fees and interchange rates, strengthening Planet's competitiveness. Planet's FX solution was already robust — now, through access to the ACI global payments network, it is a market leader with no discernible flaws.

Global Alternative Payment Methods

Planet Payment needed access to a global payments network and ACI delivered the most powerful in the industry: hundreds of acquirers and alternative payment methods globally — and the network is constantly growing. Now, Planet Payment has the technology to offer merchants nearly any alternative payment method in the world.

According to Paul Levine, president of Planet Payment Solutions, "Supporting our merchants' alternative payment needs as they expanded into new markets was a roadblock for Planet Payment. Often, it was too difficult to justify the first integration to a local payment method. Now, we can negotiate a commercial arrangement with a local payments provider and enable technical connectivity with the flip of a switch, allowing us to give better payments support to our merchants." Connecting to the ACI global payments network helped Planet quickly transform into a global APM leader.

International Expansion for China UnionPay

The ACI global payments network delivers more than just APMs and acquirers, Planet Payment presented the opportunity to take its cutting-edge China UnionPay solution global. Each of the 300 acquirers in the network are potential partners, and through the network, Planet added UnionPay settlement in EUR, GBP, RMB and HKD (in addition to the already offered USD and CAD). Planet's innovative China UnionPay solution is even more powerful and available globally.

Marketing-Leading Mobile Solutions

Planet's mobile offering transformed into one competitive with the most advanced payment providers.

Paul Levine said, "Historically, we often lost merchant opportunities that required robust mobile application support, but that is no longer the case. From opportunities with smaller merchants to supporting one of the largest global automotive companies, the ACI mobile SDK has met or exceeded both our and our clients' needs." This mobile solution — including mobile SDKs, mobile point of sale, the ability to render web shops on mobile devices and in-app payments — delivers a comprehensive mobile solution for global merchants.

Embedded PCI-Compliance

ACI's payment form, COPYandPAY, which Planet Payment rebranded PIPE, handles PCI compliance and embeds within a web shop. COPYandPAY thus addresses a major merchant pain point — PCI compliance, while avoiding the offsite redirects that worry shoppers and lower conversion rates. Merchants outsource data security to Planet Payment and ACI, while still hosting payments within their web shops.

COPYandPAY is easier to work with than Planet's previous payments form. It is available in 10 coding languages and integration takes only minutes.



Elevating to the Next Level

Planet Payment was successful before it partnered with ACI, but the company is now coupling the most advanced payments technology with its industry-leading commercial offering. That technology is now at the heart of Planet's strategy, boosting its competitive advantage. For example, Planet reports ACI facilitated integration to its gateway ahead of schedule, the fastest integration of more than 70 Planet has experienced. It truly exceeded their expectations.

This speed means that merchants can rapidly enter new markets; there are no delays while waiting for technological integrations. The underlying open architecture and continuously expanding global network gives Planet and its merchants the technological flexibility to pursue any possible business strategy. Through ACI, Planet gives merchants a solution that is as ready for tomorrow's challenges as today's. Unsurpassed reliability underpins the gateway's speed and flexibility. Planet reported that post-integration processing was as smooth as the integration itself. In addition, the underlying open architecture means ACI has the ability to rapidly react to any of Planet's future requirements.

As a result of upgrading to ACI's cutting-edge technology, Planet has expanded its prospect field and enhanced stickiness with current clients. Planet Payment now pursues and wins merchants in the upper echelon of the Internet 500 — the 500 largest eRetailers in the U.S. and Canada — and is gaining more traction outside North America. Planet Payment's robust commercial offering, now combined with ACI's industry-leading technology, is opening more opportunities for Planet than ever before.

About Planet Payment

Planet Payment delivers innovative payment processing solutions that solve many of the challenges facing today's global electronic payments industry. It delivers payment processing and multicurrency solutions to 71 financial services institutions around the world. Its services are currently deployed at 118,000 active merchant locations in 22 countries and territories across the Asia-Pacific region, the Americas, the Middle East, Africa and Europe.

At the heart of Planet Payment is a centrally-hosted transaction platform which manages the global connectivity and interaction between consumers, merchants, banks, and the payment networks. The platform provides the flexibility to deliver solutions tailored to meet the specific needs of banks and merchants in both established and dynamic emerging markets around the world.

ACI Worldwide is a global leader in mission-critical, real-time payments software. Our proven, secure and scalable software solutions enable leading corporations, fintechs and financial disruptors to process and manage digital payments, power omni-commerce payments, present and process bill payments, and manage fraud and risk. We combine our global footprint with a local presence to drive the real-time digital transformation of payments and commerce.

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