

YOU MUST KEEP  
PACE WITH THE  
INNOVATION AND  
CHANGE EMPLOYED  
BY TRADITIONAL  
AND EMERGING  
PLAYERS IN  
ORDER TO REMAIN  
RELEVANT AND  
COMPETITIVE.

## TRANSFORMING YOUR PAYMENT ENVIRONMENTS

The world of payments has changed forever, and the rate of change is expected to be more unpredictable and volatile in the coming years. Even with this volatility, payments will always exist and will remain fundamental to the everyday activities of consumers, businesses and governments. The opportunities to use electronic payments are growing rapidly, reaching more people across the world each day.

Financial institutions need to consider what position they want to be in to ensure they win in the marketplace. Do they want to shape the future, rapidly follow or manage defensively? They must keep pace with the innovation and change employed by traditional and emerging players in order to remain relevant and competitive. Their goals include achieving flexibility, scalability and reliability on less expensive platforms to reduce total cost of ownership.



## WHAT ARE THE DRIVERS FOR PAYMENTS TRANSFORMATION?

Payments have fundamentally changed and are causing a scramble for position to determine a new set of payment winners and losers. Some of the changes include:

- Rising power of the consumer and merchants in the payments ecosystem
- Pervasive intervention of regulators
- Relentless pace of technological advances in computing power
- Enhanced capabilities of consumer devices
- Advanced technologies enabling competitors to entice customers



## WHAT ARE THE KEY BENEFITS?

- Reduce the effective cost per transaction by moving to less expensive platforms, including Linux/x86 on premise or in a cloud-based model
- Drive additional revenue by rapidly delivering innovative products that meet customer demands while staying ahead of competitors
- Increase customer loyalty by providing customers with payment choice, control and consistency across all channels
- Consolidate and lower costs by removing redundant operating expenses, with the modern technology and efficient tools provided by the UP<sup>®</sup> Framework<sup>™</sup>.

---

## UP<sup>®</sup> RETAIL PAYMENTS<sup>™</sup> SOLUTION

Financial institutions recognize the need to transform their legacy payment environments with next-generation technologies. A key consideration behind how and when to do so requires weighing the benefits over the risks. To effectively manage this transformation, ACI launched the UP Retail Payments<sup>™</sup> solution, which includes the UP Framework as the key component. It combines the features and functionalities of both legacy and next-generation technologies in a coexistence environment. It delivers clear business value and benefits for transforming payment environments, while protecting the investments made in existing systems.

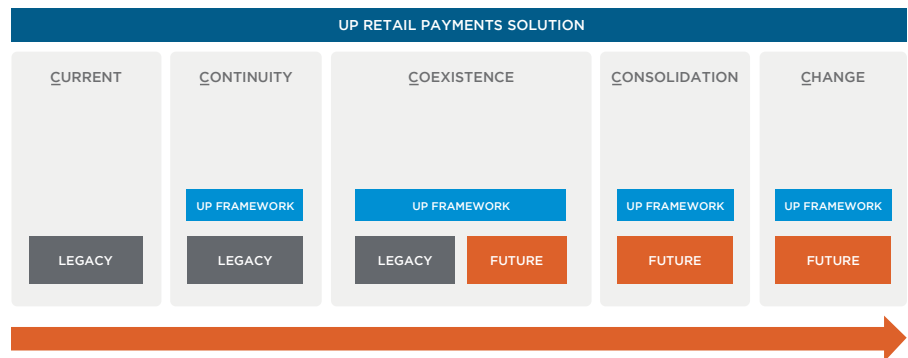
The power of the UP Retail Payments solution lies within the UP Framework, built on an open service-oriented architecture, delivering robust orchestration that enables:

- Easy integration with multiple systems for an enterprise view of customers, accounts and transactions
- Driving additional revenue by rapidly delivering innovative products and services that meet market and customer demands while staying ahead of non-traditional competitors
- Support for cardless transactions, in addition to card-based payments
- Optimization of regulatory mandates such as the EU Payments Services Directive (PSD2), EMV and Single European Payment Area (SEPA) initiatives, as well as evolving regulation for data privacy and strong authentication

THE FIVE Cs DETAIL THE ESSENTIAL PHASES NEEDED TO STRATEGICALLY MOVE TO AN ENTERPRISE PAYMENTS PLATFORM AT A SIGNIFICANTLY FASTER PACE AND LOWER COST.

## A PATH TO THE FUTURE: NAVIGATING THE FIVE Cs

Transforming payment environments to next-generation technology needs to be managed properly. To assist financial institutions, ACI has defined a practical path to the future called “Navigating the Five Cs.” The path details the essential phases needed to strategically move to an enterprise payments platform at a significantly faster pace and lower cost.



**1. Current** describes the state where many financial institutions are today. Legacy payment environments have high-performing and reliable systems, however they were not designed to develop flexible, omni-channel solutions at the speed and expectations of today’s market demands.

**2. Continuity** enables the staging of system conversions on the financial institution’s timeline to minimize disruption to day-to-day operations. This enables the introduction of new transactions and workflows, providing a consistent user experience across all channels.

ACI Worldwide, the Universal Payments (UP) company, powers electronic payments for more than 5,100 organizations around the world. More than 1,000 of the largest financial institutions and intermediaries, as well as thousands of global merchants, rely on ACI to execute \$14 trillion each day in payments and securities. In addition, myriad organizations utilize our electronic bill presentment and payment services. Through our comprehensive suite of software solutions delivered on customers' premises or through ACI's private cloud, we provide real-time, immediate payments capabilities and enable the industry's most complete omni-channel payments experience.

**LEARN MORE**

 [WWW.ACIWORLDWIDE.COM](http://WWW.ACIWORLDWIDE.COM)

 [@ACI\\_WORLDWIDE](https://twitter.com/ACI_WORLDWIDE)

Americas +1 402 390 7600  
Asia Pacific +65 6334 4843  
Europe, Middle East, Africa +44 (0) 1923 816393

© Copyright ACI Worldwide, Inc. 2017  
ACI, ACI Worldwide, ACI Payment Systems, the ACI logo, ACI Universal Payments, UP, the UP logo, ReD, PAY.ON and all ACI product names are trademarks or registered trademarks of ACI Worldwide, Inc., or one of its subsidiaries, in the United States, other countries or both. Other parties' trademarks referenced are the property of their respective owners.

AFL6305 05-17



- 3. Coexistence** unites legacy and next-generation technology under the UP Framework where it serves as the overarching integration technology. UP Framework enables the management and flow of transaction volume between systems based upon specific needs.
- 4. Consolidation** provides strong economic benefits with a clear conversion path to move transactions from legacy systems to UP BASE24-eps® with the option of moving to less expensive platforms, including Linux/x86. It delivers operating efficiency and increased scalability for greater economies of scale by handling higher transaction volumes on lower cost platforms, significantly reducing the cost per transaction.
- 5. Change** enables financial institutions to run an enterprise payments platform, either on premise or in a cloud-based model, at the lowest total cost of ownership, with the power of the UP Framework and all of its capabilities. They can bring innovative products to market faster, increase customer loyalty and gain a competitive advantage in a far more efficient and innovative payments environment.

---

## DELIVERING ON THE PATH TO THE FUTURE

The future of payments is real-time, open to all and unencumbered by channel and business silos. Historical inefficiencies are being driven out of the payments ecosystem and innovation and change are fundamental necessities to increase customer retention, compete successfully and deliver shareholder value.

The UP Retail Payments solution tells a strong technology story, but more importantly, it tells a strong business story in terms of risk and migration management, cost control and creating a culture of innovation.

The Five Cs approach brings together legacy technology with the power of the UP Framework and BASE24-eps and the option to run on less expensive platforms. It is packaged as an integrated solution, with a pricing model that offers an incrementally lower per-transaction cost as payment volumes grow.

The predictable payments market is gone forever. Financial institutions need flexible capabilities, speed to market and the right partner to compete against nimble, sophisticated start-ups that are reimagining ways to serve their customers' financial needs.

Delivering on the path to the future with the UP Retail Payments solution increases agility, lowers cost and drives innovation for business growth and successful execution today and in the future.

For more information on how the UP Retail Payments solution can help with your payments evolution, please visit:

[www.aciworldwide.com/retailpaymentsolution](http://www.aciworldwide.com/retailpaymentsolution)