

Innovation is now an enterprisewide initiative

Merchants in all sectors face significant changes: in the ways customers want to discover and pay, in the nature of the goods and services they want to buy, and in the form of new entrants and converging value chains.

In response, almost all large merchants are transforming their strategies and distribution models. Strategic decisions being made today have the potential to reshape the competitive landscape, and the approach that merchants take to innovation will have a significant bearing on their future success. Organizations that continue to drive innovation from the top down should expect to fall behind more forward-thinking competitors that consider innovation an enterprise-wide movement.

While technology is, and will remain, an important part of the answer, it is people who truly change organizations. The merchants that ally cultural change with technology leadership to drive innovation place themselves in the best position to thrive. Those that get this wrong will risk their future position in the value chain.

To understand exactly how merchants, banks, intermediaries, and corporates are approaching – and benefiting from – innovation, ACI Worldwide and Ovum have partnered to create the Culture of Innovation Index, a genuinely global and cross–value-chain view on the factors that drive success.



Merchants have gone through a metamorphosis of sorts over the past 10 years, with new online merchants emerging onto the scene and often growing fast and furiously, while larger, physical anchor stores struggle to remain relevant in the face of digital displacement. Now more than ever, merchants need to innovate to stay relevant to their customers in a fiercely competitive landscape with constantly changing channel and buying desires.



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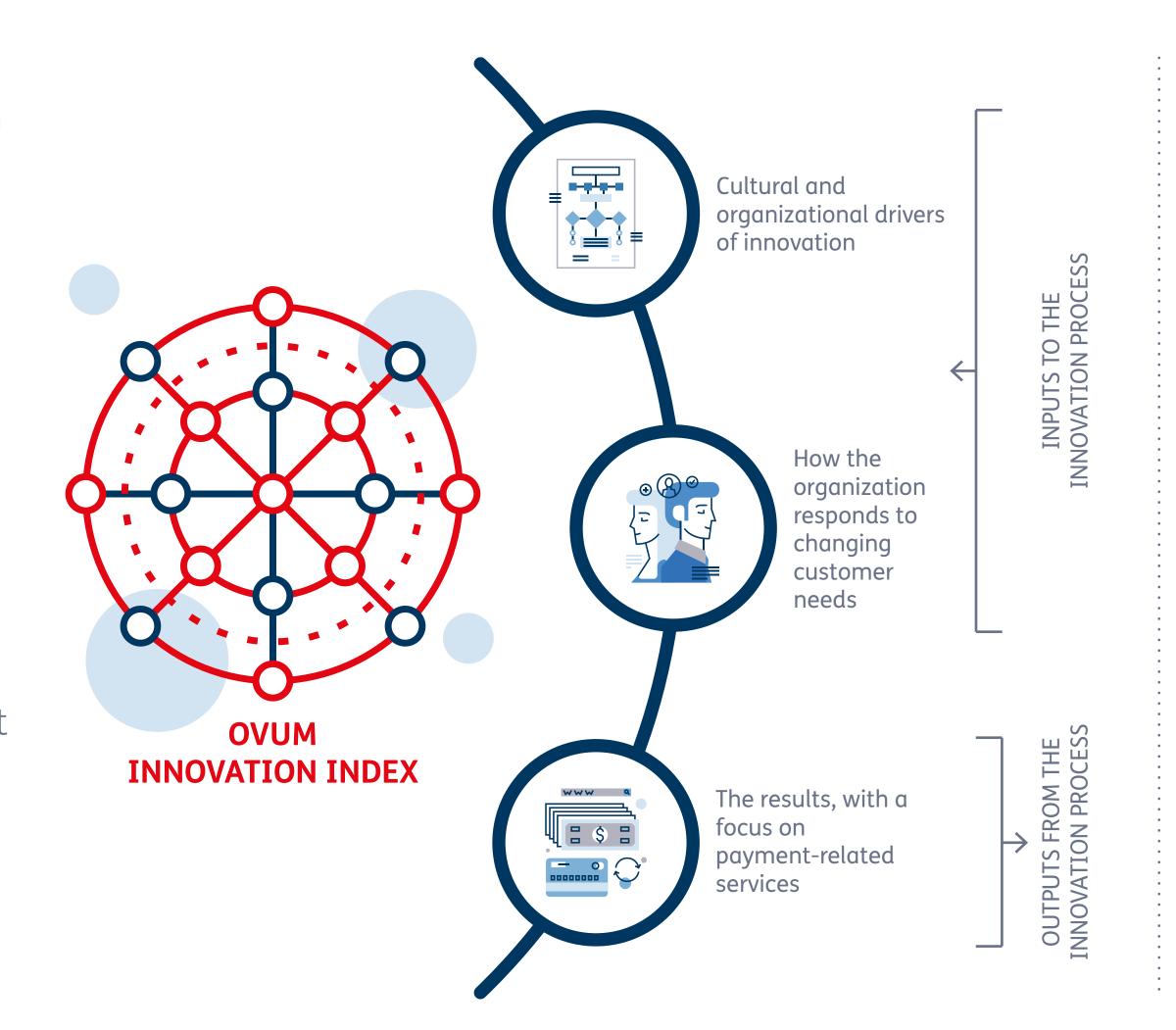
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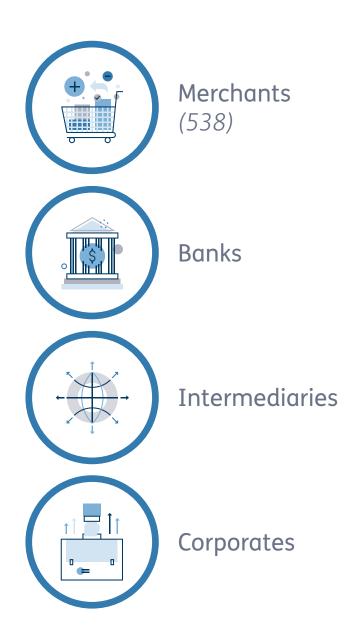
The Culture of Innovation Index

The Culture of Innovation Index is built upon a global program of research spanning players from across today's payments ecosystem. Based on interviews with senior executives in 1,163 enterprises, we have scored each organization across a range of cultural, organizational and technology-centric factors. These span both the inputs to the process of driving innovation, as well as the outputs (in the form of new products and services).

The aim of this is simple: to identify not only the factors that separate the most innovative businesses from the laggards, but also what this means in terms of product innovation. In essence, how will today's most innovative organizations convert their investments into future gains?



1,163 interviews16 industrysub-segments20 countries438,000 datapoints





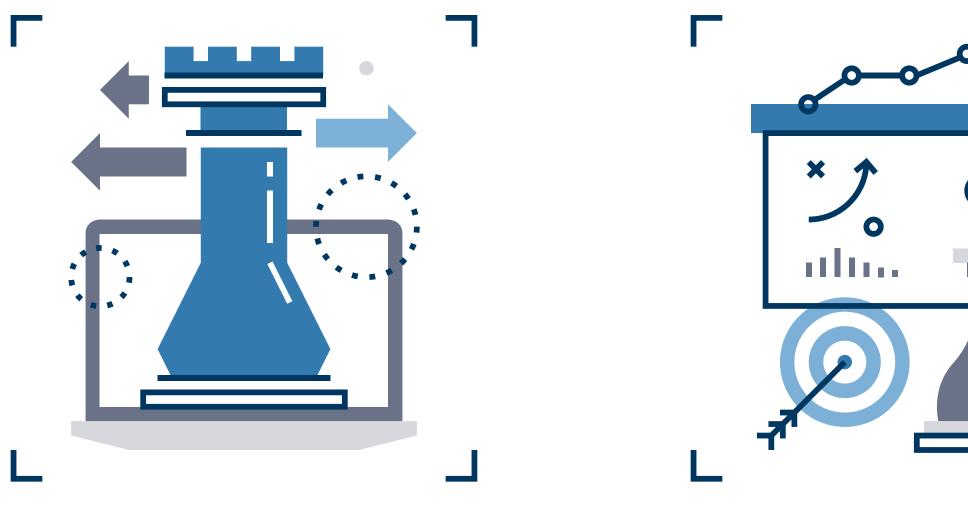
THE TWO TYPES OF DIGITAL TRANSFORMATION PROJECTS

The term "digital transformation" is widely used to describe a range of large-scale projects with a wide array of objectives and outcomes. In practice, these sit on a continuum between two extremes.

The difference between projects that are focused on digitizing existing products and processes and those that are aimed at creating a truly digital business may seem small, but it is central to the shift emerging in the market between those organizations that are truly forward-looking and those that continue to operate with a more traditional approach toward product and service innovation.



Merchants need to differentiate between initiatives that are short-term responses to current challenges and those that are longer-term and designed to reshape how they do business. While both approaches are informed by the need to differentiate and enhance customer experience, the speed and agility required to address short-term priorities should not be achieved at the expense of strategic initiatives leading to more fundamental digital transformation. Merchants need to take a realistic look at how they balance these demands to plan properly for success.



SHORT TERM/TACTICAL:

Driving improvement in the current business and model



LONGER TERM/STRATEGIC:

Becoming a fully digital-led business

Optimize the existing business



New digital-led products, services and business models

Enhance the customer experience and core product



Agile in the face of competitive, customer and wider market change

Efficiency and improvement in the core product

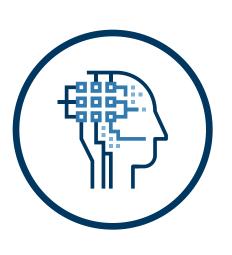


Creation of net-new sources of revenue



WHERE IS YOUR ORGANIZATION ON ITS INNOVATION JOURNEY?

The Culture of Innovation Index identifies five types of organizations as defined by their approach to innovation and business transformation.



TRAILBLAZERS

- Digital-led or strongly digital organizations
- Business is structured around driving innovation
- Leaders in adoption of technology and delivering new products/services



EMERGING

- Strong cultural and structural emphasis on innovation
- Clearly articulated technology strategy and focus on business transformation
- Behind the market in terms of execution and delivery



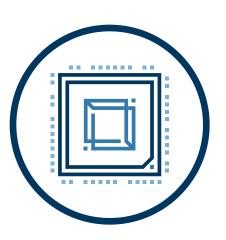
ADVANCED

- Strong focus on the importance of ensuring innovation is an enterprise-wide activity
- Clear strategy and roadmaps around technology adoption and product innovation
- Among the leaders in product development



LAGGARDS

- Behind the curve in both culture and technology, often with a preference for outsourcing services
- Generally aware of the challenges they face, but not actively responding
- Falling behind the market when it comes to innovation in the customer experience



TECH-LED

- Weak when it comes to an enterprise-wide approach to innovation
- Strong focus on investing in technology, but rarely a market leader in product innovation
- Ideas and technology strategy tend to be centrally driven



MERCHANTS: THE INNOVATION GAP

Merchants everywhere are challenged by pressure from new entrants, the breakdown of traditional industry boundaries, and growing customer preference for a digital-led or digital-influenced purchasing experience. This creates both the need for change and the opportunity to future-proof through organizational transformation.

The merchant segments featured in the Culture of Innovation Index – telecoms, retail, hospitality, and digital goods – are spread across the Emerging, Tech-led and Laggard organization types. None of the segments is a Trailblazer. This places merchants behind fintech companies, retail and corporate banks in the overall ranking and highlights the varied paths that they are taking to embrace the opportunities before them.

Overall, 14% of merchants are classified in the "Emerging" category, reflecting a clear focus on the organizational inputs required for technology-driven innovation, but less emphasis on delivery and execution. At the same time, 24% are in the reverse position, more prone to investing in technology than to developing cross-team collaboration or a centrally driven innovation group.

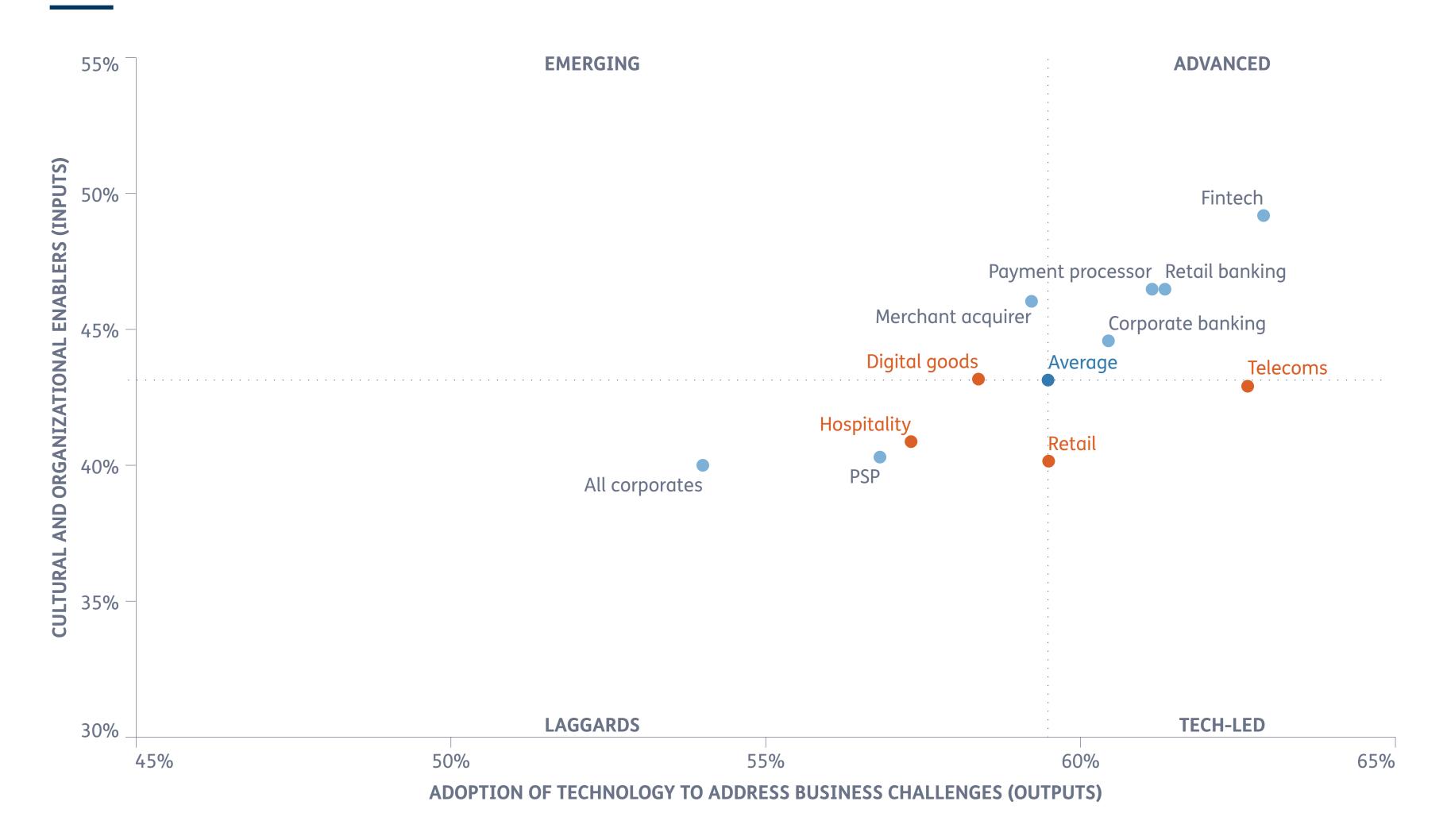
While there is nothing inherently "wrong" with electing to digitize the existing business, this approach is less effective in building long-term value than more comprehensive digital transformation projects. The split between those that are actively innovating and those that are moving more slowly will soon manifest itself in growing competitive differentiation.



The position of merchants behind banks and fintech companies in driving organizational transformation perhaps reflects a stronger imperative for merchants to focus on short-term priorities in a very competitive market where consumers are fickle and demanding. It may, too, result from regulatory pressures driving banks to innovate. As such pressures increase for merchants, we may expect the innovation gap to close.



MERCHANTS BEHIND BANKS AND FINTECH IN DRIVING INNOVATION



QUANTIFYING THE DRIVERS AND OUTPUTS OF INNOVATION

Innovation, by its nature, is highly subjective. However, by comparing enterprise attitudes, behaviors and outputs across a number of areas relating to the process of innovation and enterprise transformation, we have been able to provide a comparative view on where each sector is today.

Each enterprise has been scored across a number of individual input and output factors, with "best practice" delivering the highest score. These have then been combined to provide a blended total for overall inputs and outputs, both with a maximum score of 1.0.

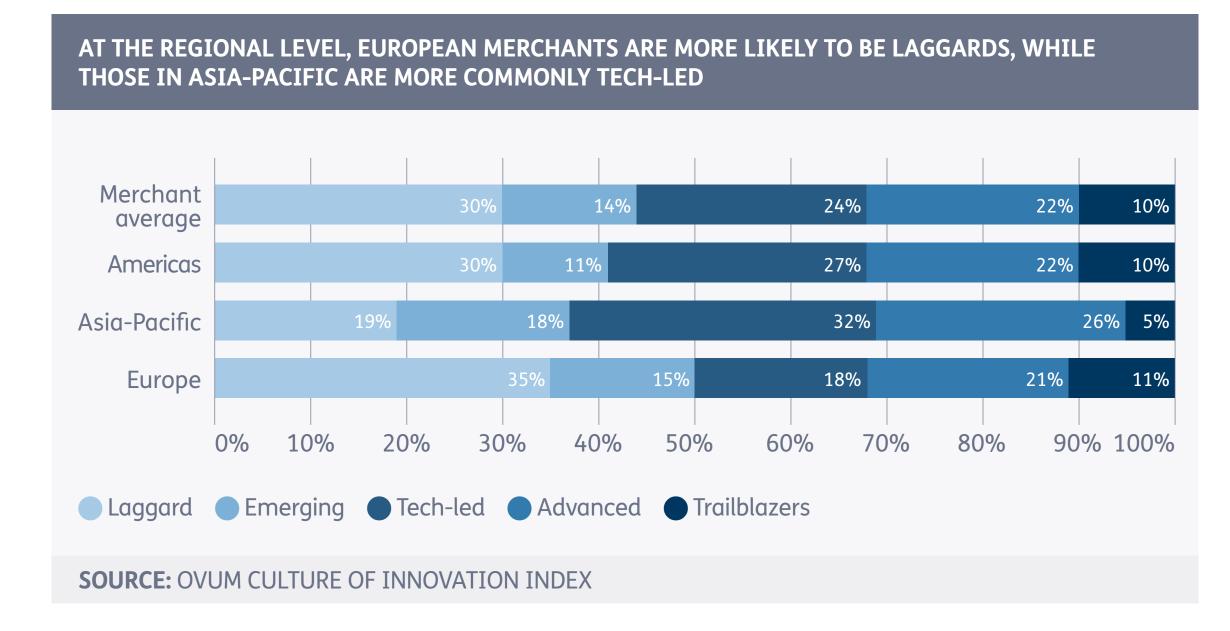


THE GLOBAL PERSPECTIVE

There are some significant differences at a regional level. Europe in particular is quite polarized, with 35% of merchants classified as Laggards, while 33% are either in the Advanced or Trailblazer categories. In many cases, this reflects the growing gap between some long-standing businesses faced with managing technical legacy and relatively new firms less burdened with such challenges.

In contrast, merchants in Asia-Pacific are more likely to be in the Tech-led group, partly reflecting the pace of change with respect to the customer journey across that region, as well as fewer legacy constraints in many markets.

In the Americas, the pattern maps closely to the global average, with 30% of merchants classified as Laggards and 32% either in the Advanced or Trailblazer groups. In the US however, the situation is more polarized. Here 34% of merchants are Laggards, while 16% are Trailblazers, reflecting the growing gap between more traditional merchants and many of the more digital-native businesses.



35%

In Europe, 35% of all merchants are classified as Laggards, compared with 30% globally.

32%

Merchants in Asia-Pacific are highly focused on investing in technology: 32% are in the Tech-led group, and 26% in the Advanced.



SOME VERY LARGE MERCHANTS RISK FALLING BEHIND

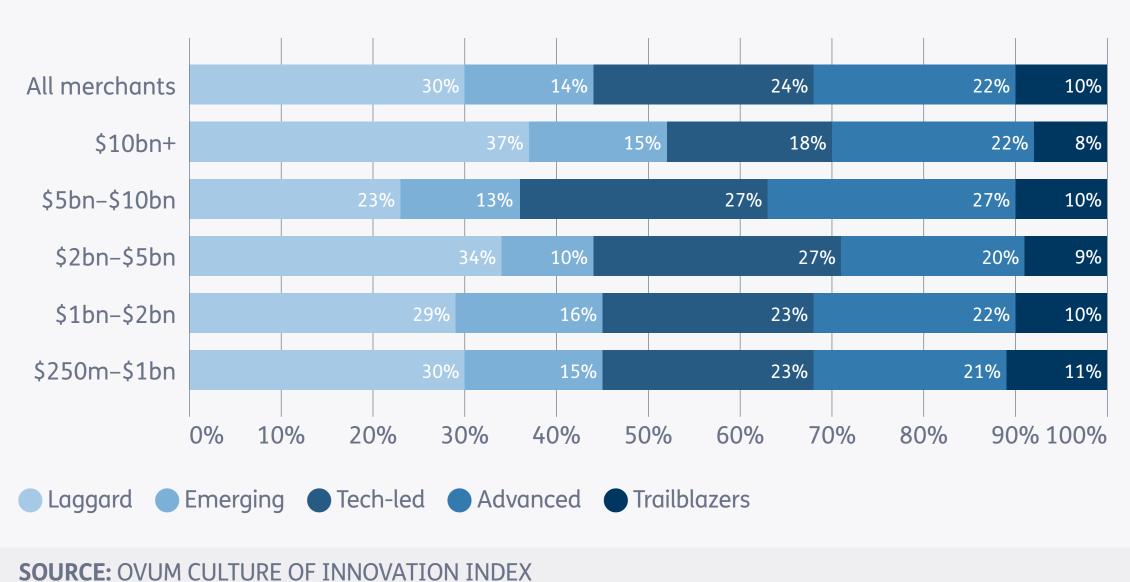
Some of the largest merchants in the industry are falling behind their competitors when it comes to innovation. Across all sectors, 37% of merchants with revenue of \$10bn or more are in the Laggard category (compared with the average of 30% for all merchants). In addition, fewer merchants of this size are classified as Advanced or Trailblazers.

At the same time, this situation is reversed among merchants in the \$5–10bn category. Here, just 23% are classified as Laggards, and 37% are either Advanced or Trailblazers. The presence of a group of midlarge merchants more advanced in terms of innovation than the toptier players points to significant competitive pressures for the largest and most established brands in the future.

UNIVERSAL PAYMENTS.

The complex requirements and technical environments of larger merchants may mean that they struggle to be agile and respond rapidly to changing market demands. The challenge here is to manage this infrastructure efficiently and, at the same time, enable the innovations that are needed to stay ahead.

THOSE WITH REVENUE OF MORE THAN \$10BN ARE MORE LIKELY TO BE LAGGARDS THAN ANY OTHER SEGMENT



SOURCE. OVOM COLIURE OF INNOVATION INDEA

37%

37% of merchants with revenue of \$10bn or more are in the Laggard category.

37%

Among those merchants in the \$5–10bn category, 37% are either Advanced or Trailblazers.



VARIED PATHS ON THE JOURNEY TO TRANSFORMATION

While none of the four merchant segments featured in the Culture of Innovation Index – telecoms, retail, hospitality, and digital goods – are Trailblazers, 40% of telecoms businesses fall into the Advanced and Trailblazer categories. This compares with 32% for all merchants.

TELECOMS IS A LEADING ADOPTER OF NEW TECHNOLOGY

The telecoms sector is the furthest along in terms of driving innovative services and the adoption of new technology. The investments that many large telcos are currently making in advanced analytics and machine learning technologies are important here. These spread across a range of business areas, from personalizing the customer experience through deploying machine learning for network optimization.

RETAILERS ARE ALSO TECH-LED IN FOCUS

Retailers also sit in the Tech-led cluster. As a business area that is first to experience the impact of shifting consumer demands – and one that has been particularly disrupted by consumer adoption of digital commerce – the need to respond quickly has traditionally driven a reliance on investment in point solutions to deliver quick results. We anticipate further challenges for retailers in the year ahead, especially

among those already struggling to maintain their sales in the face of fierce competition from more digitally led competitors.

CULTURAL FACTORS ARE STRONG AMONG DIGITAL GOODS PLAYERS

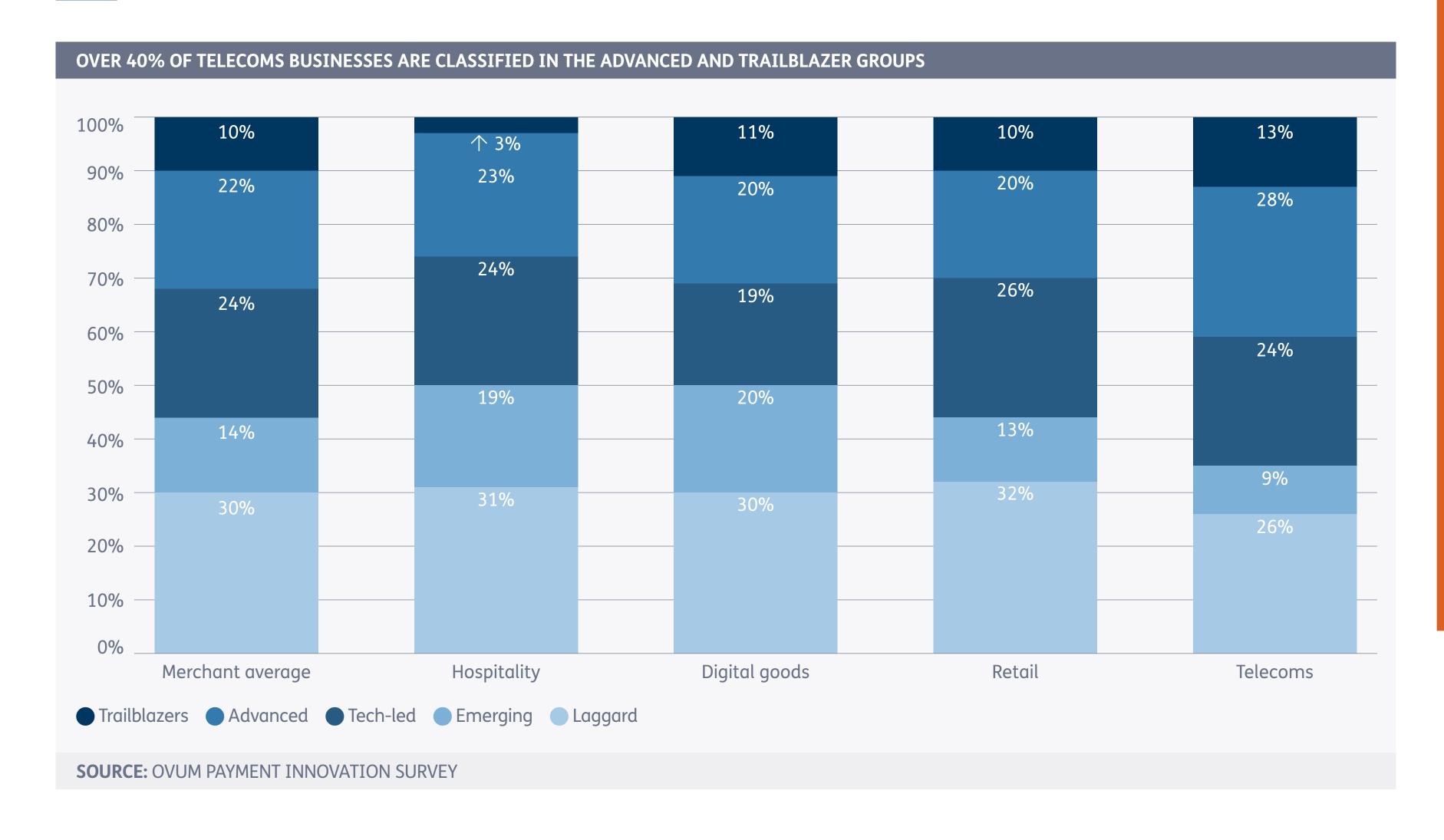
Perhaps surprisingly, the digital goods sector sits behind several others when it comes to innovation. As a cluster, these gaming and digital entertainment businesses sit in the Emerging group, reflecting a strong organizational and people culture, but a weaker performance around investment in new technology. In part, this reflects the fact that many of these businesses rely on the quality of the product for sale rather than on the customer experience. Indeed, 56% believe they are falling behind their competitors in the quality of their customer experience.

THE HOSPITALITY INDUSTRY LAGS BEHIND THE MARKET

The hospitality sector, which includes businesses across food and beverage as well as transportation, lags behind other verticals in the index. While there are some highly advanced businesses in this sector, it is clear that many more are falling behind their peers. In part this reflects the people-centric nature of service delivery in many hospitality businesses, but nevertheless, it demonstrates the degree to which many should rethink their long-term approach to technology.



THE TELECOMS SECTOR IS THE MOST ADVANCED MERCHANT GROUP WHEN IT COMES TO INNOVATION





The merchants in this study are taking a variety of different paths to digital transformation, reflecting the different pressures and priorities experienced across different vertical segments. Across the board, the data identifies the need for merchants to better align organizationally behind strategic innovation initiatives to move toward the Trailblazer category.



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DIGITAL DIFFERENTIATORS FOR MERCHANTS

It is interesting to note some significant differences between vertical sectors and organization types in terms of cloud and artificial intelligence (AI) technologies and security concerns.

INTEREST IN CLOUD IS GROWING

Across all merchant segments, 21% plan to invest further in their use of cloud technologies (such as containers and serverless computing). This demonstrates a push for innovation and operational efficiency among merchants battling in a fiercely competitive market. The digital goods and retail sectors will see the biggest investment here in the coming year, although we note that the telecoms sector has already made sizable investments in cloud technologies. Among merchants, 81% plan to move further mission-critical workloads into public cloud infrastructure, with retail (84%) and telecoms (82%) leading the way.

AI TECHNOLOGIES ARE HIGH ON THE AGENDA

When it comes to investments in AI technologies, the hospitality and telecoms sectors are the most heavily focused. Among hospitality businesses, 42% have clear plans around increased use of technologies such as machine learning and bots, while the figure is 39% for telscoms. In the case of hospitality, this reflects a growing

emphasis on the use of data across operational areas such as supply chains, logistics, and maintenance.

SECURITY REMAINS A KEY ISSUE

Security is also high on the agenda for merchants, with the need to provide a smooth customer experience while not compromising security remaining a delicate balance. At a global level, 73% believe that their risks of a data breach are higher than a year ago, and 76% view security concerns as a brake on their ability to innovate. Interestingly, merchants in the Trailblazer category are less concerned on this point, perhaps reflecting on past investments in their fraud detection and prevention capabilities.

81%

81% of merchants plan to move further mission-critical workloads into public cloud infrastructure. 49%

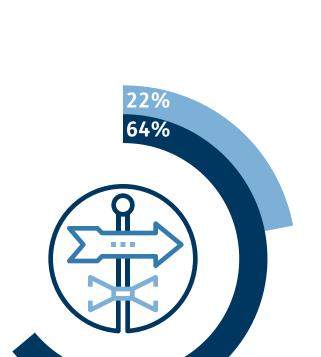
Investment in payments security is a top-three priority for 49% of merchants, with a focus on authentication technologies.



7 CHARACTERISTICS OF HIGHLY INNOVATIVE MERCHANTS

While there is no single formula for driving innovation within an organization, there are some emerging indicators of best practice. For merchants, there are seven characteristics of the Trailblazer group – the most innovative enterprises – that stand out from the rest of the market.

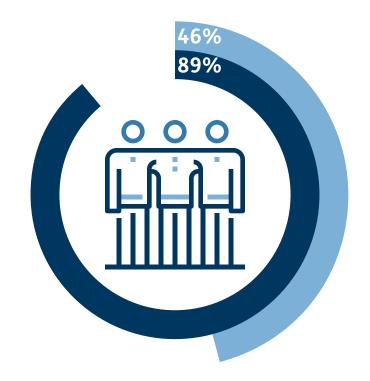
In practice, the degree to which merchants can transform their businesses will rest on their putting the right cultural and organizational pillars in place to create a business with the ability to respond in an agile manner to new market opportunities and customer needs.



01: A STRONG CENTRAL FUNCTION TASKED WITH DRIVING INNOVATION

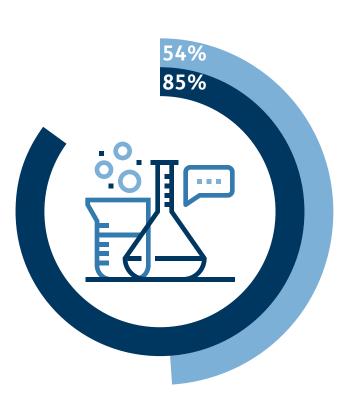
The presence of central innovation and/or digital teams with the resourcing, responsibility, and senior sponsorship to coordinate and support innovation is becoming increasingly important to any large organization.

This is the most important source of innovation for 64% of Trailblazer merchants, compared with 22% on average.



02: AN AGILE CULTURE THAT IS RESPONSIVE TO CUSTOMER NEEDS

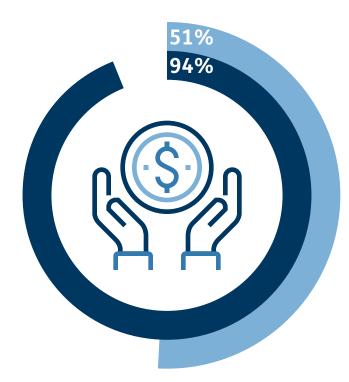
One of the most important differentiators for the most innovative merchants is the ability to respond quickly to changing customer needs. This is partly a question of technology and IT organizational structure, but also of an open and collaborative culture.



03: A COMPANY-WIDE ENGAGEMENT WITH EMERGING TECHNOLOGIES

The most innovative merchants invest resources in exploring and experimenting with new technologies to identify opportunities to enhance products and services.

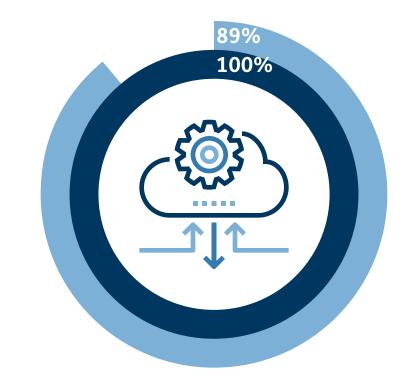




04: FOCUS ON BRINGING INNOVATIVE PRODUCTS AND SERVICES TO MARKET IS A HIGH PRIORITY

The degree to which delivering new products and services is seen as an important company focus. This is either through external messaging and investment in these areas or softer measures such as internal promotion.

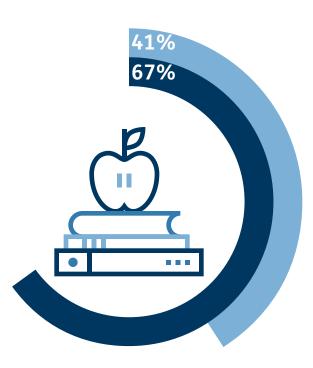
© 94% of merchant Trailblazers report that this is a core business objective, compared with 51% on average.



06: AN IT FUNCTION CAPABLE OF DELIVERING INNOVATION

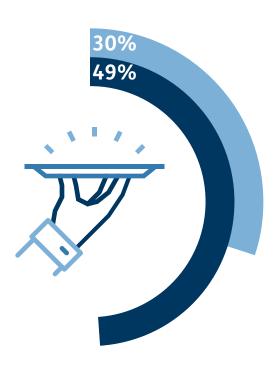
Innovative organizations have stated plans (internal and external) around the use of cloud technologies including the use of cloud for mission-critical workloads.

All Trailblazers have a clearly defined cloud strategy (compared with 90% on average), and 94% plan to move mission-critical workloads to the public cloud in 2019/20 (89% of all merchants on average).



05: EMPLOYEES ARE TRAINED TO SUPPORT NEW PRODUCT/SERVICE DEVELOPMENT

Highly innovative merchants place particular emphasis on giving employees the opportunity to be trained and involved in the process of identifying product/service gaps, as well as enabling them to actively engage in the process.



07: INVESTMENT IN THE CUSTOMER EXPERIENCE

The merchant's budgets for investing in "change-the-company" priorities are targeted to drive improvements in the customer experience.

© Investing in improvements to the customer experience is the top driver of investment in payments technology for 49% of Trailblazer merchants (compared with 30% for the sector overall).



Accelerating the return on payments investment

NEW PAYMENT OPTIONS A CLEAR PRIORITY

When we look more closely at what payments innovation means for merchants, it is clear that the majority plan to invest in new payment options for customers in the coming year for both in-store and digital commerce.

At a global level, 53% of merchants see offering new payment options as a top-three investment priority for in-store transactions. At the same time, 55% report creating new payment experiences (such as new apps or supporting new wallets) is a top-three investment priority in digital commerce, while 52% place the same emphasis on increasing the range of payment tools accepted.

Ultimately, this is a direct consequence of the pace of change in the payments sector and a key driver of cross-border expansion. Many merchants must invest in payment options simply to keep pace with changing customer expectations even if this, in turn, reduces their scope for delivering wider improvements to the customer experience.

MOBILE TOPS THE AGENDA FOR IN-STORE INVESTMENT

Delivering or enhancing mobile payment options is a significant instore investment area, highlighting the need for merchants to focus on the cross-channel customer experience. Across all sectors, 51% see this as a top-three priority project, with those in Asia-Pacific (54%) and the global telecoms sector (59%) most focused here. In the case of telecoms, important to this theme will be supporting the creation and launch of new services for their customers to use for payments.

26%

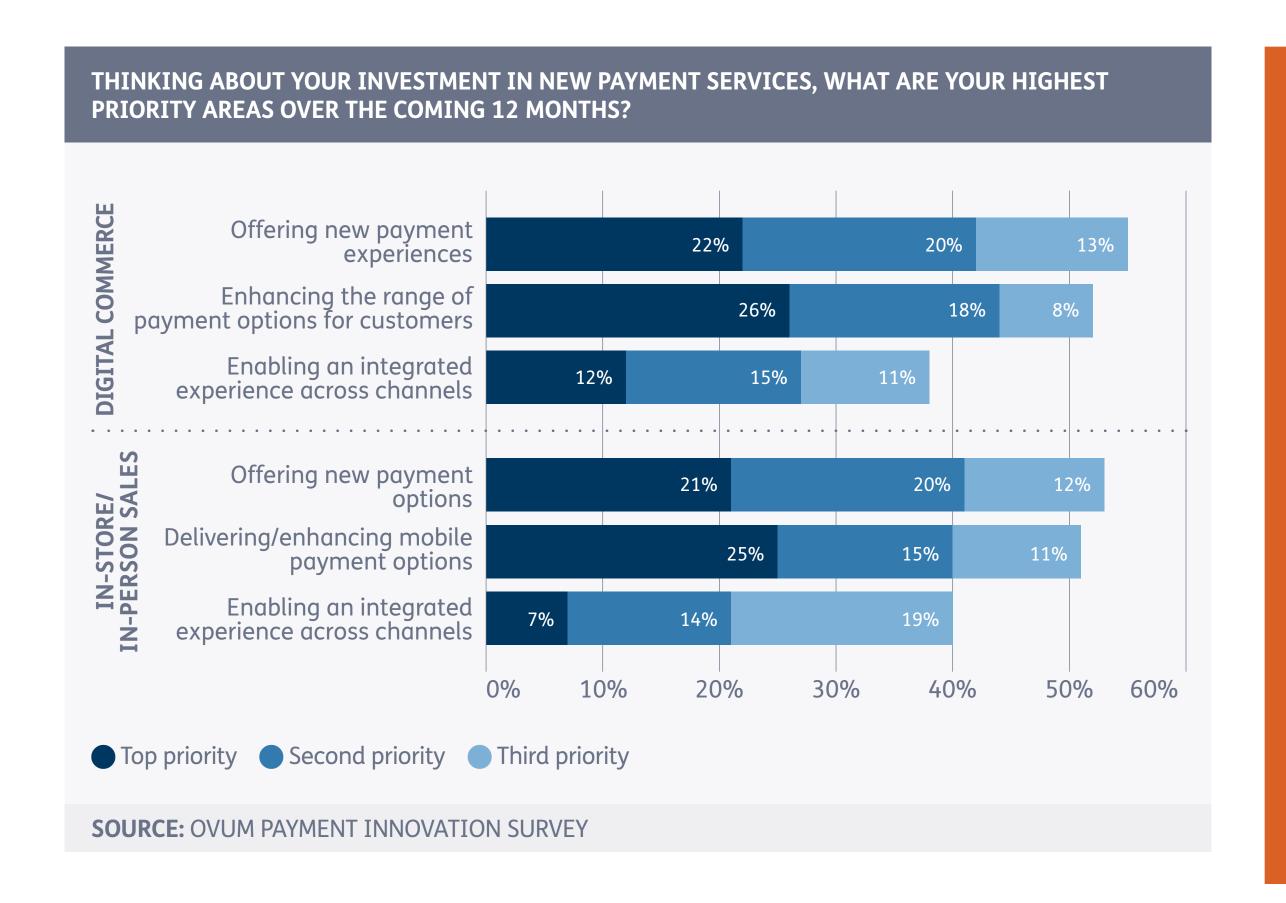
Expanding payment-tool acceptance is the single biggest focus area for 26% of online merchants.

50%

Mobile is a top-three in-store investment priority for over 50% of merchants.



THE MOST IMPORTANT FOCUS AREA FOR MERCHANTS WILL BE EXPANDING THE RANGE OF ACCEPTANCE OPTIONS AVAILABLE





It is no surprise that new payment options top the list of investment priorities. ACI's own customer payment data indicates that the addition of a third payment option can increase overall conversion rates by more than 25%. Merchants will need to serve the payment preferences of both local and global audiences to take advantage of the borderless nature of today's commerce.

Mobile payment options are increasingly important for delivering a simple and efficient in-store purchasing experience, and we expect to see continuing focus on efforts to deploy mobile point-of-sale and self-service technology to support queue busting and encourage the repeat visits that are the lifeblood of brick-and-mortar merchants.



EXPANDING AND INTEGRATING CHANNELS

The convergence of digital and in-store payment capabilities is another clear driver for merchants in 2019/20. Providing a stronger and more seamless cross-channel payments experience is the single highest instore investment priority, with 40% of merchants reporting this as a top-three focus area for the coming year.

Similarly, in digital commerce, 38% of merchants are investing to enable a more seamless and frictionless experience for customers moving between touchpoints. Many merchants expect to see sales shift to digital channels at an increasing rate, with retailers expecting online and mobile to account for 51% of their revenue by 2021. In the case of hospitality (57%) and telecoms (58%), this same pressure on store networks is causing merchants to urgently rethink their digital experience in particular.

Overall, 27% of digital merchants (and 31% of retailers) are investing to support sales through social media or other platforms such as chat apps. Extending the reach of product inventory and the sales process into these channels is seen as particularly important in areas such as fashion retail, where customers move seamlessly from discussing potential purchases with friends and family to completing a purchase.

INVESTING IN THE BACK OFFICE IS ALSO HIGH ON THE AGENDA

While the investment focus for merchants is squarely on the customer experience, many are looking to drive improvements in their middle and back offices as well. Across all sectors, 43% of merchants report that enhancement of their payments infrastructure is an important focus area for the coming year with many looking to create the capabilities for further innovation. Digital goods businesses in particular are focusing here, with 63% citing this as a leading investment priority.

At the same time, 37% are investing to deliver a single view of customer behavior. This, too, should provide a foundation for innovation and customer journey enhancement.

45%

Providing a seamless crosschannel payments experience is a top-three investment priority for 45% of in-store merchants. 51%

Online and mobile will account for 51% of retail revenue by 2021.



PAYMENTS INNOVATION WILL DRIVE COMPETITIVE ADVANTAGE

The Culture of Innovation Index highlights clearly how differences in the approach to innovation drive equally different product and service outcomes in practice.

The most innovative merchants have either already put in place the building blocks for continuous innovation or are in the process of doing so. When it comes to innovating around the payment process, this includes having modern and flexible payment systems at the core of the business.

Looking again at the leading strategic priorities for merchants in the coming year, we see there are clear differences between the behavioral groups. It is here that we will see competitive differentiation emerge, particularly among the Trailblazers.

In the case of in-store payments, the primary focus for the market overall is squarely on expanding payments acceptance. This is a top-three investment priority for 53% of all merchants overall and rises to 64% among Trailblazers, highlighting the degree to which this group is likely to open up competitive differentiators.

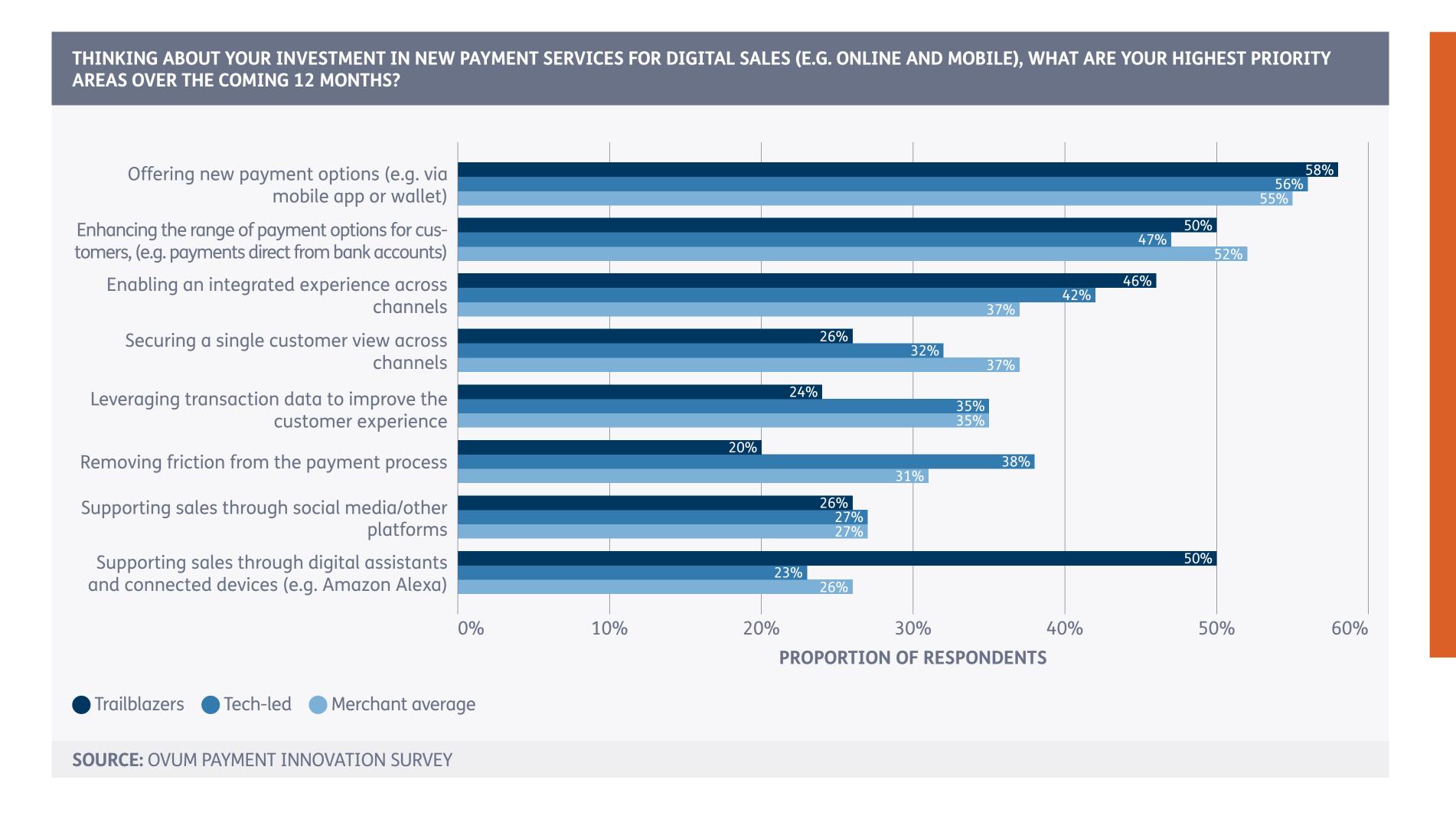
Larger differences emerge around the use of data adjacent to the payment. Merchants in the Trailblazer category are more heavily focused on enabling an integrated experience across channels (43% compared with the market average of 34%) and leveraging transaction data to improve the customer experience (40% compared with 32% overall).

VOICE WILL BECOME A CRITICAL DIGITAL DIFFERENTIATOR

When it comes to digital commerce, the emphasis across the market on enabling wider payments acceptance remains consistent. However, the use of voice and Internet of Things (IoT) devices is set to become a potentially significant differentiator. Among Trailblazer merchants, 50% plan to invest to support sales through digital assistants such as Alexa (and other forms of connected device) in the coming year, compared with 26% for the market overall.



IN DIGITAL COMMERCE, VOICE WILL BECOME AN IMPORTANT DIFFERENTIATOR IN THE COMING YEAR





It is the resolute focus of Trailblazers on enhancing customer experience and enabling customers to transact however and wherever they wish that sets them apart from the rest. And it is in areas such as voice that we will see the most innovative merchants begin to open up competitive advantage in the coming 24 months.



NEXT STEPS – HOW TO BECOME A TRAILBLAZER

While companies may feel that they do not have the necessary technology and/or financial resources to become a market leader, product innovation is now far less about IT investment than it used to be.

For those that see the opportunity in innovation (and understand the danger in lagging behind) there are some important steps that need to be taken in order to become a Trailblazer.



For merchants in the Laggard and Emerging categories, the time for action is now. With modern payment systems at the core of their businesses, Trailblazing merchants will forge further ahead. This is the outcome of approaching the process of product and service innovation in the right way, combining the right cultural and organizational inputs with the right technology capabilities and strategy.





LAGGARDS

CHALLENGE

Merchants in this category are behind the curve and risk losing their market position as more innovative competitors offer superior experiences across both digital and cross-channel services.

ACTIONS

- Take steps to determine your future strategy and business model.
- Consider whether your senior product and IT management has the skills and appetite to drive real change in the organization.
- View your IT function as a potential enabler and driver of innovation rather than a cost center.

CHALLENGE

EMERGING

Those in the Emerging group typically have a strong foundation in terms of the organizational culture, but are yet to deliver meaningful outputs.

ACTIONS

- Ensure full alignment between IT, product, and central innovation functions, restructuring the IT function if necessary.
- Encourage active collaboration across the whole organization with strong executive sponsorship.
- Consider partnering with vendors or consultancies to test and launch new concepts.

CHALLENGE

TECH-LED

IT investment is typically driven either by the IT group entirely or centrally with relatively little crosscompany collaboration or input.

ACTIONS

- Build or enhance the internal functions that shape and coordinate the process of product and service innovation.
- Ensure that activities around product development and opportunity identification are truly cross-organizational, and that employees are given the opportunity to participate and receive training where necessary.
- Bring together stakeholders from across the business to collaboratively shape a clear product strategy.

CHALLENGE

ADVANCED

Merchants in this group are performing more strongly than many in the market, but are still beginning to fall behind the most innovative competitors and some new entrants.

ACTIONS

- Invest time and resources in setting the right culture around innovation to ensure that all employees are encouraged to participate in the process.
- Continue to empower IT groups to experiment with new ideas and technologies.
- Take risks with new products, and do not be afraid to fail.
 Learning from mistakes is essential to becoming truly innovative.



UNIVERSAL

PAYMENTS

TRAILBLAZER

See how ACI can help you create a seamless omni-channel payments experience.



Learn how ACI can help your business blaze a trail.



Methodology

The purpose of Ovum's Culture of Innovation Index is to investigate how enterprises today consider the concept of innovation and how each organization is responding to the opportunities and challenges in today's market.

The research is based upon a global survey of 1,163 enterprises, which was conducted in 2Q19. These interviews covered a range of topics relating to two broad themes:

01: INPUTS TO THE INNOVATION PROCESS

The cultural and organizational drivers of innovation, particularly the way that the organization is structured with respect to identify changing customer needs, competitive challenges, and new market opportunities.

02: OUTPUTS FROM THE INNOVATION PROCESS

The outcomes from the process, in terms of factors such as the adoption and investment in emerging technologies, as well as specific product innovation relating to the business area in question.

THE CULTURE OF INNOVATION INDEX

Across the study, the responses to more than 100 individual questions were scored and weighted to produce combined scores for each of the Input and Output categories. While the Input scores are fully comparable across each sector, the Output group includes a dedicated focus on product innovation relative to the specific business area.

538 interviewees were senior strategy directors, heads of payments, and those with similar roles in hospitality, retail, telecoms, and digital goods businesses.

COUNTRY COVERAGE

AMERICAS	221
Argentina	31
Brazil	31
Canada	23
Columbia	35
Mexico	43
United States	58

ASIA-PACIFIC	113
Australia	10
China	15
India	21
Malaysia	18
Singapore	18
Thailand	31

EUROPE	204
Belgium	15
France	31
Germany	36
Italy	32
Luxembourg	21
Netherlands	17
Spain	42
UK	10

SECTOR	538
Digital goods	100
Hospitality	74
Retail	237
Telecoms	127



Appendix

OVUM CONSULTING

Ovum is a market-leading data, research, and consulting business focused on helping digital service providers, technology companies, and enterprise decisionmakers thrive in the connected digital economy.

Through our 150 analysts worldwide, we offer expert analysis and strategic insight across the IT, telecoms, and media industries.

We create business advantage for our customers by providing actionable insight to support business planning, product development, and go-to-market initiatives. Our unique combination of authoritative data, market analysis, and vertical industry expertise is designed to empower decision-making, helping our clients to profit from new technologies and capitalize on evolving business models.

Ovum is part of Informa Tech, a B2B information services business serving the technology, media, and telecoms sector. The Informa group is listed on the London Stock Exchange.

We hope that this analysis will help you make informed and imaginative business decisions. If you have further requirements, Ovum's consulting team may be able to help your company identify future trends and opportunities.

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Kieran Hines is Head of Industries at Ovum, leading the technology research and portfolio development across its three pillars: financial services (retail banking, corporate banking, payments, and insurance), public sector (government and education), and telecoms & media technology.

He also leads the Financial Services Technology team. Within this, his personal research area is payments, particularly bank technology strategy around areas including real-time payments, open banking and digital commerce.



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