



EQUINIX

PAYMENT AND COMMERCE

DIGITAL EDGE PLAYBOOK

Strategies to transform your digital edge for
the future of real-time transactions



ABOUT THIS PLAYBOOK

PURPOSE

The Digital Edge Playbook for Payment and Commerce outlines how industry leaders are transforming their digital edge to leverage an ecosystem-based value chain for real-time insights and a frictionless experience. Our simple, three-step strategy offers proven best practices on how to re-architect your presence, integrate cloud and SaaS capabilities and enable new offerings based on interconnected collaboration.

CHALLENGE

The pace of the digital economy is accelerating, changing how merchants, consumers and businesses interact. Demand for personalized experiences is shifting the classic payment transaction to a digital process based on open collaboration.

Digital requires expanding steps in payment processing while simultaneously meeting customer expectations for faster execution. Traditional architectures based on centralized control are unable to cost-effectively scale, respond flexibly to new requirements or offer the controls needed to meet regional compliance.

NEED



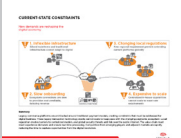
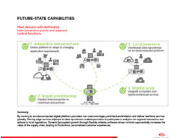



To effectively compete in digital commerce, industry leaders need a distributed, digital-edge architecture that gives them proximity to dispersed customers and partners across the world. With a platform that provides global location coverage, private interconnection within a rich partner ecosystem and the ability to integrate and simplify controls, these companies have the infrastructure they need to transform for digital.

TABLE OF CONTENTS

2	About
3	Executive Summary
4	Market Trends
5	Interconnection Insights
6	Current-State Constraints
7	Future-State Capabilities
8	Strategy
9	Roadmap
10	Platform
11	Getting Started

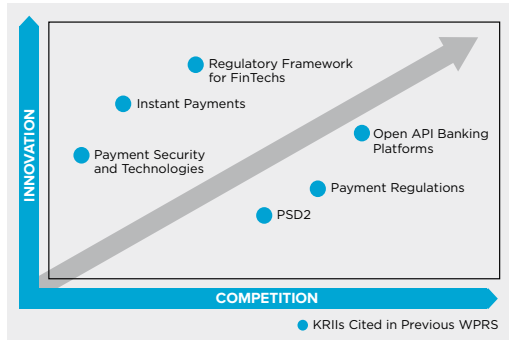
EXECUTIVE SUMMARY

Payment and commerce institutions face regulatory and consumer pressures that require a new strategy and architecture designed for the digital edge

TRENDS AND INSIGHTS		CONSTRAINTS AND CAPABILITIES		PLAYBOOK		
TRENDS	INSIGHTS	CONSTRAINTS	CAPABILITIES	STRATEGY	ROADMAP	PLATFORM
						
New approaches are reshaping how money is transferred and forcing changes to the digital commerce ecosystem.	Interconnection Bandwidth is outpacing private WAN and internet expansion by nearly 10x and is anticipated to grow as the preferred approach to scale digital commerce at the edge.	Traditional architectures cannot support regional data requirements or scale to meet digital demand.	To solve, commerce leaders are using interconnection to integrate a dynamic value chain, address local governance and enable global reach.	The Digital Edge Playbook provides a three-step strategy based on proven best practices to accelerate this transformation.	Leverage this payment and commerce customized roadmap, based on the best practices of an Interconnection Oriented Architecture® (IOA®) strategy, to implement the playbook.	A digital platform and architecture requires three critical elements, provided by Platform Equinix®.

MARKET TRENDS

New regulatory requirements are changing data access and collaboration models...



CapGemini Financial Services Analysis

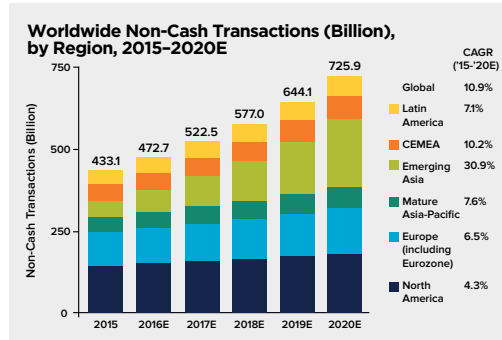
Implications

- Regulators are mandating that closed, tightly controlled payment stacks be made accessible through open banking and API initiatives.
- Local data mobility models require distributed security and more robust analytics.

Summary

New regulations call for open payment stacks, challenging traditional business, while demand for frictionless experiences accelerates the trend toward non-cash transactions. Traditional architectures cannot meet these new requirements without adding delay to payment transactions. A new, distributed architecture on a platform that provides proximity to ecosystems, population centers and clouds across geographies is required.

...while algorithmic and experience-centric approaches accelerate growth...

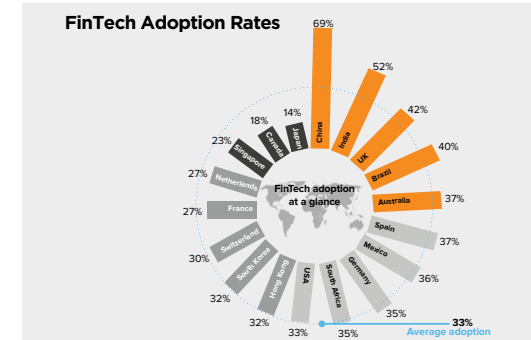


CapGemini World Payments Report 2017

Implications

- The commerce value chain must seamlessly meet increased personalization and data-driven analytic requirements across all locations without increasing delay.
- Deep learning and natural language processes are required to meet corporate demand for transformation initiatives.

...requiring a distributed, interconnected architecture across the ecosystem.



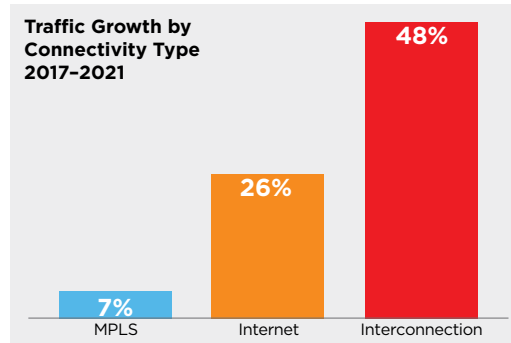
FY FinTech Adoption Index 2017

Implications

- Digital transformation is blurring the lines between traditional banks and emerging players.
- Proximity to user populations, ecosystems and clouds integrates new capabilities and dynamic cloud technologies.

INTERCONNECTION INSIGHTS

Interconnection Bandwidth* is projected to outpace growth of internet and WAN traffic...



Equinix, The Global Interconnection Index Volume 2

Opportunity

Digital commerce participants can capitalize on the increased scale of the digital commerce ecosystem driven by the rapid growth of interconnection.**

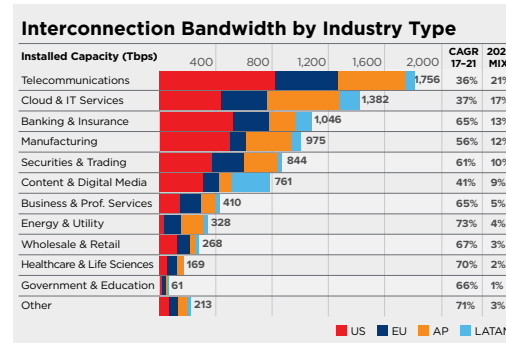
Summary

Interconnection Bandwidth is forecasted to outpace the internet at twice the speed of growth and 10x the volume of traffic. Anticipated to become the preferred approach to scaling for digital payments at the edge, interconnection powers a global platform that meets demand for new services across all devices in all locations. Institutions can monetize interconnection growth through increased reliability, reach and ecosystem integration.

* Interconnection Bandwidth is the total capacity provisioned to privately and directly exchange traffic with a diverse set of counterparties and providers at distributed IT exchange points inside carrier-neutral colocation data centers.

** Interconnection is direct and private traffic exchange between key business partners.

....with global, compound growth year-over-year across all industries...

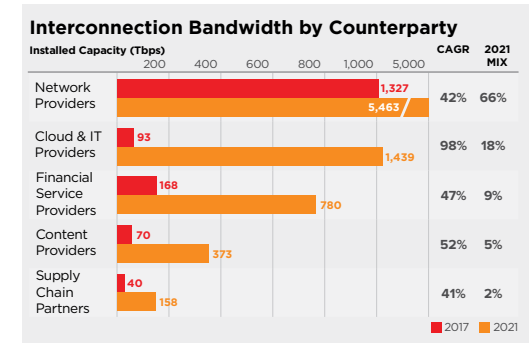


Equinix, The Global Interconnection Index Volume 2

Opportunity

Traditional banks, FinTech companies and supporting ecosystem partners can strategically leverage interconnected digital services on a global platform to meet specific regional requirements across markets.

...and a 47% CAGR predicted as enterprises directly interconnect to financial services providers.



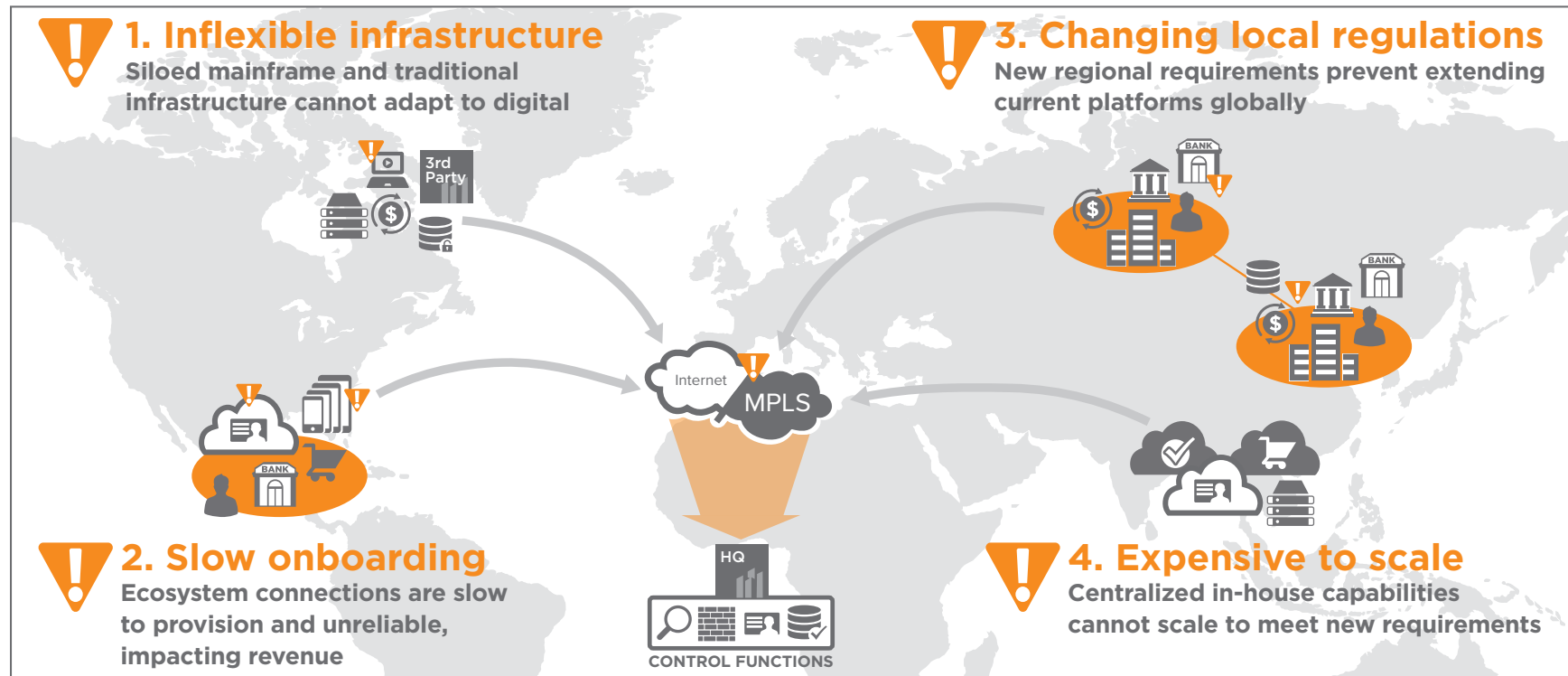
Equinix, The Global Interconnection Index Volume 2

Opportunity

Financial services providers and supporting ecosystem partners are increasing their rate of interconnection to support their digital edge strategies. By integrating their digital supply chains, payments companies can extend their reach and increase their capabilities.

CURRENT-STATE CONSTRAINTS

New demands are reshaping the digital economy.

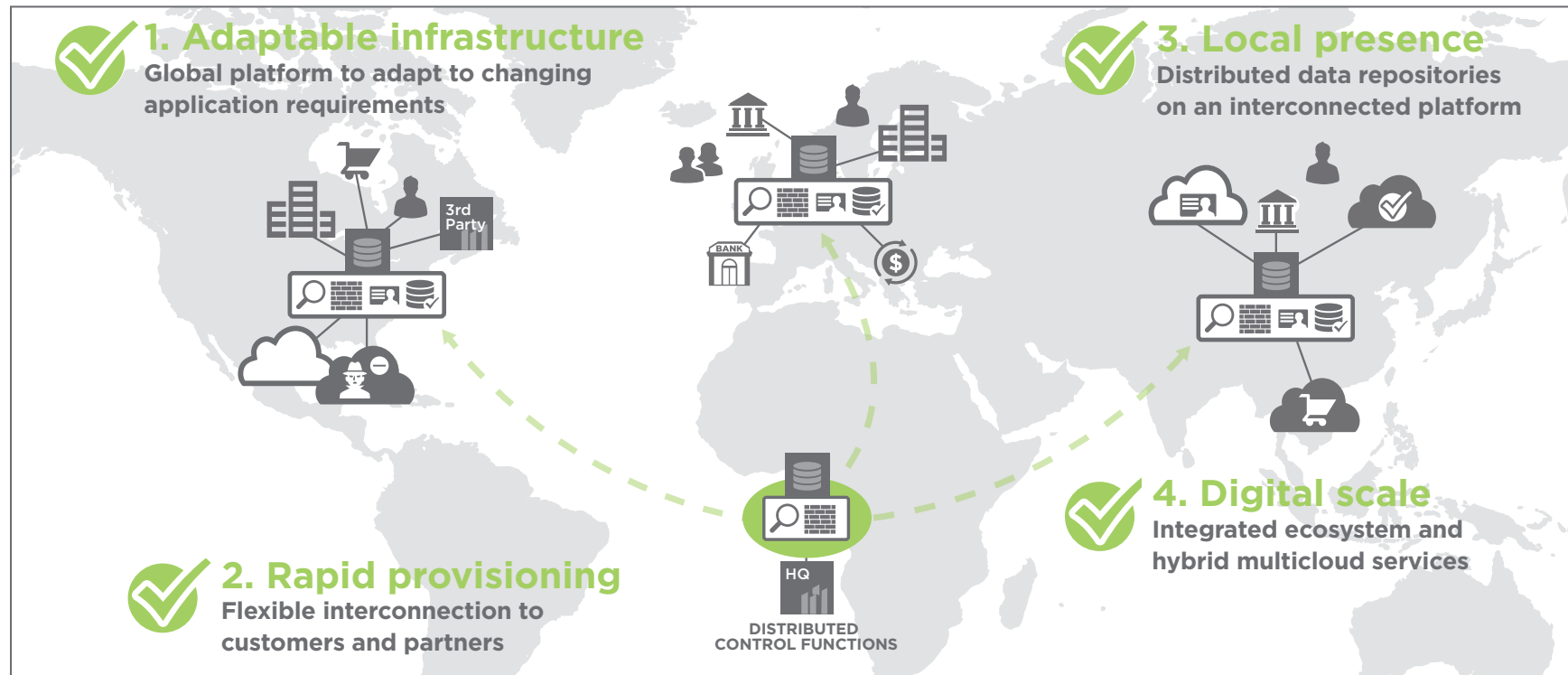


Summary

Legacy commerce platforms are architected around traditional payment models, creating constraints that must be addressed for digital business. These legacy transaction technology stacks cannot scale to keep pace with the changing payments ecosystem. Local regulation creates barriers to centralized models, and global security threats add risk over the public internet. The value chain must meet experience demands and ensure real-time processing. Competition from emerging players and adjacent markets is rapidly reducing the time to capture opportunities from the digital revolution.

FUTURE-STATE CAPABILITIES

Meet demand with distributed interconnection points and adjacent control functions.



Summary

By moving to an interconnected digital platform, providers can overcome legacy architecture limitations and deliver real-time services globally. Placing edge services adjacent to data repositories enables providers to participate in analytics for regional transactions and adhere to local regulations. Dynamic ecosystem growth through flexible, reliable, software-driven controls exponentially increases the value of the supply chain, leading to frictionless, personalized customer experiences.

STRATEGY

Superior results for payment and commerce companies start with an interconnected platform.

Summary

Financial institutions need a global platform that directly and securely interconnects clouds and ecosystems in local markets.

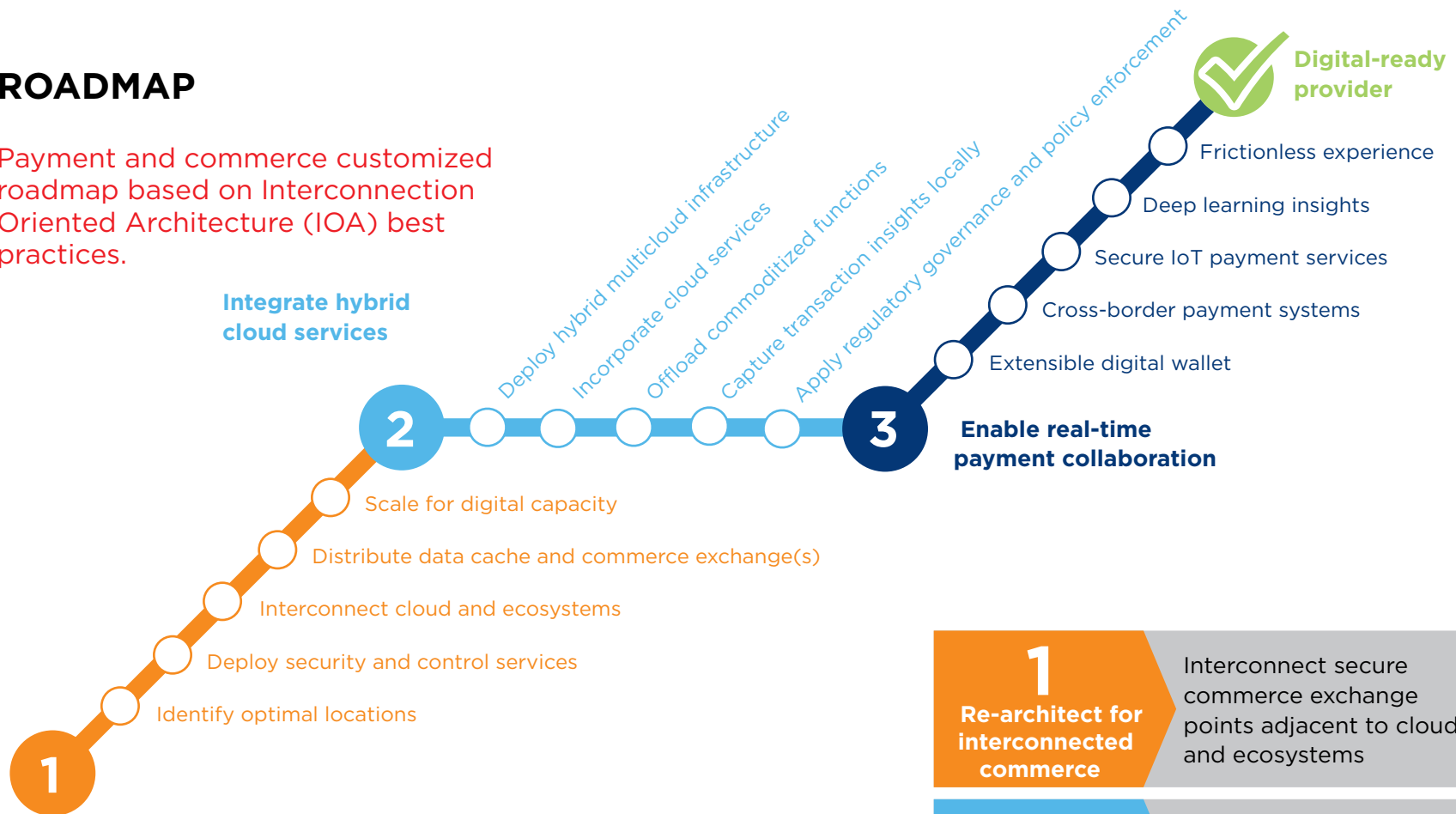
Service providers have the opportunity to interconnect enterprises and financial service ecosystem partners on these new platforms at the digital edge.

Managed services providers will be key in helping enterprises adopt new capabilities from an interconnected digital commerce platform.



ROADMAP

Payment and commerce customized roadmap based on Interconnection Oriented Architecture (IOA) best practices.



1 Re-architect for interconnected commerce

Summary

Establish digital payments and commerce capabilities by interconnecting clouds and ecosystems, distributing data caches and exchanges, and optimizing capacity. Deploy hybrid multicloud infrastructure to streamline operations and gain new capabilities, including advanced analytics and regulatory enforcement. Enable real-time payment collaboration, frictionless experience and new business models including extensible digital wallet, cross-border payment systems and secure IoT payment services.

1 Re-architect for interconnected commerce

Interconnect secure commerce exchange points adjacent to clouds and ecosystems

2 Integrate hybrid cloud services

Transform payment capabilities and controls with integrated cloud services

3 Enable real-time payment collaboration

Leverage the ecosystem to deliver adaptable, personalized offerings at scale

PLATFORM

To achieve the benefits of the strategy and the roadmap steps in this playbook, your architecture and platform require three critical elements: global location coverage, private interconnection with rich digital ecosystems and the capability to integrate, standardize and simplify control.

Global Coverage



Digital edge control point locations where you need them, close to...

Customers

Employees

Partners

Things

Reach Everywhere

- Global, metro cities and markets.
- Geographical compliance and sovereignty.
- Business operations and offices.

Interconnection and Ecosystems



Direct and dynamic private exchange of data across...

Networks

Clouds

Payments

Supply Chain

Interconnect Everyone

- Access network and cloud providers.
- Participate in ecosystems exchange.
- Leverage commoditized services.
- Share and exchange data.
- Transact using digital commerce.

Integration and Control



Integrate digital and physical services to control and optimize...

Security

Data

Applications

Business

Integrate Everything

- Marketplace of control functions.
- Cloud and managed services.
- Private data and distribution repositories.
- Globally standard policies.
- Business continuity and control.
- Digital commerce and payments.

GETTING STARTED

Playbook
Companion
Resources

**Request a more detailed
briefing or strategy workshop
with our experts.**

Contact your Equinix account
executive and learn more at
equinix.com

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The Platform Equinix Vision



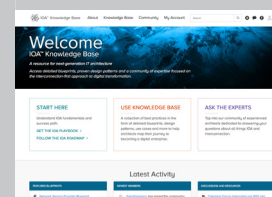
See how platform coverage,
dynamic connectivity and
ecosystem access enable
new capabilities.
eqix.it/PlatformEquinixVision

Global Interconnection Index



Learn how Interconnection
Bandwidth growth is
shaping next-generation
opportunities.
eqix.it/InterconnectionIndex

IOA Playbook and Blueprints



Download proven network
architecture blueprints
and design patterns
based on industry-leading
implementations of IOA.
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Equinix, Inc. (Nasdaq: EQIX) connects the world's leading businesses to their customers, employees and partners inside the most-interconnected data centers. In 52 markets across five continents, Equinix is where companies come together to realize new opportunities and accelerate their business, IT and cloud strategies. In a digital economy where enterprise business models are increasingly interdependent, interconnection is essential to success. Equinix operates the only global interconnection platform, sparking new opportunities that are only possible when companies come together.

Learn more at equinix.com

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