

IDC MarketScape: Worldwide Embedded Payment Applications 2024–2025 Vendor Assessment

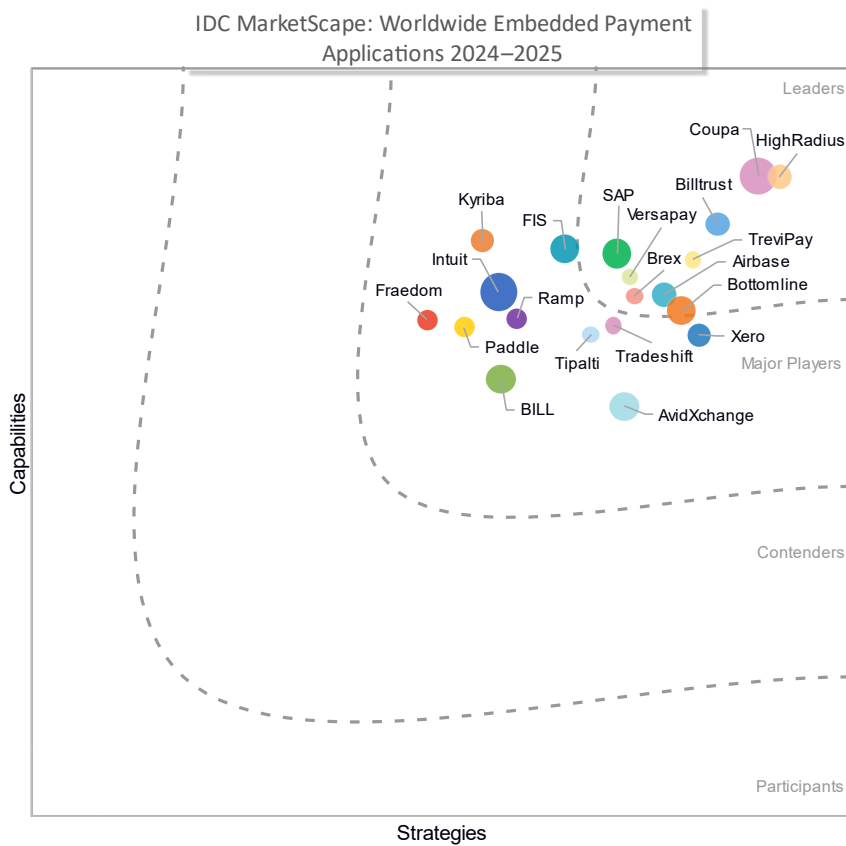
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THIS IDC MARKETSCAPE EXCERPT FEATURES BILLTRUST AS A LEADER

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape: Worldwide Embedded Payment Applications



Source: IDC, 2024

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

ABOUT THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Embedded Payment Applications 2024–2025 Vendor Assessment (Doc # US51793524).

IDC OPINION

This IDC document analyzes the current environment for embedded payments within financial applications as a whole. Embedded payment applications enable businesses to make and receive payments from within existing applications when managing key financial functions, such as accounts payable (AP), accounts receivable (AR), and treasury management.

Embedded finance represents the pivoting of financial applications into cohesive, all-in-one systems that prioritize convenience and efficiency for users. An embedded financing software application integrates financial services, such as banking, lending, insurance, and payments, directly into nonfinancial platforms and apps. This allows users to access these services seamlessly without leaving the app they're using. Embedded payments are a first logical step into this space. This document aims to capture the current state of the market and evaluate the key players in the space.

Competition is increasing within the current market, with new players joining the space rapidly. Fortunately, there are many ways for embedded payment providers to grab share by embedding within multiple services. For this assessment, IDC considered applications that support procure-to-pay, order-to-cash, expense management, or treasury management. Providers must also tackle the challenge of constant regulation changes. The expectations and standards of payment management are shifting constantly, requiring providers to stay abreast of new changes. This comes on the heels of increasing globalization causing more complexity within transactions. In addition, providers must be able to prove their value to potential customers, as there is occasionally resistance to change from CFOs and other decision-makers.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

The vendor inclusion list for this document was selected to accurately depict the vendors that are most representative of any given software application on a buyer's selection list based on the following:

- Vendors must have a SaaS or cloud offering — on premises-only applications are out of scope.
- Software applications can be purchased separately (not only functionality built into a larger system) and are available off the shelf without required customization.
- Software application has capabilities for managing the payment cycle, including payment authorization, payment processing, payment confirmation, and tracking.
- The vendor had 2023 revenue in at least two countries.
- The vendor must have a minimum of one financial accounting product that has been in the market for at least three years.
- The financial accounting product must support one of the following workflows:
 - Procure-to-pay
 - Order-to-cash
 - Expense management
 - Treasury management
- The vendor must have a payment product that has been in the market for at least three years.
- The vendor must have a significant footprint with businesses with 1,000+ employees.
- The vendor must have revenue of \$10 million+ in 2023.

ADVICE FOR TECHNOLOGY BUYERS

For buyers in this market, here are a few of the key questions to consider during the buying process:

- **Begin by looking inward.** Before making purchasing decisions on software, here are a few key questions to ask regarding the internal resources and processes:
 - What are some of the issues I would like to resolve with this new system?
 - Are the issues technology related?
 - What are my internal support resources and capabilities?
 - How should we define success for this implementation?
 - Which internal stakeholders should we include in the evaluation process?
 - How will a new system change my organization?
- **Select the right partners (internal and external).** The first step in the journey to implementing payment management systems is developing a strategy and

plan for implementation. This includes doing due diligence in finding the right vendor. Here are a few key questions to ask regarding the software vendor:

- Does the vendor have experience with my type of product, service, and company size?
- Can the vendor show me a hands-on demo with my organization's "live/real" data to show the benefit to the business?
- Does the vendor understand the regulations that will impact my business? How are these regulations reflected in my current product, and how will it change in the future?
- What is the vendor's strategic investment outlook for the next three to five years? Why? How will that change and enhance my business?
- **Consider the foundation.** Payment management application vendors have seen many iterations from a technology architecture standpoint. Even among cloud vendors, there are many different software architecture approaches. IDC believes that taking time to understand the foundation of the software and its advantages (or limitations) is of critical importance during the buying decision. Here are a few key questions regarding the software vendor:
 - What is the data flow design within the current solution?
 - What kind of APIs are available now from this vendor? RESTful? SOAP? GraphQL?
 - What kind of developer tools does the vendor provide (e.g., sandbox, dedicated portal, low-code/no-code tools, and database management tools)?
 - Is any part of the software currently built on a microservice architecture? If so, which parts?
- **Take ownership of the implementation.** For the best results, organizations must play a very active role in the actual implementation of the software. Extreme attention must be given to how the payment management system is set up and how it interacts with other systems within their organization. Here are a few key questions to ask regarding the software implementations:
 - What levels of support are available, and are they geographically available for my business?
 - How should I set up the service-level agreement (SLA) before signing any contracts?
 - Can the system integrate with my company's other IT systems and those of my partners?
 - Which IT system needs to be integrated and to what degree?
 - How are we set up to deal with frequent product updates?

- **Post-implementation is critical.** In many ways, the success of any SaaS implementation hinges on what happens after the implementation is up and running. This is where change management takes center stage and the people side of payment management becomes essential. Here are a few key questions to ask regarding the post-go-live phase of software implementations:
 - Do we have a strategy to encourage rapid adoption among employees?
 - Do we have the right amount of training for employees to master the new features within the system?
 - Are we communicating the purpose and benefits of the system change to the relevant employees?
 - Have we aligned existing policies and procedures to enable the adoption of the new workflows?

This IDC MarketScape assists in answering the aforementioned questions and others.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

Billtrust

After a thorough evaluation of Billtrust's strategies and capabilities, IDC has positioned the company in the Leaders category in this 2024–2025 IDC MarketScape for worldwide embedded payment applications.

Billtrust provides a scalable, unified solution that simplifies AR processes and improves the payment experience that its clients provide their customers while empowering their AR teams to turn financial data into insights that contribute to their business strategy. Billtrust offers a comprehensive suite of payment management capabilities to streamline and automate the AR process.

Quick facts about Billtrust include:

- **Employees:** 750
- **Total number of clients:** 2,400+
- **Globalization:** 190 countries
- **Industry focus:** Distribution, business services, construction, equipment, medical, and retail

- **Partner ecosystem:** 74

Strengths

- **Touchless payment:** Billtrust facilitates touchless payments from third-party payables providers, capturing rich remittance data and enforcing payment policies programmatically for fine-tuned acceptance and reconciliation.
- **Reporting and data analytics:** Billtrust's solutions feature dynamic reporting and dashboards. Billtrust's Finance Co-Pilot allows customers to ask questions about their data in plain language and get instant results, allowing for a deeper understanding of their data and more actionable insights.

Challenges

- **Evolving global financial regulations:** With ever-shifting regulations, suppliers are continuously aiming at moving targets to ensure adequate compliance and security within solutions. While regulatory bodies strive to maintain stability and ensure fair practices, providers must stay up to date to provide an optimal service to their customers.
- **Resistance to change:** Many providers must face the uphill battle of convincing CFOs and finance departments to change their ways and implement new automation processes. While the cost savings and reduction in manual processes are obvious value additions, many companies are still reluctant to engage in the transformation needed to implement automation solutions.

Consider Billtrust When

Consider Billtrust when you are looking for an AI-powered, unified experience that supports fully integrated payments, has the ability to analyze data extensively, and ensures global compliance with changing regulations.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

Embedded payment applications allow users to make payments within the application they are currently using. Core functionality includes the integration of payments into other applications or platforms using API-based technology to support payments without the need for external gateways.

Embedded payments fall under the larger umbrella of embedded finance. This includes other embedded functionalities, such as embedded lending, embedded banking, embedded FX services within treasury management, and embedded insurance.

Related Research

- *How Can Embedded Payments Benefit Your Accounting Processes?* (IDC #US5234523, June 2024)
- *IDC Market Glance: Embedded Finance, 1Q24* (IDC #US51974023, March 2024)
- *Rapid Growth of Embedded Finance Fostering Innovation and Specialization* (IDC #US51248923, September 2023)
- *Embedded Finance: New Opportunities in the Digital Transformation of Financial Services* (IDC #US50563323, April 2023)

Synopsis

This IDC study evaluates the current landscape of embedded payment applications within financial software, highlighting the integration of payment functionalities into existing financial systems to enhance convenience and efficiency. This document assesses key vendors based on their strategies and capabilities, providing insights into their strengths, challenges, and suitability for various business needs. It offers guidance for technology buyers on selecting the right partners and implementing payment management systems effectively, emphasizing the importance of understanding software foundations and post-implementation strategies.

"Embedded payments are revolutionizing financial applications and creating cohesive, all-in-one systems that prioritize convenience and efficiency. Discover the key players shaping this market as the demand for all-in-one financial solutions grows," says Jordan Steele, research manager, Worldwide Financial Applications Support at IDC.

ABOUT IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,300 analysts worldwide, IDC offers global, regional, and local expertise on technology, IT benchmarking and sourcing, and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly owned subsidiary of International Data Group (IDG, Inc.).

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