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THE STRAWHECKER GROUP®

PREVIEW

Braintree

A **PayPal** Service

Comprehensive Company Analysis Series

B

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B

Company Overview

PREVIEW 

Braintree

Overview

Braintree is a dynamic and growing payments gateway that enables merchants to process and accept payments both online and in store in over 40 countries. Braintree essentially provides merchants with the tools to accept payment transactions in a fast and secure manner with over 130 supported currencies, in addition to other payment methods such as PayPal, Venmo, and most popular digital wallets. Braintree focuses on eCommerce sites and offers a variety of tools to enable developers to integrate with their payments platform, however, their platform can also be used for in store transactions through PayPal's supported card readers. Braintree operates as a subsidiary of PayPal, which has helped advance their platform in a short time frame. Braintree has also leveraged PayPal's payment network in order to take on bigger merchants with larger transaction volumes.

Braintree offers a handful of global commerce tools to help enable merchants to build their business and stay up to date with trends in payments and security. Braintree's services go beyond payment processing and include additional features such as fraud protection, data security, reporting, and more.

Braintree's platform has thoroughly advanced from when it was initially launched in 2010 and is expected to continue to do so. With PayPal acting as their parent company, Braintree is poised to continue their growth and take on larger companies as their platform becomes even more scalable and fitted for larger transaction volumes. Nevertheless, Braintree will continue to maintain their presence in the SMB market and cater towards emerging trends within this area.

B

Company Platform

PREVIEW 

Braintree Platform

Braintree's Gateway Performance Metrics

GEM

- The Strawhecker Group's evaluation of the Braintree gateway through Gateway Enterprise Metrics (GEM) compares Braintree to other leading payment gateways and measures transaction performance through multiple touchpoints. This analytic tool compares gateways' API offerings and how they can affect merchants, developers, and ultimately the end consumer.
- The scores reflect a review of API offering, documentation, and functionality.
- You can find additional information regarding TSG's GEM platform here: <https://thestrategygroup.com/services/intelligence-and-analytics/analytics/>

Braintree's Performance

- When specifically looking at Braintree's APIs, their key strength is their response codes, which excelled in our analysis by making it easy for developers to work with. This is based on the availability of the response codes, descriptions, and categorization of corresponding APIs. However, Braintree falls short in their versioning, which impairs their overall API score.


Gateway Enterprise Metrics

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Product Suite

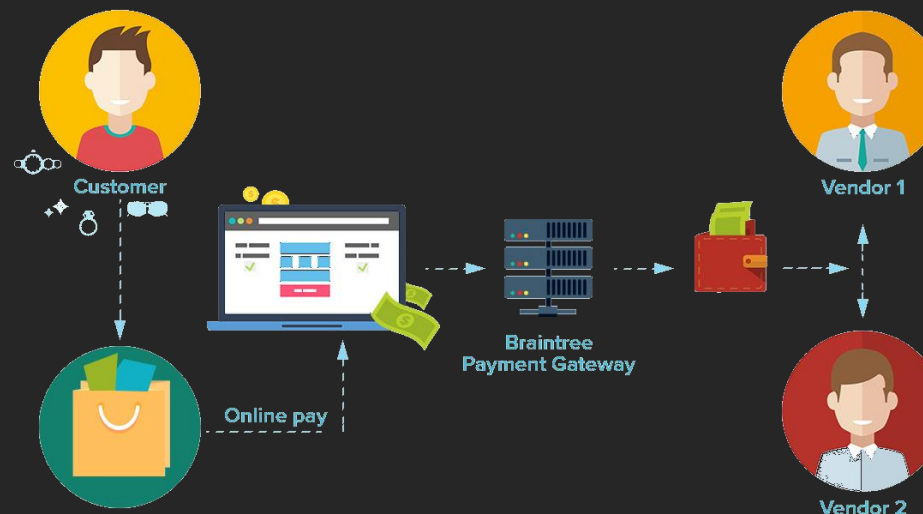
Braintree

Product Suite

Braintree Marketplace

Braintree Marketplace enables merchants to split transactions and pay other providers through the Braintree gateway. This empowers merchants to designate a service fee with each transaction and Braintree will then disburse the appropriate funds back to the merchant and other sub-merchants. This service automatically calculates the commissions from the sales proceedings and then splits the revenue between additional vendors instantaneously.

Braintree Marketplace is only available for merchants and sub-merchants that are all located in the U.S. This service is also not compatible with PayPal, Braintree's recurring billing, or most other third-party shopping carts. Merchants must be specially approved by Braintree prior to using their Marketplace service.



B

Company Culture

Sales and Marketing

Public Marketing Initiatives

Braintree publicly markets their platform through multiple outlets to help drive awareness of their brand and merchant service offerings. Their advertising primarily consists of new product announcements and driving public awareness of payment trends, such as mobile transactions. This public marketing effort targets both consumers and merchants as it incentivizes merchants to use innovated payment methods and invites consumers to adapt to do the same.

Braintree Culture



B

Competition

Braintree

Competition

eCommerce Merchant Experience Vs. Competitors

TSG went through an anonymous process of opening new merchant accounts to measure and rate the merchant experience from the application and approval, to integration, and underwriting.

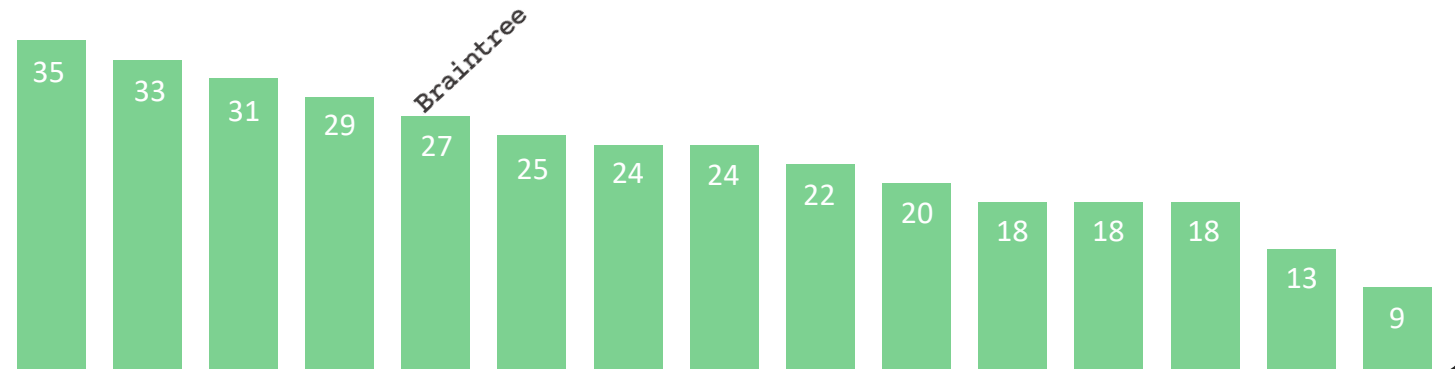
Scores were comprised based on:

- 1) *The ease of acceptance for a startup, SMB eCommerce retail merchant via the digital sales channel*
- 2) *The onboarding process for SMB eCommerce merchants*
- 3) *The onboarding ease for the products/services described*
- 4) *The process of digital sales channel available via each acquirer*

Braintree vs. Top U.S. Merchant Acquirers

Total Score – SMB eCommerce Mystery Shopping

35 = Highest Possible Score (Easiest Onboarding from Merchant Perspective)



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The Strawhecker Group (TSG) is a fast-growing analytics and consulting firm focused on the electronic payments industry. The company serves the entire payments ecosystem, from fintech startups to Fortune 500 companies. The firm provides its clients with advisory services, research and analytics to help them plan and execute their strategic initiatives. Based in Omaha, a recognized payments industry hub, TSG is an established leader in this high-growth, ever-evolving space.

1,000+

CLIENTS ADVISED



40+

*OF THE TOP 50
ACQUIRERS SERVED*



23+ Years

*AVERAGE ASSOCIATE
EXPERIENCE*



3.7+ Million

*U.S. MERCHANTS IN
TSG'S ANALYTICS PLATFORM*



30+

*ACQUISITIONS/
INVESTMENT TRANS*



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