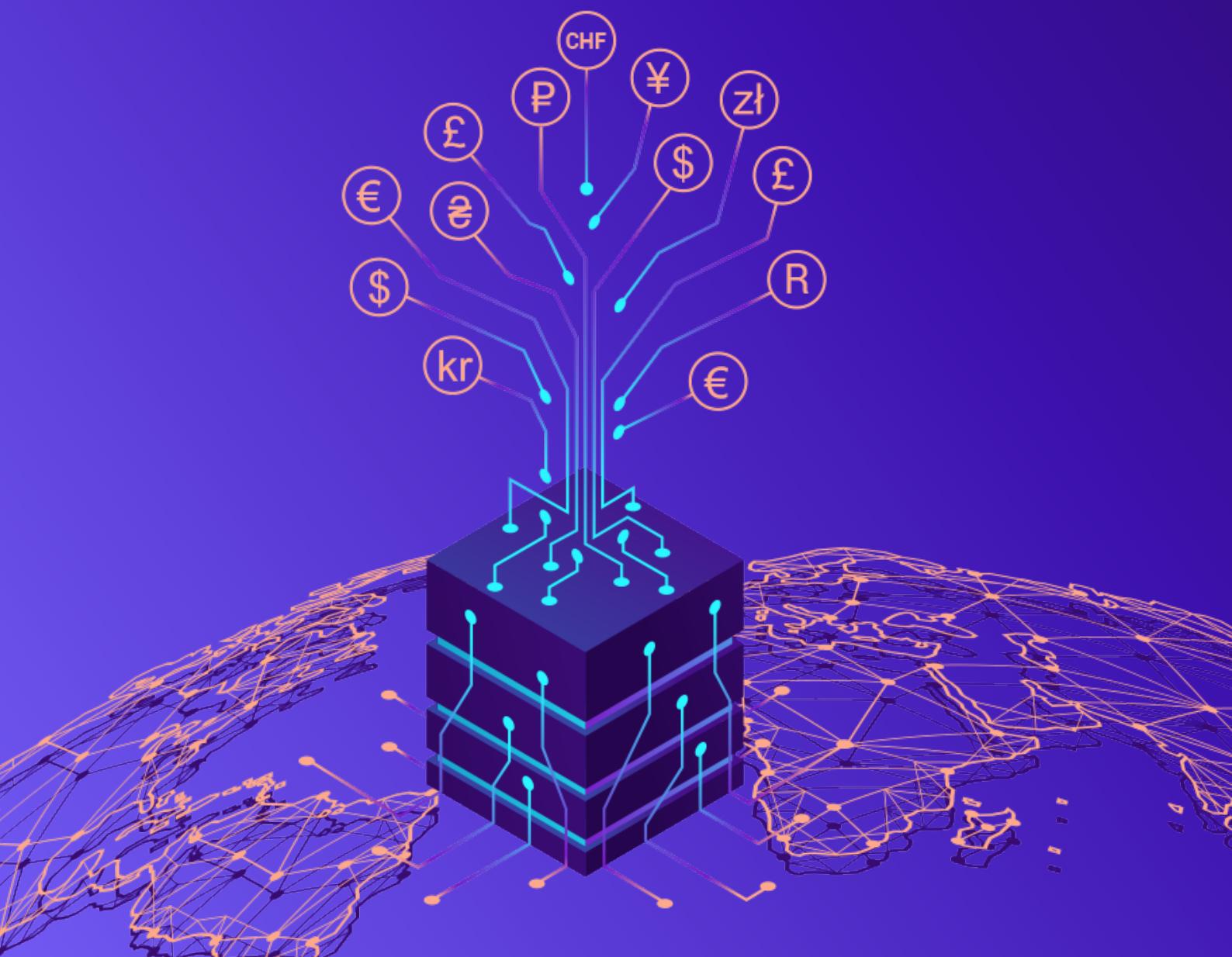


Unlock Global Digital Growth Opportunities

Navigate the path to success in emerging markets



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1. Unlocking the potential of digital global expansion

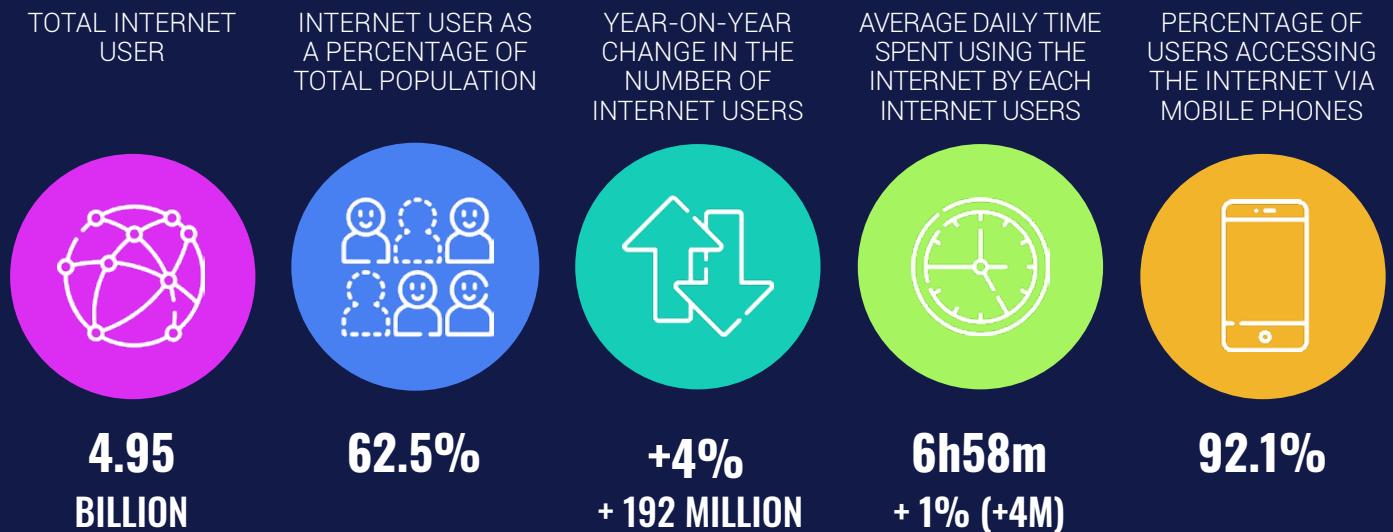
In today's interconnected world, businesses constantly seek new growth opportunities, and digital expansion has become a game-changer.

International globalization opens up new opportunities and markets, allowing online companies to reach untapped customer bases, diversify revenue streams, and gain a competitive edge. Businesses that confine themselves to domestic markets in a globalized economy risk stagnation or decline.

But with so many opportunities across different markets, knowing exactly where to turn next can take time and effort. Numerous Western markets are saturated with many competitors, and many online sellers are also beginning to realize that billions of potential customers live elsewhere. Regions with increasing disposable income, including Latin America, Africa, India, and Southeast Asia, count savvy shoppers with a strong demand for digital goods and services. Expanding into emerging markets can offer lucrative business opportunities for companies seeking growth and diversification. Young and growing populations and an increasing middle class with rising disposable incomes characterize these regions. The opportunities outlined notwithstanding, e-payments in these specific countries often arise as a challenge facing businesses trying to expand global expansion.



2. eCommerce Key Figures



Consider these key statistics for a deeper understanding of eCommerce growth:

- The global eCommerce market size is expected to grow exponentially from \$5.2 trillion in 2021 to about \$8.1 trillion by 2026. (Statista)
- The number of digital buyers worldwide has consistently climbed from 1.3 billion in 2014 to more than 2.6 billion by the end of 2023. (Insider Intelligence)
- Cross-border eCommerce sales grew from \$750.1 billion in 2022 to an estimated \$6.6 trillion by 2032. (Market Research Future)

3. Global Expansion - Challenges

One of the most significant advantages of eCommerce is its ability to transcend geographical limitations. With an online store, businesses can tap into a global customer base without the need for physical locations in each market. This provides unparalleled opportunities for expansion and growth. As emerging markets embrace internet connectivity and online shopping, the potential for eCommerce to connect businesses with new customers around the world becomes even more apparent.

• Navigating new markets, key considerations

What makes a company stand out when entering new or emerging markets? Localization. For a successful market entry, you need to “think global but act local” to achieve long-lasting success.

1. Cultural differences.

Understanding local consumer preferences and cultural nuances is crucial. What works in one market might not work in another. Businesses need to devote time to understanding local characteristics and peculiarities, including language, behavior and customer habits.



2. Payment methods.

Businesses should assess the prevalent payment methods in each market and consider offering multiple payment methods to accommodate customers local preferences. Some countries prefer credit card payments, while others rely heavily on digital wallets or alternative payment methods. Supporting a variety of payment methods is necessary to cater to a global audience.



3. Legal and regulatory compliance.

Navigating the complexity of international laws, regulations, and tax systems can be daunting. Different countries have varying rules regarding data protection, consumer rights, and online transactions. Without a comprehensive understanding of the legal frameworks, businesses may inadvertently violate laws, leading to severe consequences.



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4. Building and sustaining infrastructure.

Once the payment methods, currencies, languages, and tax management requirements have been identified, it's necessary to establish and uphold the entire payment infrastructure and oversee all associated administrative tasks. This includes setting up merchant accounts, establishing local entities, handling payment security (PCI-DSS) or integrating additional tools to address these aspects, and negotiating costs and much more.

5. Resource allocation.

Opening up new markets by selling abroad is a key strategic step in a company's development and one of the key components of this is recruiting additional resources. To succeed over the long term and drive growth, core business and expansion efforts must run smoothly. In order to cover new specific skills in-house, you'll need to expand your teams with local, qualified and experienced resources.

• Alternative for fast and low-risk market penetration

Reaching or expanding new markets and managing transactions in digital commerce is more complex than it might seem.

- Behind every purchase lies an intricate network of financial procedures, legal responsibilities, and regulatory mandates
- How a business navigates these complexities significantly affects internal resources, brand credibility, customer experience, and, thus, business growth

All these requirements for global expansion, and the associated complexities, slow many companies down in their projects. Without a clear vision of the long-term benefits that new markets will bring, it can seem too long and costly to take the plunge.

To overcome this, increasingly online companies are partnering with a specialized entity known as a **Merchant of Record (MoR)** to manage the multifaceted task of processing digital payments and to offload their tax, compliance, and operational burdens.

• **What is a Merchant of Record? (MoR)**

A Merchant of Record (MoR) is a legal entity that sells goods or services to customers and handles payments and related liabilities, such as sales tax, refunds, and chargebacks. The MoR is an important actor in eCommerce transactions and can fundamentally shape the process and experience of online payments. Businesses can either choose to be their own MoR or partner with an MoR service provider that takes care of the payment and compliance aspects for them.

Nexway Expertise

Nexway is a leading eCommerce and payment platform serving as Merchant of Record for online businesses for over 20 years.

Nexway-tailored solutions are designed to assist businesses in reaching out to new markets and establishing a solid footprint in diverse regions. With our expertise in facilitating cross-border transactions and localized payment options, we bridge the gap between your products and the world, ensuring higher customer conversion rates and sustainable growth, thus enabling you to focus on product development and go-to-market strategies.



Go global immediately

Grow and boost your online business with localized payment options.

- 140+ countries served
- 90+ payment methods
- 45+ currencies



A cost-effective solution

Nexway is an extension of your team. Leverage time and money while scaling your business into the global market.



Stay compliant

Nexway guarantees to keep your store compliant with the latest regulations across the globe, such as [GDPR](#), [PSD2](#), [PCI DSS](#), and many more.

[MORE INFO ABOUT MERCHANT OF RECORD CAPABILITIES](#)

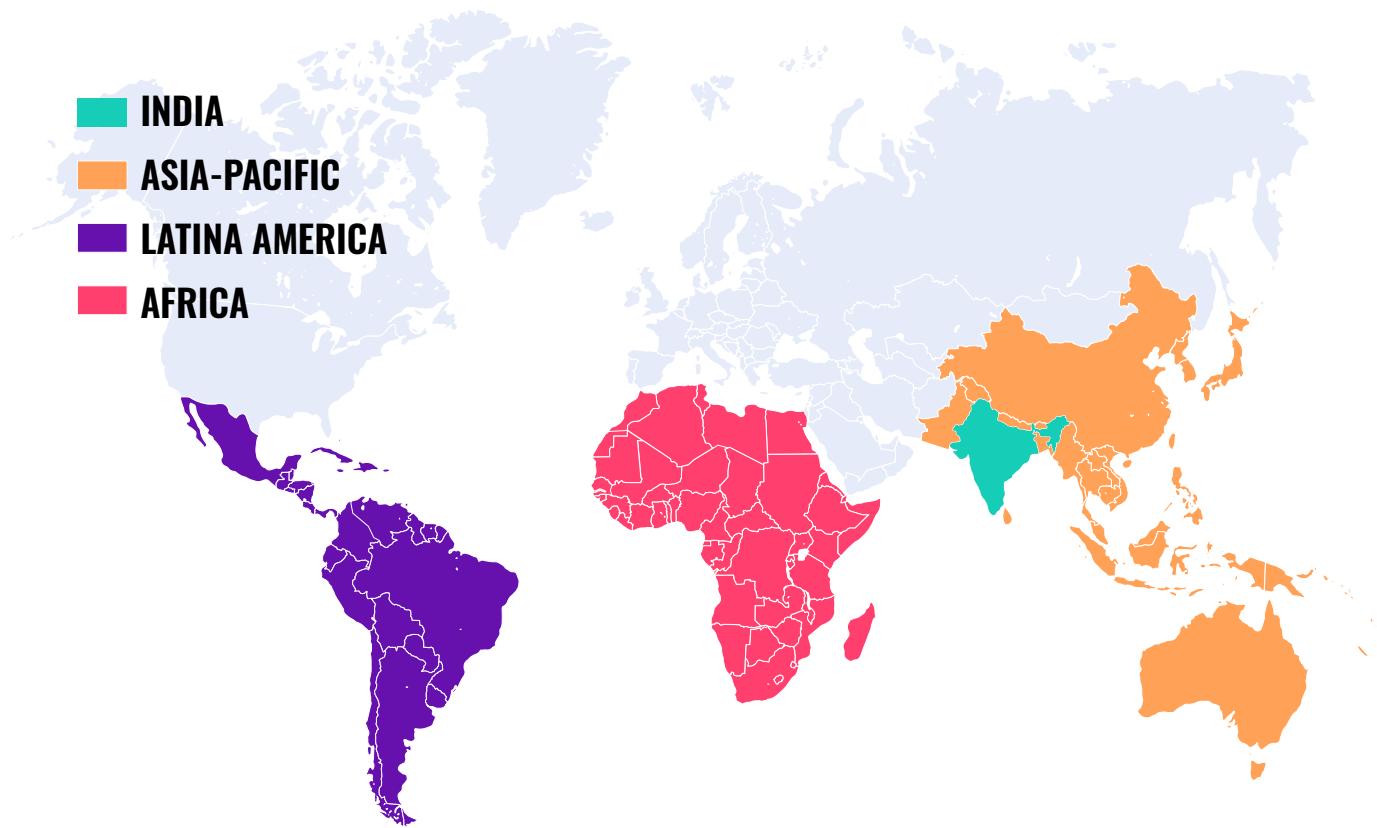
4. Exploring emerging markets: challenges and opportunities

• Overview

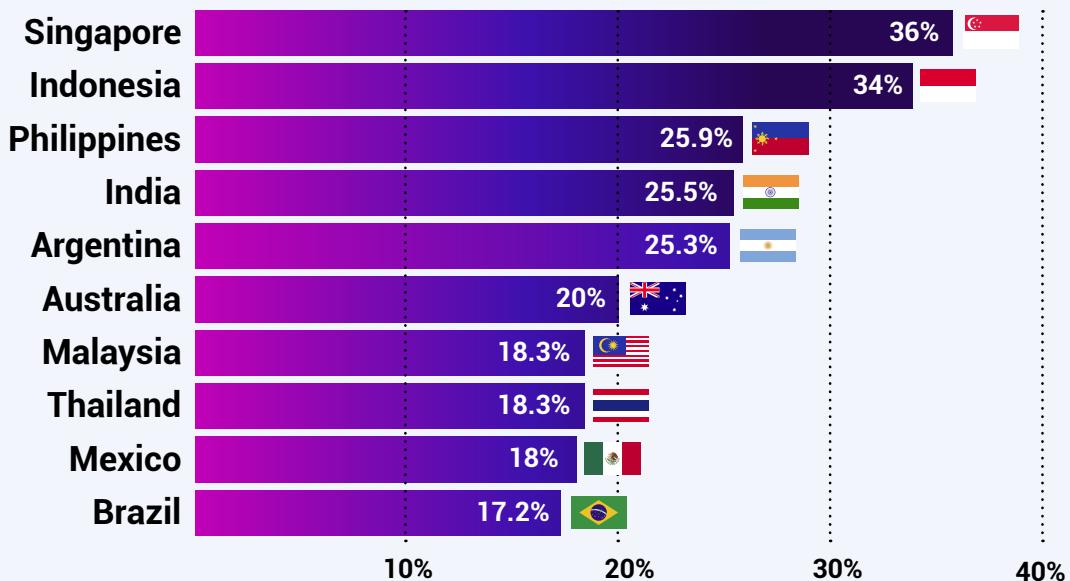
Emerging markets characterised by rapid economic growth, rising consumer spending power, and increasing internet access present a real opportunity for eCommerce businesses.

These markets, often located in regions like Southeast Asia, Latin America, and parts of Africa, are experiencing a surge in consumer demand and an expanding middle class eager for online shopping.

According to recent studies, emerging markets are expected to contribute significantly to global eCommerce growth in the coming years, making them attractive destinations for expansion.



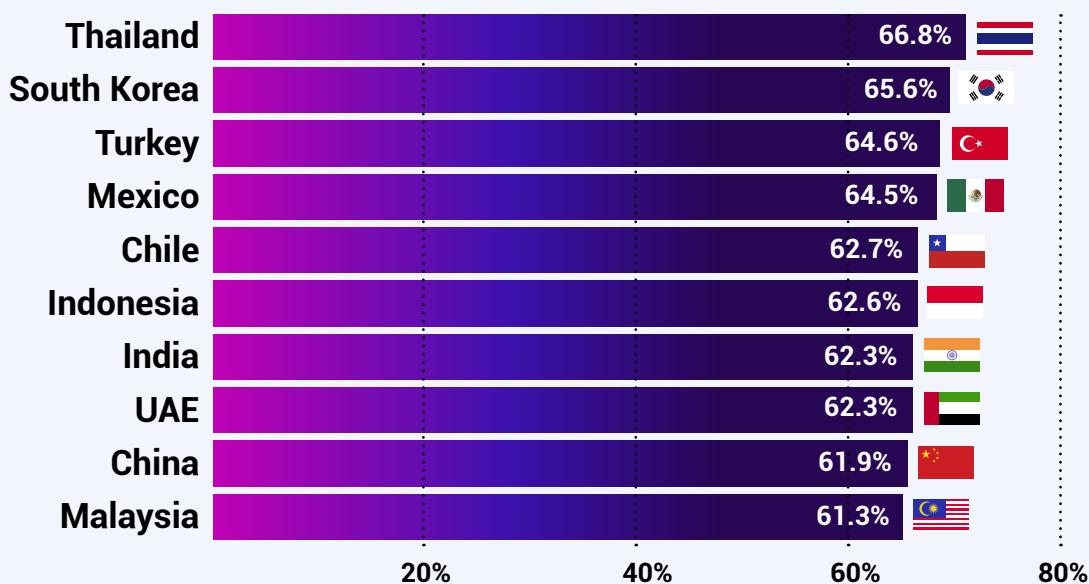
Top 10 countries by eCommerce growth in 2022



Source: [Statista](#), November 2022

Singapore's ecommerce market was projected to grow the most out of all the countries in the world by the end of 2022. Its forecasted growth is expected to be 36%

Top countries by % of internet users buying online at least weekly



Source: [Data Report](#), January 2023

- **Latin America** saw a 22.4% increase in eCommerce sales between 2021 and 2022, taking the market from \$85 billion to \$104 billion. [Statista](#)
- After China and the US, **India** had the third-largest online shopper base of 150 million in 2021 and is expected to be 350 million by 2026. [Insider Intelligence](#)
- 7 of the top 10 countries for eCommerce sales growth in 2023 are in **Asia-Pacific**, including The Philippines, Malaysia, and Thailand. [Channel Advisor](#)



POPULATION

1,423B



ONLINE POPULATION

846M



BANKED POPULATION

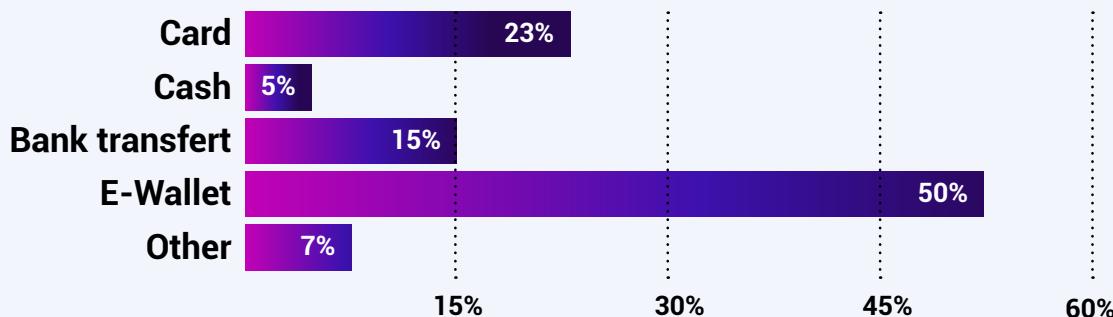
83%



CREDITCART POPULATION

3%

Payment Method Breakdown



DISCOVER NEXWAY - AVAILABLE PAYMENT TYPES FOR INDIA

India has gained **126 million online shoppers** in the past three years, with **another 80 million expected to join by 2025**.

By 2030, India will add nearly **90 millions new households headed by Generation Z**, who were born into liberalized India.

This year, the number of mobile Internet users in India had grown to 1.05 billion. **This represents a growth of over 10,000% in just 13 years.**

• The rise of Indian subscription models for long-term success

Subscription economy has grown by over 400% in the last 9 years
Zuora Subscription Economy Index™

More and more companies are aiming for long-term profitability rather than short-term success, and subscriptions as a business model are perfectly suited to achieving this goal. The lifetime value (LTV) of customers who sign up for subscriptions is far higher than one-time transacting customers.

After the pandemic, the dynamic of eCommerce has changed drastically in India. The dependency on eCommerce has increased, and people are now slowly inching towards monthly subscription models. It saves them time, resources, and energy especially for the new buying generation of Millennials and Generation Z. Subscription-based models have emerged as a viable alternative as consumers desire more **convenience, flexibility, and personalised experiences**.

Nexway Expertise

Nexway has supported ESET to serve millions of customers across Europe. The relationship has evolved through many stages as both companies continued to grow to meet the changing market needs. In India, Nexway responded with precision to the challenges of this specific country's requirements. The expertise and ability to innovate in payment operations to comply with specific auto-renewal regulations made Nexway the preferred reseller for ESET sales in India.

Nexway is the only MoR company capable of enabling subscriptions in India under RBI requirements for e-mandate collection

ESET & NEXWAY

A lasting and prosperous collaboration since 2018

Nexway is proud to be providing its full eCommerce capabilities to ESET, a global leader in digital security that protects over 1 billion internet users in over 200 countries and territories.

- **ESET INDIA & NEXWAY - AN EXTENDED MULTINATIONAL RELATIONSHIP**

Nexway has supported ESET to serve millions of customers across Europe. The relationship has evolved through many stages as both companies continued to grow to meet the changing market needs. In India, Nexway responded with precision to the challenges of this specific country's requirements. The expertise and ability to innovate in payment operations to comply with specific auto-renewal regulations made Nexway the preferred reseller for ESET sales in India.



“ Jane Ng, Director of Marketing – APAC, ESET.

«We have seen a significant uptick in transaction acceptance rates in our India e-store since switching to Nexway. Their commitment to meeting local regulatory requirements, particularly for recurring subscription transactions, is also an aspect we truly value. It is reassuring for us to work with a company that not only focuses on delivering results, but also ensures that we are in line with local rules and regulations»

[LEARN MORE ABOUT NEXWAY & ESET PARTNERSHIP](#)

Asia-Pacific



POPULATION

43B



ONLINE POPULATION

2,6B



BANKED POPULATION

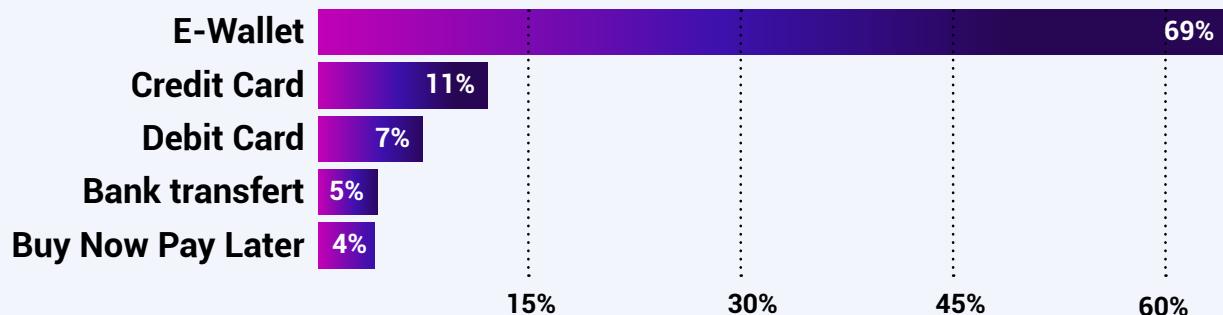
76%



CREDITCART POPULATION

29%

Payment Method Breakdown



DISCOVER NEXWAY - AVAILABLE PAYMENT TYPES FOR ASIA-PACIFIC

The Asia-Pacific eCommerce market is projected **to reach \$14 billion by 2030**.

By 2025, Asia is forecasted to have **72% of online payments made by e-wallets**.

41% of businesses that sell to APAC **without localized payment options** reported cart abandonment rates over 60%.

Based on geography, the Asia-Pacific eCommerce market is segmented into China, Japan, South Korea, India, Australia & New Zealand, Indonesia, Thailand, Vietnam, Singapore, Malaysia, and the rest of Asia-Pacific.

eWallets are becoming equally popular in Asia-Pacific

Over the past 2 years, Southeast Asia added more than 70 million online shoppers, primarily from Indonesia. From a combination of a largely unbanked population, high smartphone penetration, and a mix of the COVID-19 pandemic and tech-savvy youth, digital wallets have significantly increased.

- **Each Asia-Pacific nation has unique localized payment methods & preferences**

The Asia-Pacific (APAC) region is a prime example of a complex and highly fragmented market regarding payment preferences. Credit and debit cards are popular, and eWallet use continues to rise as smartphone penetration increases. This intricacy poses challenges for merchants seeking to cater to the payment needs of consumers across different countries.

Nexway Expertise

Nexway covers all your online payment needs, whether you are selling in Indonesia, Malaysia, Singapore, or Thailand. Dive into the vast APAC market, offering seamless experiences through local payment methods like digital wallets and mobile payments. **With Nexway, overcome 14 significant and growing markets in APAC while ensuring smooth transactions, local languages, currencies, and high authorization rates, all hassle-free.**

Latina-America



POPULATION

630M



ONLINE POPULATION

450M



BANKED POPULATION

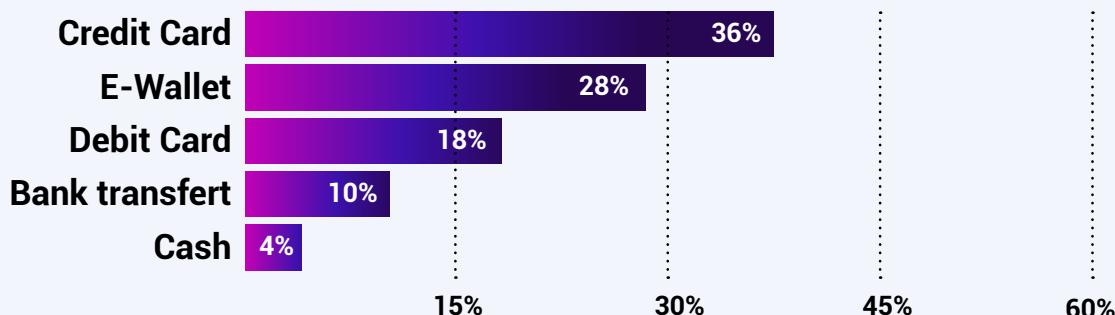
51%



CREDITCART POPULATION

58%

Payment Method Breakdown



DISCOVER NEXWAY - AVAILABLE PAYMENT TYPES FOR LATINA-AMERICA

Latina-America is the **second fastest-growing eCommerce market** in the world, surpassed only by the Asia-Pacific region.

Over the last few years, **digital wallets** have been among the **top 3 payment methods** in LATAM's digital commerce.

The region's largest eCommerce market is **Brazil**, accounting for **33% of all eCommerce** in the LATAM region.

- **Digital wallets are the second most-used payment method**

The drivers of this phenomenon are **BNPL (Buy Now, Pay Later) solutions, instant bank transfers, and digital wallets** - all of them bringing more diversity to the payments landscape in LATAM and working for cash displacement in the region. Due to its fast-growing consumption and online shopping preference in Latin America, **installments are a vital payment method making up 14% of all transactions. Brazil is where more than 60% of all eCommerce payments are made in installments**. This percentage is expected to increase in the future due to higher smartphone penetration.

Focus on Brazilian local payment methods

- **Boleto bancário is Brazil's most popular cash-based payment method** which generates over 3.7 billion transactions per year and dominates 25% of all online payment transactions.
- **Pix is an instant payment method used by 150 million Brazilians.** Customers receive a QR code that contains the amount to pay for services or goods to complete transactions.

Nexway Expertise

Nexway supports popular local Brazilian payment methods including Boleto Bancário, local credit cards and installment payments even for subscription business ensuring frictionless online user experience.

Combine subscription business with Pix and Boleto non-recurring payments methods

Take advantage of the opportunity to maximize acquisition while ensuring

retention and LTV with localized and widespread Brazilian payment methods. By offering local payment methods such as Boleto and Pix to subscription businesses, Nexway enables online merchants to reach customers looking to pay using their preferred payment methods with maximum authorization rates and minimal chargeback risk.

PROTECT YOUR BUSINESS AGAINST FRAUD

- **ALIGN A CUSTOMER-CENTRIC APPROACH WITH PERSONALIZED, TARGETED SMART CAMPAIGNS**

Roll out smart campaigns triggers to keep your customers informed on their subscription status and ensure high customer renewal and retention rates.

Minimize churn and boost lifetime customer value with effective renewal marketing scenarios.

- **SUCCESS IN EMERGING MARKETS REQUIRES LOCAL PARTNERSHIPS AND A CUSTOMER-CENTRIC FOCUS**

Due to the growing number of Payment Service Providers and gateways worldwide, it has become difficult for online businesses to choose the right one to process payments. **Ensure a seamless payment experience for customers across Mexico to São Paulo by leveraging Nexway's strong presence in LATAM, extensive network of three localized payment providers, and support for six local currencies.**

Africa



POPULATION

1,4B



ONLINE POPULATION

570M



BANKED POPULATION

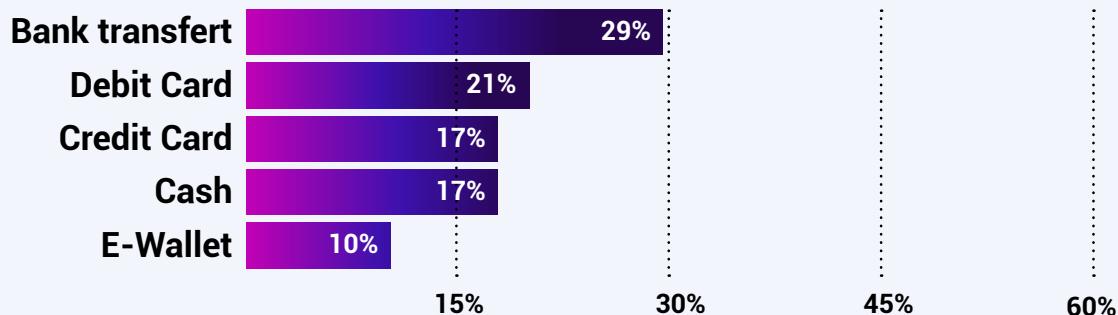
43%



CREDITCART POPULATION

29%

Payment Method Breakdown



DISCOVER NEXWAY - AVAILABLE PAYMENT TYPES FOR AFRICA

African eCommerce market will **reach \$75 billion by 2025**.

Mobile commerce is expected to **reach \$125 billion by 2025** creating new opportunities for e-payments.

The advent of **localized payment solutions** represent some of the factors that **are propelling the African market**.

Like Europe, Africa is an extraordinarily diverse continent, with 54 countries presenting a massive opportunity for digital companies to develop online businesses. The African eCommerce landscape can be characterized as fast-changing in terms of mobile technology, rapid internet penetration, and diverse payment methods.

- **A growing preference for digital payments**

African consumers have a growing preference for digital payments because these payments are fast, convenient, and secure.

- **The dominance of mobile payments**

Mobile payments are prevalent in Africa and account for a large majority of all digital transactions, mainly due to many African country's high mobile penetration rates.

- **Morocco - A significant step into the eCommerce market**

Morocco is currently the fastest-growing eCommerce market in North Africa, presenting favorable opportunities for local and international online merchants. Unique customer profiles, efficient payment systems, and a stable business environment characterize the market.

Nexway Expertise

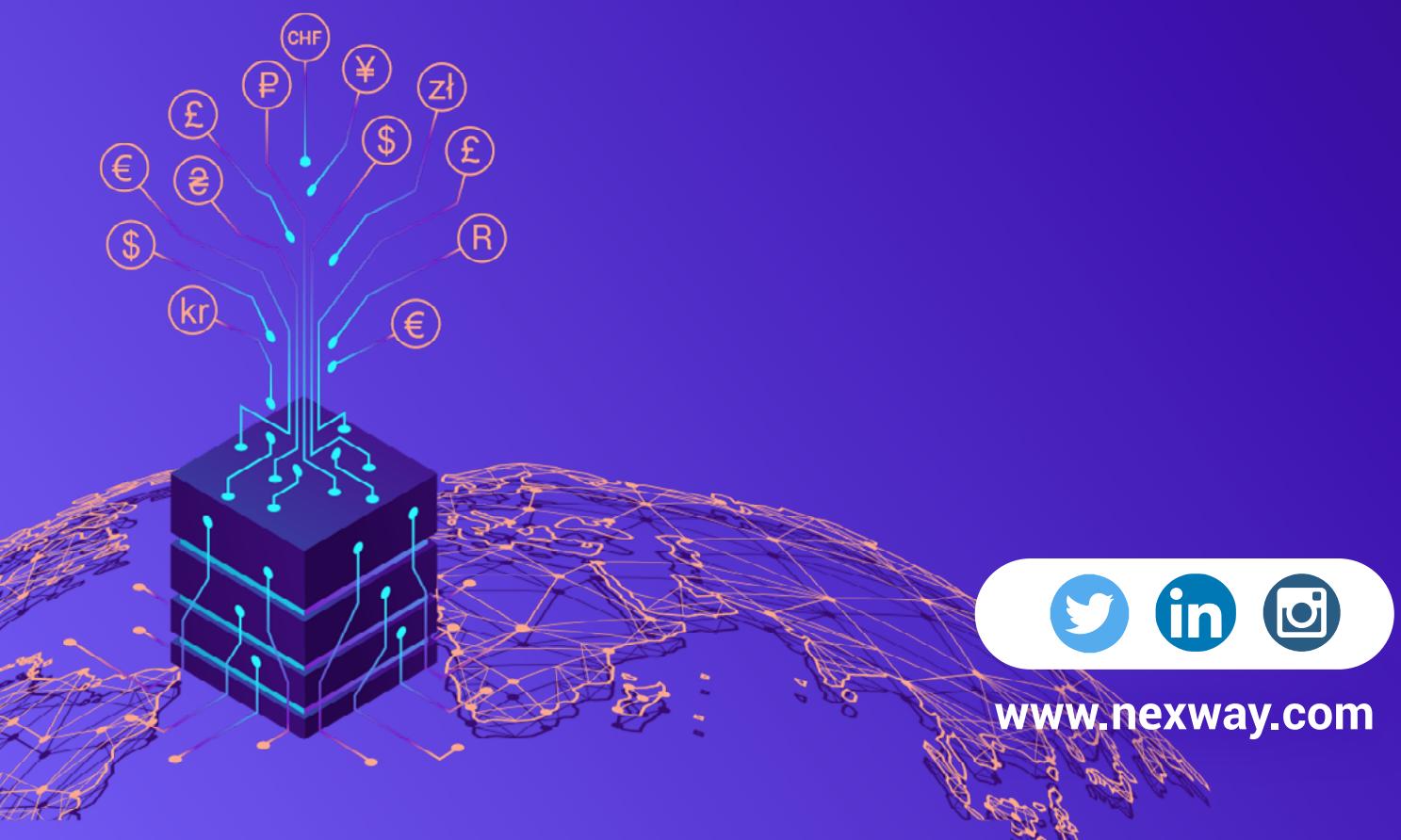
Merchants wishing to offer alternative payment options in Africa can now access key local payment methods via Nexway, such as M-Pesa, Troy, and several online and mobile payment methods. **This comes next to the existing recurring payment capabilities Nexway offers for subscription businesses in countries such as Morocco.**

The Nexway brochure illustrates the path for digital businesses to expand globally, showcasing the immense potential of emerging markets such as Latin America, India, and APAC.

Digital online success hinges on local expertise and advanced payment methods. **Nexway helps you build online revenue without payment processing headaches, no matter where your business is or where your customers are.** By enabling recurring payments, understanding local preferences, and building solid partnerships, Nexway is a partner of choice to expand your online business globally while providing a localized, seamless, and secure payment experience.

Unlock the full potential rewards of global digital growth

CONTACT US



www.nexway.com