

LET'S GO SOUTH KOREA



WORLDLINE 

Market size

South Korea is currently the 3rd largest e-commerce market in Asia. A high-tech, cultural behemoth, the country features an affluent population, superior infrastructure, and one of the most advanced mobile markets in the world.

Today, South Korea is the world's 10th largest economy. With its strong and diverse purchasing power of over 51 million consumers, it represents a plethora of opportunities for global companies looking to gain a foothold in Asia.



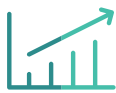
Population
51.3 Million (2020)



Economy size (nominal GDP)
10th worldwide



E-commerce market size
\$ 94 Billion (2022)



Forecasted e-commerce
market size
\$ 116 Billion (2027)



Mobile shopping vs.
total e-commerce value
74%



Smartphone
penetration
97% (2022)



Internet penetration
97% (2021)



E-commerce market size
worldwide
Ranked No. 6

Sources: Statista.com, IMF





Online Payment Landscape

Card companies in South Korea have developed various benefits, in collaboration with internet retailers, for consumers who pay with specific cards. For this reason, Koreans prefer to pay by card for online purchases.

In fact, 80% of online transactions are made through cards. Half of which are made through South Korean cards, while the remaining are made through co-branded international cards. This means that by offering Korean consumers their preferred local cards as a mode of payment, you will be able to increase your potential number of approved transactions, while ensuring a fully optimised payment experience for them. Additionally, behind every e-wallet is a local card, so our solution provides 100% audience coverage through offering all local and co-branded cards.

Online payment landscape

20% "thin e-wallet"



40% co-branded cards



40% South Korean cards



80% cards



Cross-Border Payment Challenges

1. Limited Payment Methods Coverage

Localisation is more than just translating your website and communication channels, but also offering Korean consumers their preferred local payment methods and currency. Failure to do so will lead to lower conversion rates and a suboptimal payment experience.

2. Low Approval Rates

Irrespective of the bank or merchant, issuers treat payment approvals from other countries as riskier transactions. Consequently, payments that are processed cross-border by acquiring banks outside of South Korea have significantly lower approval rates.

3. High Cost of Cross-Border Payments

Businesses often face challenges when making international transactions due to cross-border fees that are charged by payment networks. In addition, these transactions can result in local banks adding surcharges to the cardholders, which further increases the cost of goods and services.

4. Foreign Exchange Risks

The South Korean Won (KRW) is a highly restricted currency, which means that fund transfers in this currency are not allowed outside the country. Besides this limitation, a lot of information needs to be provided before you can start processing this currency.

5. Complex Business Environment

Localisation is vital for any business to grow its global revenue. However, setting up a local entity is complex, especially when companies are unfamiliar with the country's language, culture, business practices, and local regulations. Also, setting up a local entity means increased time-to-market and investment required before you can expand your operations abroad.



Worldline Offer

Worldline's deep understanding of the South Korean financial ecosystem and local partnerships can help global online businesses overcome these cross-border payment challenges, process payments locally, and access the local market without having to set up a local entity. Our full-service cross-border payment solution provides:



Local card acceptance

Optimise UX and conversion by offering all local and co-branded cards and a localised checkout experience



Best-in-class payment performance

Drive up approval rates, and minimise cross-border fees and cardholder surcharges with local acquiring



Reduced FX risks

Exchange KRW at a guaranteed FX rate, and settle funds cross-border in 20+ major currencies



Streamlined local entity requirements

Start processing payments locally without a local entity – through a single API integration

Key Features and Benefits

- ▶ **Access to all local cards and a localised checkout process**
Optimise UX and conversion by offering all local and co-branded cards, and a localised checkout experience.
- ▶ **Higher approval rates with local acquiring**
Increase your potential number of approved transactions when you process payments through a local acquirer based in South Korea.
- ▶ **Lower fees**
Minimise additional fees and cardholder surcharges that arise from accepting cross-border payments, thereby increasing overall profitability.
- ▶ **Guaranteed FX capabilities***
Exchange KRW at a guaranteed rate and settle funds cross-border in 20+ major currencies, thereby enabling you to reduce possible FX risks.
- ▶ **No South Korean legal entity required**
Minimise time and investment needed to start processing payments from South Korea. Our solution enables you to process payments locally without a local entity.
- ▶ **Recurring payment capability**
Allow consumers to commit to payments at regular intervals, providing them with the most convenient payment experience possible.
- ▶ **Instalment payment capability****
Give consumers more options for budgeting when making bigger purchases. By providing the option to pay via instalments, they get the flexibility they need in making payments.
- ▶ **Compliance with local regulations**
Stay compliant with strong regulatory restrictions and tax regulations, while staying on top of all government mandates.
- ▶ **Accessible via a single API integration**
Get started fast and hassle-free! Connect to all local card networks through a single API integration, so you don't need to worry about multiple contracts or onboarding processes.

*Guaranteed FX is an optional service and will be available soon.

**coming soon

Local Card Coverage

Our solution supports all local and co-branded cards to achieve maximum payment conversion.



BC Card



Hyundai Card



Kookmin Card (KB)



Hana Card (KEB)

SAMSUNG CARD

Samsung Card



Shinhan Card



Lotte Card



NH Card

Join us

Our new solution is available for retail, marketplaces, digital, gaming & media and travel businesses. Expanding into South Korea is part of Worldline's strategic approach to help businesses target high growth markets around the world. These unique domestic e-commerce ecosystems often have barriers to entry which demand specific solutions tailored to local consumer preferences and regulation. We can help you do business like a local and operate there with ease.

Contact us at WL-marketing@worldline.com or visit worldline.com/local-collect-south-korea to learn more about our solution.