

LET'S GO SOUTH KOREA



WORLDLINE 

Market size

South Korea is currently the 3rd largest e-commerce market in Asia and the 7th in the world. 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 13th 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

51.7 Million (2023)



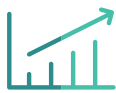
Economy size (nominal GDP)

13th worldwide



E-commerce market size

\$ 74 Billion (2023)



Forecasted e-commerce market size

\$ 86 Billion (2028)



Mobile shopping vs. total e-commerce value

66%



Smartphone penetration

70% (2023)



Internet penetration

97% (2022)



E-commerce market size worldwide

Ranked No. 7

Sources: Statista, IMF, Worldometer, and Datareportal



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. A third 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"



53% co-branded



27% 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 your customers their preferred local payment options and currency. This includes paying through local cards and instalments, which represent 16.55%* of total credit card purchases in South Korea.

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. Restrictions on Fund Remittance

The South Korean Won (KRW) is a highly restricted currency, which means that fund transfers in this currency are not allowed outside the country.

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.

*Source: crefia.or.kr



Worldline Offer

Worldline's full-service solution streamlines cross-border payments and offers localised options in South Korea, helping global online businesses reach more customers without local complexities. We provide:



Local card acceptance

Optimise UX and conversion by offering all local and co-branded cards, instalments, 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



Flexible remittance

Settle funds locally in KRW or cross-border in 20+ major currencies



Streamlined local entity requirements

Start processing payments locally with or 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 funds at a guaranteed rate, so you can limit potential FX risks and compliantly settle funds cross-border.

▶ **Flexible remittance in your preferred currency**

Settle funds locally in KRW or have the option to settle funds cross-border in 20+ major currencies.

▶ **Market access with or without a local entity**

Minimise time and investment needed to start processing payments from South Korea. Our solution enables you to process payments locally with or without a local entity.

▶ **Recurring** and instalment payments**

Give consumers the flexibility and convenience they need in making payments through offering zero-interest instalment plans , as well as recurring payments.

▶ **Reduced fraud and chargebacks**

We provide the option to authenticate payments according to Korean proprietary standards, enabling you to prevent fraudulent payment activity and chargebacks.

▶ **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.

▶ **Data-driven payment technology and support**

Our centralised reporting and reconciliation technology enables you to easily access your payment data, while our team of experts regularly monitor your performance – this way we can advise and make the necessary changes to your online payments system.

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

***Available only for non-authenticated payments.*

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 ecommerce e-cosystems 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 DCmarketing@worldline.com or visit worldline.com/global-collect/south-korea to learn more about our solution.