

Rapyd

**THE LATAM
eCOMMERCE
PAYMENTS
PLAYBOOK**

Acquiring,
Authorisation
and Localisation
Strategies That
Drive Growth



TABLE OF CONTENTS

Introduction	3
About This Study	4
The LATAM eCommerce Landscape	5
Localising Payments in LATAM	7
Optimising Authorisation Rates	8
Country & Regional Overview	10
Argentina Brazil Chile Colombia Mexico Peru Central America	
How Rapyd Simplifies eCommerce in LATAM	25



SCALING IN LATAM STARTS WITH PAYMENTS

Latin America’s ecommerce market is projected to reach \$215.31 billion in 2026, growing 1.5 times faster than the global average. Argentina, Brazil and Mexico account for nearly 85% of regional ecommerce sales, anchoring the region’s online growth.

In LATAM, authorisation rates can rise or fall depending on whether transactions are processed locally or cross-border. Approval performance differs by market and processor. This playbook outlines how to localise your payments strategy, improve authorisation rates and navigate each country in the region.

ABOUT THE STUDY

This LATAM eCommerce Payments Playbook is based on a combination of Rapyd research, country-level payment guides and market analysis across Latin America. Content has been compiled and synthesised from a range of sources, including Rapyd's regional payment guides for Argentina, Brazil, Chile, Colombia, Mexico and Peru, as well as broader insights on payment localisation and authorisation performance across LATAM.

Additional context is drawn from Rapyd's research on payment processing decline rates, ecommerce and fintech trends in emerging LATAM markets and best practices for localising payment strategies.

The findings in this report reflect a consolidated view of payment behaviour, infrastructure and performance drivers across the region, informed by both internal expertise and publicly available market data.

For more detail, readers can explore our research reports and blog articles available at Rapyd.net.



HIGH GROWTH. STRUCTURAL DIFFERENCES.

eCommerce behaviour across LATAM differs structurally by country. Channel, payment method and processing model all interact differently depending on the market.

Here is what our research found:

- 80% of ecommerce purchases take place on mobile devices
- Debit cards are widely used for a large share of ecommerce transactions
- Credit cards dominate higher-value purchases, particularly where instalments are standard

Payment Infrastructure Varies Across Countries

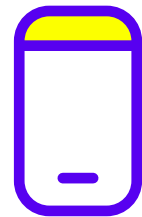
- Real-time bank transfers are common in Brazil and Colombia
- Instalment culture shapes conversion in Mexico, Brazil and Argentina
- Cash-based systems influence online sales in parts of Central America

THREE STRUCTURAL REALITIES SHAPE PERFORMANCE ACROSS LATAM



MOBILE IS THE PRIMARY COMMERCE CHANNEL

Transactions start and finish on smartphones. Optimising for mobile purchasing is essential.



CARDS REMAIN THE CORE ONLINE RAIL

In most LATAM markets (excluding Brazil), credit and debit cards still drive the highest total dollar value of online transactions, particularly for high-ticket items and cross-border SaaS/travel.



LOCAL PROCESSING IMPROVES APPROVAL RATES

Authorisation performance improves when transactions are processed domestically rather than cross-border.

WHAT IT TAKES TO OPERATE LOCALLY

Localising payments in LATAM requires aligning checkout, pricing and processing with how each market operates.

At a minimum, merchants should:

- **Price and settle in local currency:**
Local currency pricing improves conversion and reduces disputes
- **Support locally preferred payment methods**
Real-time transfers, wallets and cash-based payment methods are needed
- **Optimise for mobile-first checkout**
In LATAM, the majority of transactions happen on smartphones
- **Use local acquiring where possible**
Domestic processing improves approval rates

Localisation is not a one-time setup. Review your efforts periodically and adapt your payment protocol to each market and what's working for your business.

**OPTIMISING
AUTHORISATION RATES**

AUTHORISATIONS DRIVE REVENUE



Before optimising payments in LATAM, it helps to understand the impact on revenue:

- False declines cost businesses up to 3% of total revenue
- Cross-border transactions have higher rejection rates
- Approval rates can differ by 10-20% depending on processing setup

Two key factors drive authorisation performance:

- How transactions are processed (local vs cross-border)
- Which payment rails are used (cards vs local methods)

**OPTIMISING
AUTHORISATION RATES**

IMPROVING APPROVAL RATES IN LATAM

→ **PROCESS TRANSACTIONS LOCALLY**

Cross-border routing increases declines, particularly for domestic debit cards.

→ **USE A MERCHANT OF RECORD (MoR) TO ACCESS LOCAL ACQUIRING**

MoR enables local processing without establishing a local entity.

→ **SUPPORT LOCAL PAYMENT METHODS ALONGSIDE CARDS**

Bank transfers and wallet rails often outperform cross-border card transactions.

→ **CONFIGURE 3DS FOR LOCAL MARKETS**

Properly tuned 3DS reduces friction while maintaining fraud protection.

→ **ALIGN PAYMENT METHODS TO TRANSACTION TYPE**

Instalments, transfers or wallets may perform better depending on the market.

→ **LIMIT RELIANCE ON CROSS-BORDER CREDIT PROCESSING**

In high-debit markets, international credit-only setups reduce approval rates and sales.

Authorisation strategy in LATAM requires combining local processing with the payment methods customers already use.

COUNTRY & REGIONAL OVERVIEW

Argentina | Brazil | Chile | Colombia | Mexico | Peru | Central America

ARGENTINA



MARKET SNAPSHOT

Argentina operates in a volatile economic environment, yet ecommerce remains active. Inflation and currency swings influence how transactions are timed and priced.

46M

Country
Population

88%

Internet
Penetration

41%

Crypto App
Usage

81%

Use Mobile for Food and
Restaurant Purchases



ARGENTINA

PAYMENT LANDSCAPE

Cards remain central to online transactions, particularly when instalments (cuotas) are expected. Splitting purchases across three to twelve monthly payments is common across electronics, retail and essential goods.

Digital wallets play a significant role in daily commerce. Mercado Pago is widely used both online and in-store, with 68% of consumers reporting recent usage and 39% stating it is their preferred method for online payments. QR payments are common across retail and food service environments.

Currency volatility influences payment decisions. Consumers often move quickly when pricing changes, and merchants face margin risk when settling cross-border. In this environment, pricing transparency and local settlement matter.

Crypto usage is also notable relative to other markets, driven by demand for currency alternatives during inflationary periods.

WHAT TO PRIORITIZE

Display pricing clearly in ARS

Offer instalment options as standard

Support Mercado Pago and QR-based payments

Route transactions through domestic acquiring or MoR providers

BRAZIL



MARKET SNAPSHOT

Brazil is Latin America's largest digital economy and one of its most dynamic eCommerce markets. Online commerce exceeds \$36 billion and continues to expand, supported by a mobile-first population and rapid adoption of instant payment rails.

209M

Country
Population

\$36B

eCommerce
Market Size

70%

Adults with
Bank Accounts

73%

Mobile-led
Purchasing

i

**IN BRAZIL, PERFORMANCE
DEPENDS ON UNDERSTANDING THE
UNIQUE WAYS BRAZILIANS PAY.**

BRAZIL

PAYMENT LANDSCAPE

Cards account for roughly 40–45% of eCommerce transactions in Brazil, with credit cards dominant for higher-value purchases. Instalment culture is embedded across retail categories. Electronics, fashion and home goods are frequently split into three, six or twelve monthly payments, and many consumers filter by instalment availability before completing a purchase.

Failure to present instalment terms clearly at checkout can reduce cart completion and lower approval rates on higher-ticket items.

Pix has changed payment behaviour. With adoption exceeding 70% of the population, Pix is widely used for both online and in-store transactions. It offers instant confirmation and zero fees for consumers, which improves mobile conversion. In many segments, Pix outperforms debit cards.

Boleto Bancário continues to serve unbanked and cash-preferring consumers. Although settlement is slower, it extends reach beyond cardholders and remains relevant for specific demographics and lower-trust transactions.

For merchants, cards alone are not enough. Supporting Pix and presenting instalment options improves coverage, approval rates and overall conversion.

WHAT TO PRIORITIZE

Display pricing clearly in ARS

Offer instalment options as standard

Support Mercado Pago and QR-based payments

Route transactions through domestic acquiring or MoR providers

CHILE



MARKET SNAPSHOT

Chile is one of Latin America's most digitally mature markets, with high banking penetration and strong ecommerce adoption.

19M

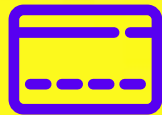
Country
Population

92%

Internet
Penetration

~40%

Mobile-led
Weekly Purchases



Cards Dominate
Online Transactions



CHILE

PAYMENT LANDSCAPE

Cards account for roughly 60% of online payments in Chile, with debit cards widely used across everyday retail categories. Credit cards are more common for higher-value purchases and instalments, though instalment culture is less dominant than in Brazil or Mexico.

Mobile shopping is prevalent across fashion, beauty and food categories. Approximately 40% of weekly purchases are made on mobile devices, closely aligned with desktop usage. This balance means both mobile optimisation and card authorisation performance matter.

Digital wallets are growing, but Chile remains structurally card-led. Approval rates depend heavily on local acquiring relationships and issuer trust. Cross-border routing can introduce unnecessary declines, particularly on debit transactions.

WHAT TO PRIORITIZE

Route transactions through domestic acquiring

Optimise debit and credit card authorisation

Maintain a clean, mobile-ready checkout

Display pricing clearly in CLP

COLOMBIA



MARKET SNAPSHOT

Colombia is one of Latin America's fastest-growing ecommerce markets, with online sales exceeding \$52 billion in 2024 and projected to approach \$81 billion by 2027.

52M

Country
Population

77%

Internet
Penetration

87%

Mobile-led
Purchasing



COLOMBIA

PAYMENT LANDSCAPE

Cards account for the majority of online transactions in Colombia, with debit cards widely used across segments. Credit cards are more common for higher-value purchases and instalments.

Bank transfers via PSE (Pagos Seguros en Línea) and the central bank's Bre-B system are popular alternatives to cards online. While PSE allows consumers to pay directly from their bank accounts, the introduction of Bre-B has added instant, real-time interoperability across all digital wallets and banks. Bank transfers via PSE are commonly used for:

- Travel and airline tickets
- Utilities and recurring services
- Higher-ticket ecommerce purchases

In urban areas, digital payments continue to gain share, although cash remains relevant in parts of the in-store economy. For merchants, supporting cards, PSE, and Bre-B is now essential to capture full market coverage.

WHAT TO PRIORITIZE

Optimise checkout for mobile

Support local debit cards and bank transfers

Enable PSE and Bre-B

Route transactions using domestic acquiring or MoR providers

i

COLOMBIA REWARDS MERCHANTS WHO ALIGN INFRASTRUCTURE WITH HOW CONSUMERS PAY.

MEXICO



MARKET SNAPSHOT

Mexico is one of the largest and most significant ecommerce markets in Latin America, combining scale with rapid digital payment growth. Mexico is large, mobile-first and structurally mixed.



130M

Country
Population

\$114B

Digital Payments
Market

10.8%

Projected Digital
Payment CAGR
(2025-2030)

78%

Mobile-led
Online Purchasing



MEXICO

PAYMENT LANDSCAPE

Cards drive the majority of online transactions in Mexico, with debit cards widely used across segments. Roughly 88% of online buyers have used a debit card for at least one purchase in the past year. Credit cards are more common for higher-ticket items and instalments.

Instalment culture is deeply embedded through *meses sin intereses*, interest-free monthly payment plans that allow customers to divide purchases over several months. Three, six and twelve-month terms are standard across electronics, fashion and home goods. If instalment options are not clearly presented at checkout, cart size and approval rates often decline.

Cash remains popular. Voucher systems such as OXXO allow consumers to generate a barcode online and complete payment in-store. While settlement is slower, it expands reach and increases trust for first-time buyers.

Real-time transfers via SPEI and QR-based payments through CoDi offer low-cost alternatives to cards, particularly for higher-value transactions and B2B payments. In some segments, bank transfers outperform cards on cost and approval consistency.

WHAT TO PRIORITIZE

Display pricing clearly in MXN

Present *meses sin intereses* options prominently

Support debit cards alongside credit

Enable SPEI for higher-value transactions

Include OXXO to capture cash-preferring segments

Route transactions through domestic acquiring or MoR providers

PERU



MARKET SNAPSHOT

Peru's ecommerce market continues to expand as digital payments gain share across urban centres. While banking penetration remains lower than in Chile or Brazil, mobile usage and wallet adoption have accelerated significantly.

34M

Country
Population

~75%

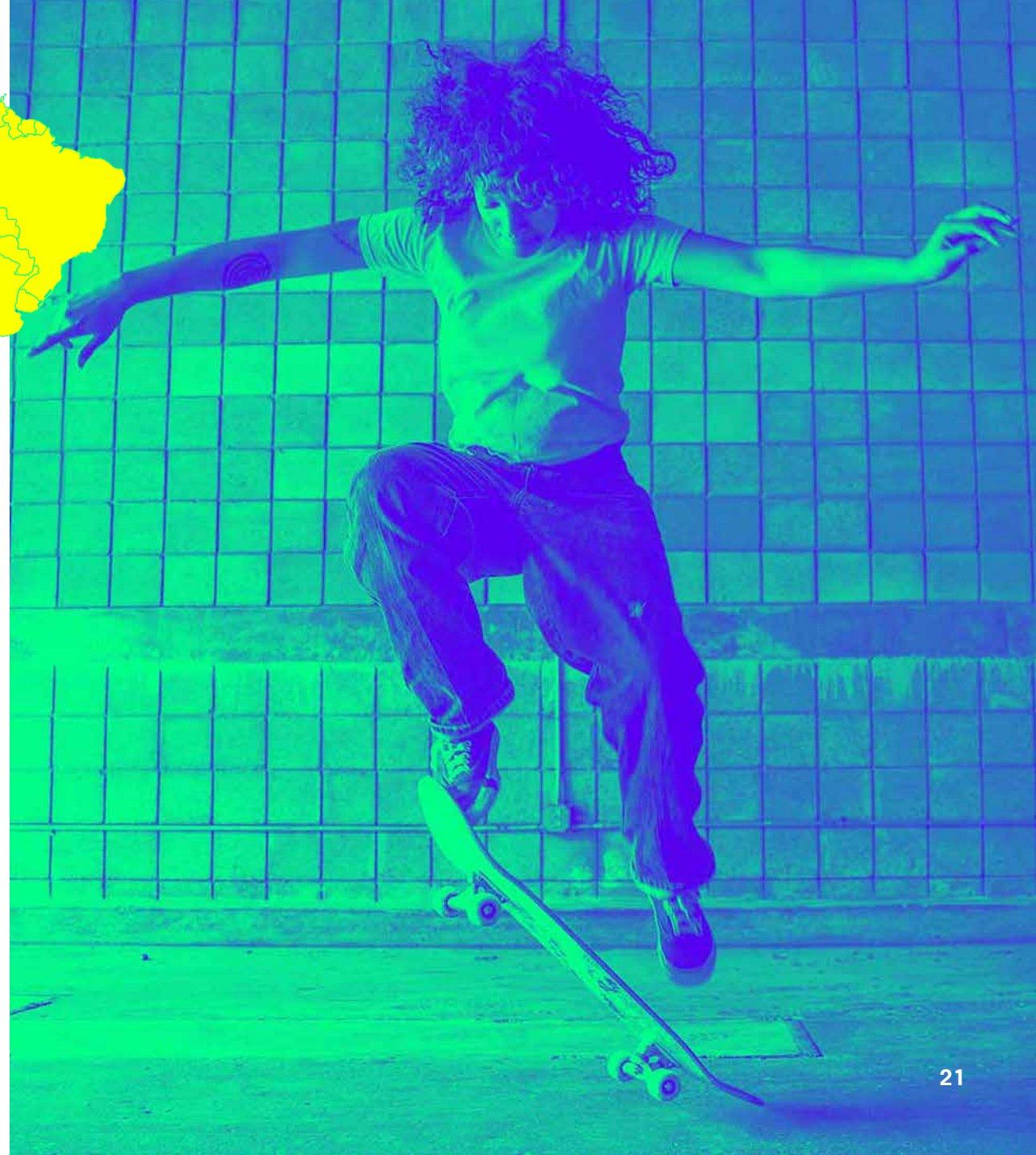
Internet
Penetration

~34%

via Computer
Weekly Online
Purchases

~36%

via Mobile
Weekly Online
Purchases



PAYMENT LANDSCAPE

Cards remain relevant for online transactions. Debit cards and digital wallets are central to everyday payments.

Yape, launched by Banco de Crédito del Perú (BCP), has evolved from a peer-to-peer app into a widely used merchant payment method. In restaurant and food purchases, roughly 86% of consumers report using mobile devices, and QR-based wallet payments are common. PLIN also supports peer-to-merchant transfers.

Wallet usage is strongest in:

- Food delivery and restaurants
- Utilities and recurring payments
- Everyday retail purchases

Mobile is the primary transaction channel. Checkout flows that require complex card entry or cross-border routing can underperform compared to local wallets.

Cash remains present in parts of the in-store economy, but digital wallet penetration continues to rise in urban segments.

Merchants need to support both cards and dominant local wallets to maintain coverage and approval performance.

WHAT TO PRIORITIZE

Optimise checkout for mobile-first transactions

Support Yape and other leading wallet rails

Enable debit processing through domestic acquiring

Configure fraud controls for local transaction patterns

i

IN PERU, APPROVAL RATES AND CONVERSION IMPROVE WHEN PAYMENT INFRASTRUCTURE SUPPORTS HOW CUSTOMERS ACTUALLY PAY.

CENTRAL AMERICA



MARKET SNAPSHOT

Central America is not a single market. It is a collection of smaller, fast-developing economies, each with different levels of banking penetration and digital adoption. This region includes Guatemala, Honduras, El Salvador, Nicaragua, Costa Rica and Panama.

Mobile usage is high across the region, but financial infrastructure varies significantly by country. Some markets remain cash-heavy. Others are steadily expanding card and wallet adoption.

50M

Combined
Population



Fragmented, Multi-
Country Landscape



Mixed Banking
Penetration



Growing Mobile & Digital
Payment Adoption

i

**SUCCESS IN CENTRAL AMERICA
REQUIRES LOCAL AWARENESS AND
COUNTRY-LEVEL EXECUTION.**

CENTRAL AMERICA

PAYMENT LANDSCAPE

Cards are used across all markets, but in Guatemala, Honduras and Nicaragua, a large portion of retail payments are still made in cash or via bank transfer. In Costa Rica and Panama, card and wallet usage is more established, with higher banking penetration and stronger digital infrastructure.

Instalment payments appear in parts of the region, though not as deeply embedded as in Brazil or Mexico.

Buy now, pay later (BNPL) and crypto-based payments are gaining traction in more advanced markets such as Costa Rica and Panama, with crypto also notable in El Salvador.

WHAT TO PRIORITIZE

Support major card schemes and process locally where possible

Keep checkout simple and optimised for mobile

Plan for continued reliance on cash and bank transfers in certain markets

Monitor wallet, BNPL and crypto adoption in Costa Rica, Panama and El Salvador

A stylized map of Latin America and the Caribbean is shown in the background, with the landmasses in a light blue color against a dark blue background. The map includes Mexico, Central America, the Caribbean islands, and South America.

EXPAND ACROSS LATAM **WITHOUT** **LOCAL ENTITIES**

Expanding into LATAM means navigating different acquiring structures, regulatory requirements and settlement frameworks across multiple markets.

Rapyd provides the infrastructure to operate across the region with Merchant of Record (MoR) capabilities, domestic acquiring and support for leading card schemes and local payment methods.

Instead of building separate entities and payment stacks country by country, merchants can scale through a single platform designed for local success at global scale.

**Ready to
Expand in
LATAM?**

Get started at Rapyd.net