

Argentina

Guide to the market
& payment methods

ARGENTINA



Market overview



Argentina is the second-largest economy in South America behind Brazil. With 45m inhabitants, the country produces a GDP (PPP) of nearly 1tn USD. This number is driven by high amounts of natural resources, an export-oriented agriculture and a highly developed industrial sector.

Currently, Argentina faces economic problems based on poor fiscal discipline that has been practiced during the economic depression from 1998 to 2002. This led to a high inflation rate that sits above 25% since 2017 and reached 42% in 2020 – values among the highest in the world for the past five years. Although, this problem exists, the e-commerce sector is thriving. In 2020, Argentina hit nearly 7b USD in annual revenue, which ranks it second behind Brazil and makes for 9% of the online sales revenue of South America.

The number of online shoppers is remarkable – 27m people shop online, which is 60% of the population. The growth rate of the online sales is consistently outperforming the inflation rate and reached values above 100% YoY. The advent of mobile devices for online shopping can be observed as well. In 2020, transactions via these devices generated 5bn USD and are expected to reach 13bn USD by 2024.

KPIs of the country



Currency:
Argentine Peso
(ARS)

\$7bn

total e-commerce-
revenue in 2020

45m

population, third-
largest country in
LATAM

32m

internet users

27m

e-shoppers



Argentina is a thriving market with an exceptionally high growth rate when it comes to e-commerce. Although, the economic situation with high inflation and unemployment rates is a hindrance to the overall development, the apparent success of e-commerce might be supported by these circumstances.



Expand your business to Argentina ▶▶▶

The main sectors of the economy

The feeder of the world

Argentina is considered a developing country but has a strong economy with highly developed sectors. The most important sector for the country is agriculture, and it exports among the highest quantities of beef, citrus fruits, grapes, honey and maize among other produce. This sector alone accounts for 10% of the country's GDP. Unprocessed food covers 20% of all exports, while total food exports including processed food have a share of over 50% of all exports.



Manufacturing

This is the largest sector of the GDP with 15% and deeply rooted in the agricultural sector. The industrial production is at the heart of the Argentinian economy as in the early 20th century food processing and textile production have been industrialized and over the course of the decades today these pillars have evolved into being highly diversified: motor vehicle/parts production, refinery, chemicals, pharmaceuticals, steel/aluminum, industrial machinery and electronics.



Mining & resources

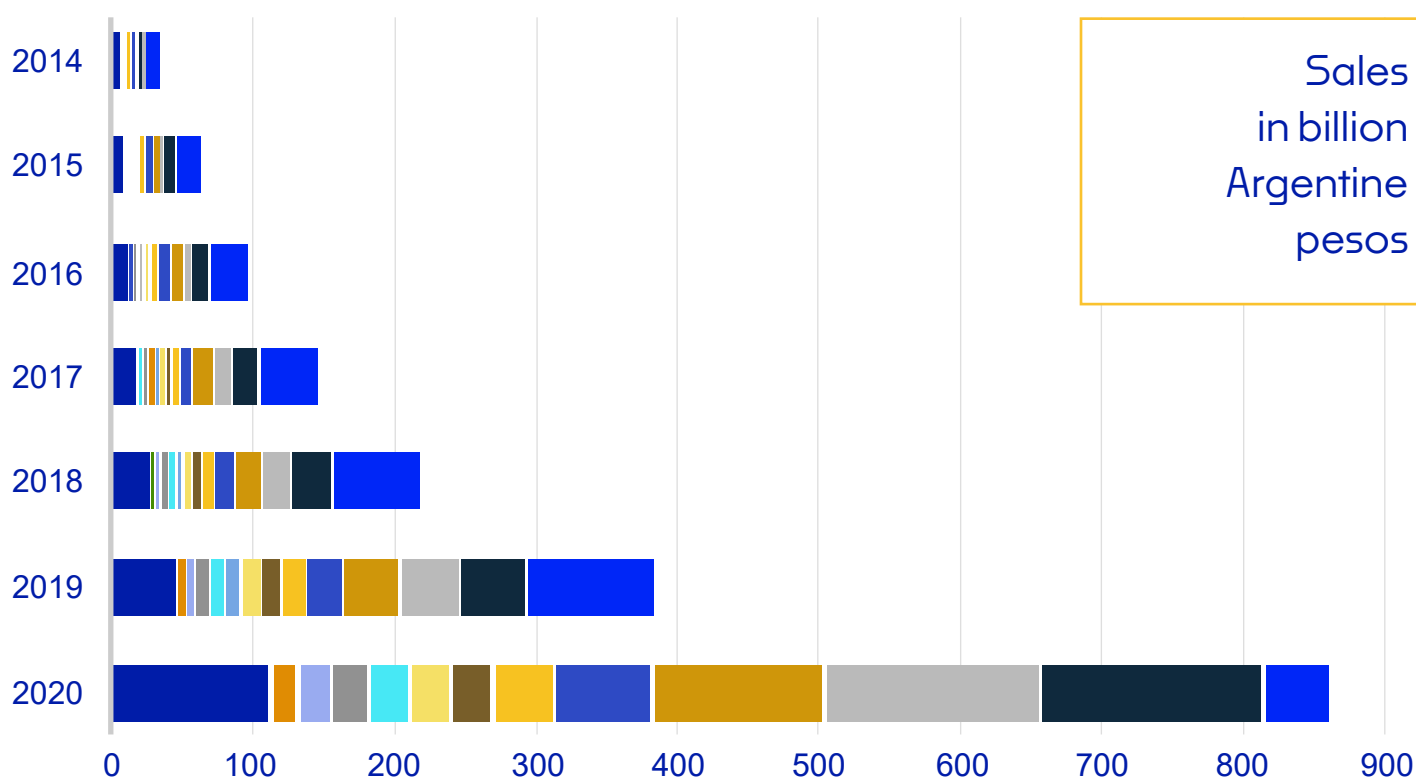
This sector contributes 4% to the GDP and about 10% to the exports. The main resources are gas, petroleum and coal. As for metals and minerals, Borate and Copper have the largest share and Argentina belongs to the top 5 producers of lithium in the world.



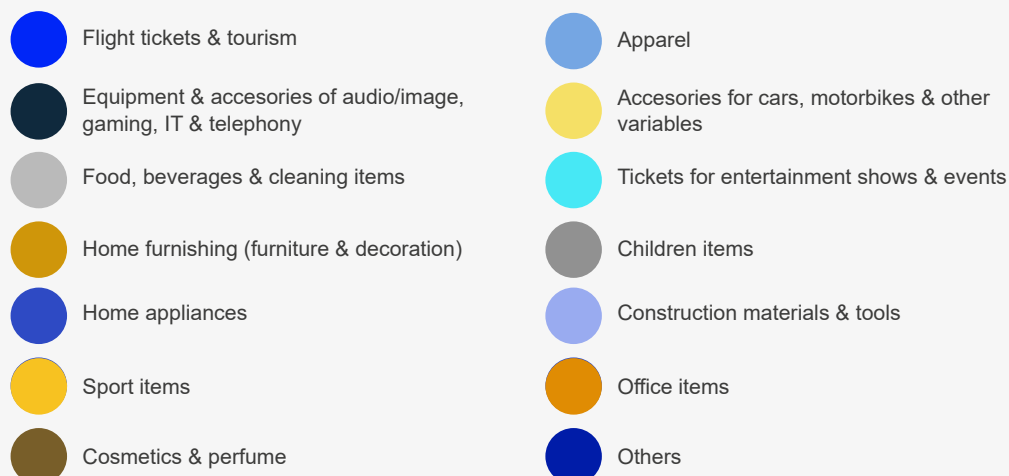
Tourism

Tourism accounts for approx. 4% of the GDP. Nearly 700k people work in this sector, which is about 4% of the workforce. Argentina sees a steady increase in tourist interest – since the early 2000s, more than double the number of tourists visits the country each year, mainly from Brazil and Europe.

Retail e-commerce sales in Argentina from 2014 to 2020



References



Sources:
Kantar TNS; CACE ©
Statista 2021



Our payment methods in Argentina



Argentiniens are mostly paying by card, with 45% of all transactions. They prefer using credit cards over debit cards. The other popular payment methods are cash with 18%, e-wallets with 18% and bank transfers with 17%.

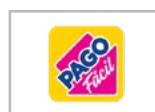
The share of online purchases paid for using digital payment methods is 87% and by far the highest value among all neighbors in Latin America. The second-largest share can be observed in Chile with 70% and the Peru as third with 58%. With that in mind, Argentina may be considered as a highly developed market that recognized the benefits of digital settlements early on.

For online sales, there is even a bigger trend towards credit cards: 77% of all transactions have been settled by this option in 2020. Cash accounted for only 11% followed by debit card with 7%.

For Argentina, we currently offer the most important cash payment schemes of Pago Fácil, Rapipago and Provincia NET.



Cash payments



Card payments



Crypto



Online shopping insights >>>

Credit card

Most popular payment method for online sales.

Mobile devices

overtake desktop devices by sales revenue in 2021.

38%

of Argentina's E-commerce sales volume stems from Buenos Aires Metropolitan Area 2020.

87%

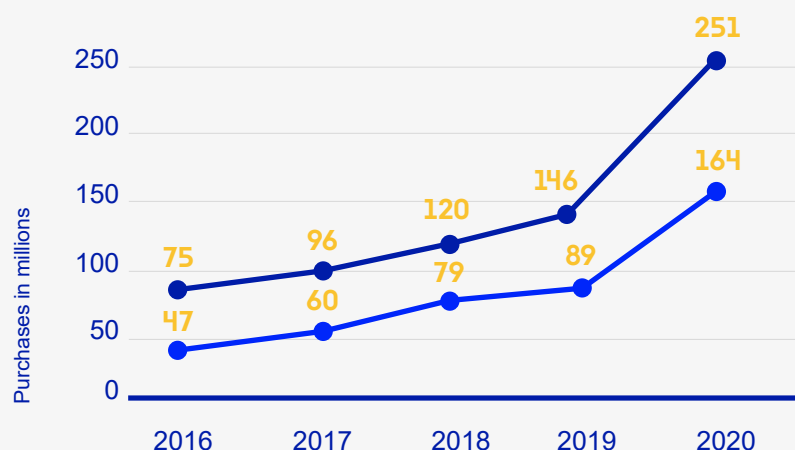
share of online purchases paid for using digital payment methods 2020.

Growth of online shopping

Number of items and orders in e-commerce sales in Argentina from 2016 to 2020 (in millions)

Number of items

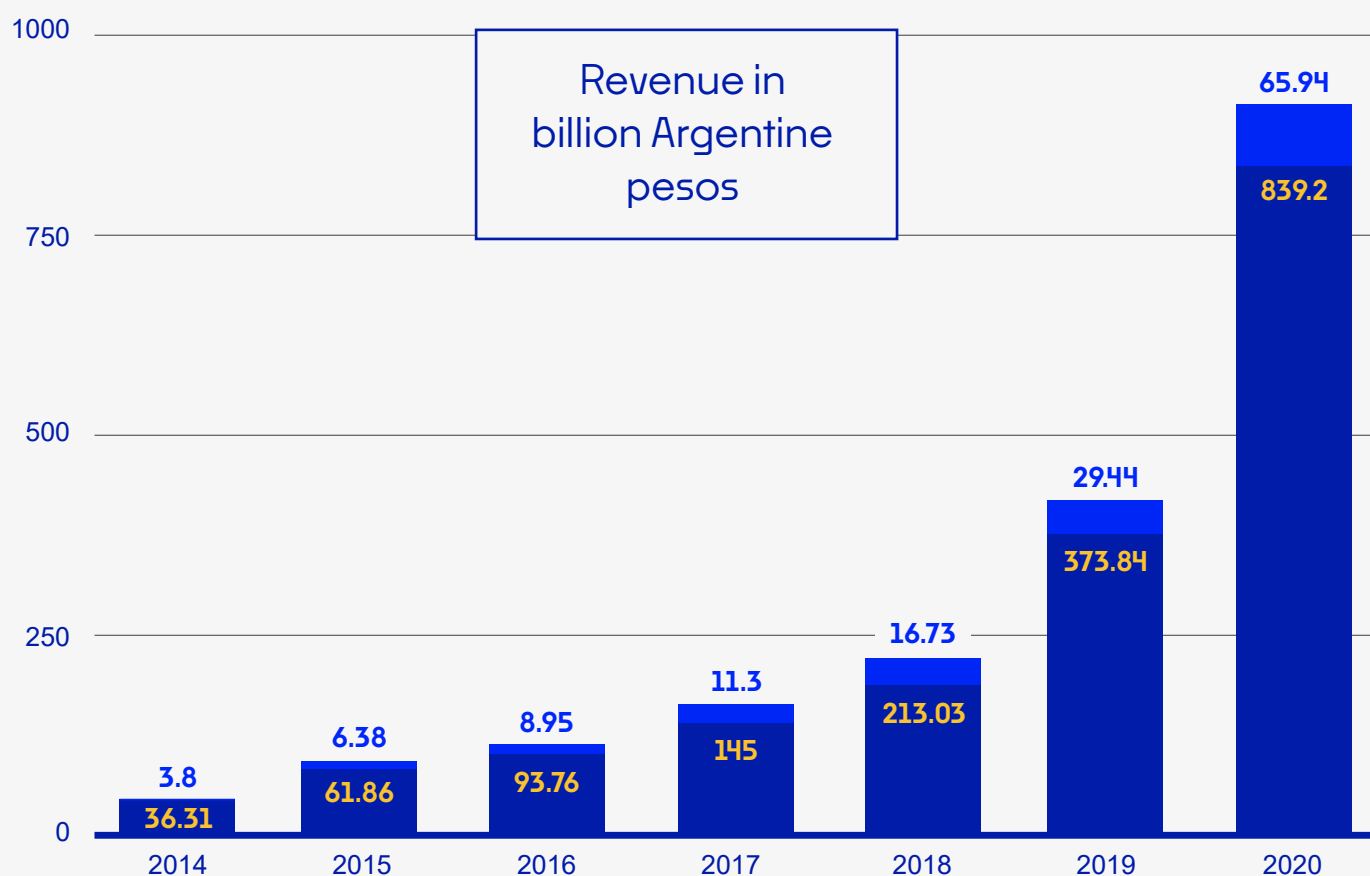
Number of orders



Sources:
Kantar TNS; CACE ©
Statista 2021

Growth of online shopping

Annual B2C and C2C e-commerce sales in Argentina from 2014 to 2020
(in billion Argentine pesos)



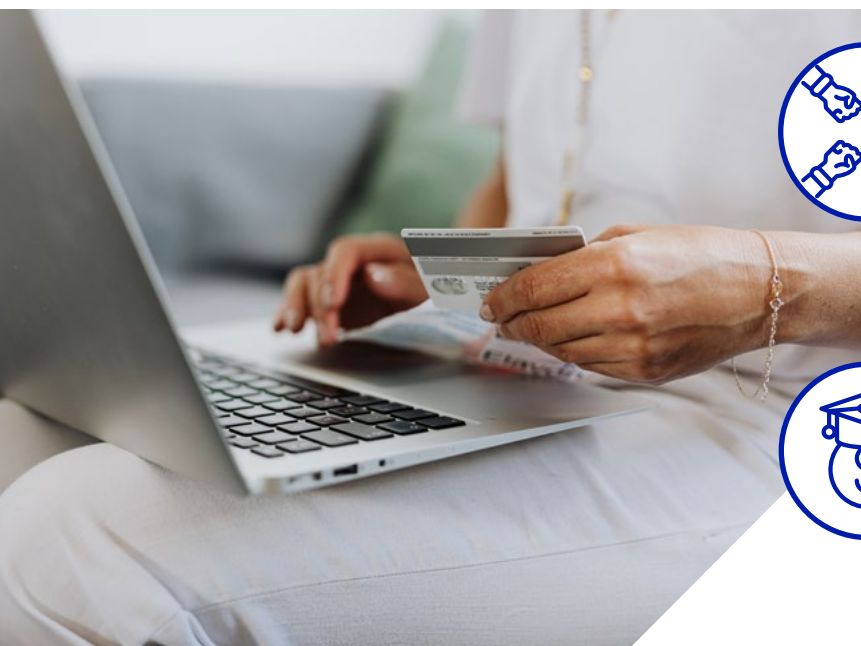
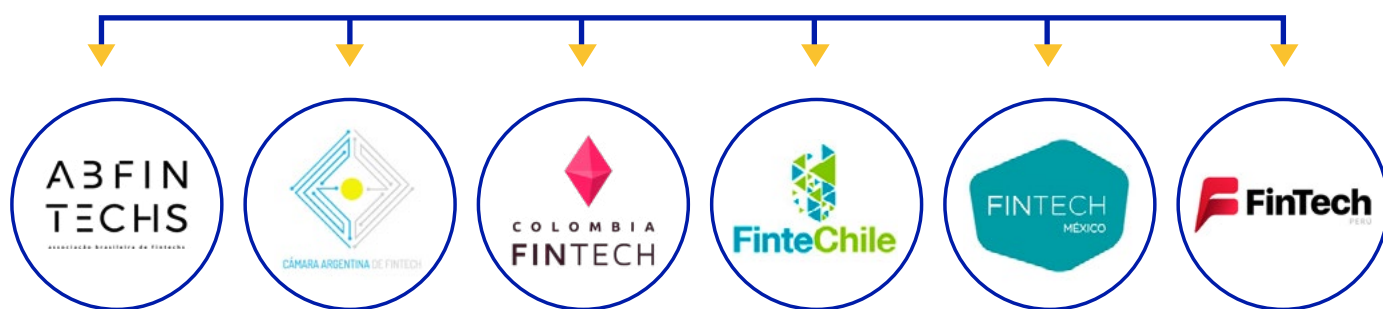
Total B2C

Total C2C

Our Associations

We are members of several Fintech associations throughout Latin America with the common goal of creating a dynamic ecosystem for business development.

Fintech Associations



Financial Inclusion

We promote the business of companies, driving the creation of new, technology-based financial products that provide solutions to current user demands, helping to increase the level of financial inclusion.



Financial Education

We are aware of the importance of helping people acquire the knowledge and skills to better manage their personal finances and improve their well-being. We use our collective knowledge and industry best practices to improve financial services for everyone.



Offices around the world

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