

Colombia

Guide to the market
& payment methods

COLOMBIA

Market overview



Colombia belongs to the strong economic forces in South America as it is placed 3rd in terms of GDP with over 700b USD (PPP) behind Argentina and Brazil. The country has 51m inhabitants, the second-highest number after Brazil. Colombia has a reasonably low inflation rate for years with about 2.5% and the main trade partner for imports and exports are the United States. Colombia relies heavily on the services sector with 57% of its GDP, followed by industry (26%) and agriculture (7%). As a remarkable achievement, Colombia managed to halve the poverty rate over the past 10 years but still, there is much room for improvement as the country is considered to have one of the highest income inequality rates worldwide.

The e-commerce sector reached a sales revenue of over 5b USD in 2020 which is a share of 1.8% of the GDP. The pandemic has accelerated the usage of online services for home delivery and by the end of 2020 22m people or 60% of all households in Colombia have used e-shopping as a means to get groceries and supplies. This ranks Colombia fourth after Brazil, Mexico and Argentina.

KPIS of the country



Currency:
Colombian Peso
(COP)

\$5.4bn

total e-commerce-
revenue in 2020

51m

population, fourth-
largest country in
South America

35m

internet users

22m

e-shoppers



Colombia is an interesting market with many opportunities within a growing e-commerce sector in the future. The country managed to improve the lives of the population and has strong plans for solving the social inequalities. This can act as a breeding ground for companies entering the market.



Expand your business to Colombia ▶▶▶

The main sectors of the economy

Versatile economy

Colombia is a well industrialized country and belongs to the top economic forces in Latin America. The central location on the continent offers many opportunities for carrying on commerce. Colombia has a steady influx of foreigners that invest into the country and come to work there. The IT industry has the highest growth rate of all countries in the world. The workforce is spread across the sectors with 64% in services, 20% in industry and 16% in agriculture.



Industry & services

The exports of the country comprise mainly of coal and oil, and amount to 55%. Since the majority of the workforce is now employed in the services sector, it covers a share of almost 60% of the GDP.



Agriculture

Due to versatile soils, it is possible to grow several types of crops. Among vegetable oils and many types of fruit, coffee is an important export good, with a share of 6%.



Tourism

Since the early 2000s, the country experiences a steady grow in tourism interest. The sector currently has a size of 17bn USD, and it employs 1.2m people. Most tourists are from the USA.

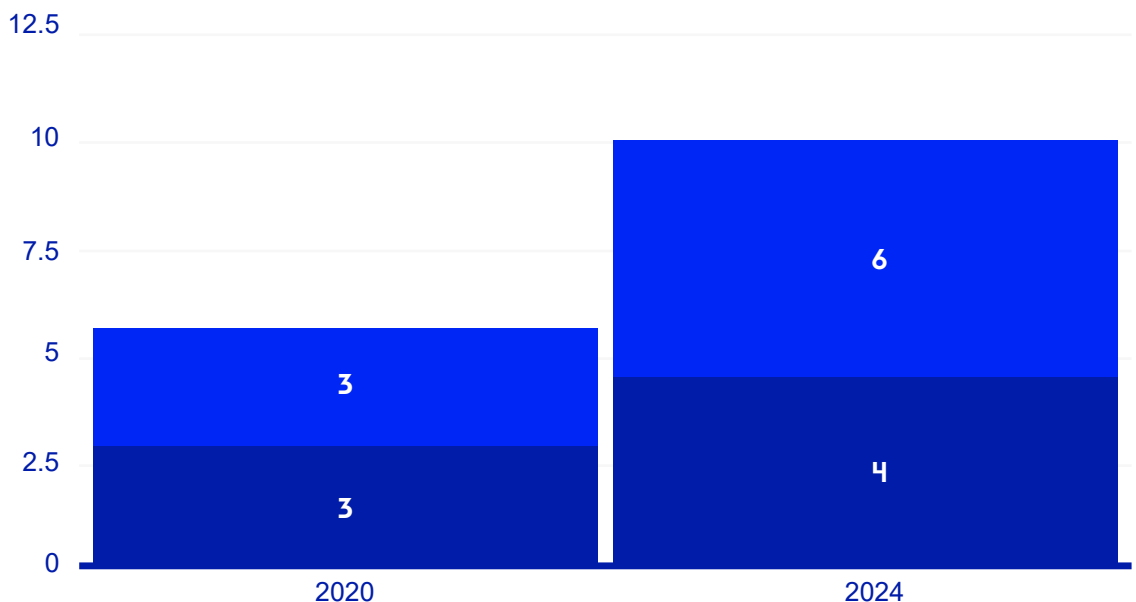
E-commerce sales revenue in Colombia in 2020 and 2024, by device



Revenue
in billion
U.S.
dollars

- Desktop
- Mobile

Source:
Worldpay.
© Statista 2021



Interesting numbers

3b USD

Mobile commerce sales revenue in 2020.

280m

Number of online transactions in 2020.

125 USD

Average e-commerce spending per capita in 2020.



Our payment methods in Colombia



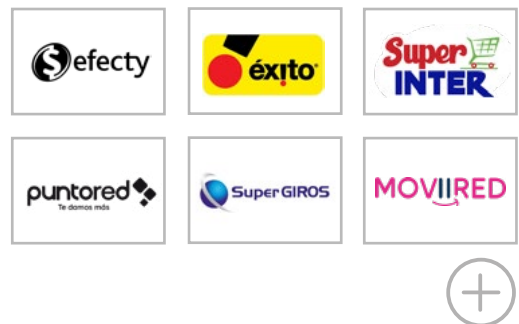
The main payment option being used by Colombians are international credit cards. Their overall online and offline retail share (including debit cards) is 55%, followed by bank transfers with 21%, cash with 15% and e-wallets with 9%. In details for 2020 it has been estimated by EBANX that In terms of revenue the international credit cards will have the largest share with 5.5b USD, followed by bank transfers with 3.1b USD, debit cards with 2.6b USD, payment vouchers with 1.4b USD, domestic credit cards with 1b USD and wallets with 0.6b USD. When looking at the online-side, the Colombians mainly use cash-based options with 33%, followed by debit cards with 22%, credit cards with 19% and e-wallets with 11%. This signals that card-based systems will remain strong in the future, but e-wallets are catching up quickly since they're only available since a couple of years and the pandemic accelerated their usage. Especially Daviplata, Nequi and Rappipay are popular wallet-based options that are used more and more.

For Colombia, we currently offer the most important international card payment options of Visa, Mastercard and Diners Club Internacional.

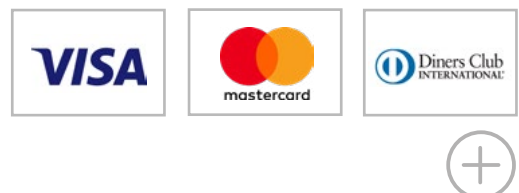
Online payments



Cash payments



Local cards



Crypto



Online shopping insights

Cards

most popular payment methods for online transactions in 2020.

Mobile devices

overtake desktop devices by sales revenue in 2021.



mercado libre

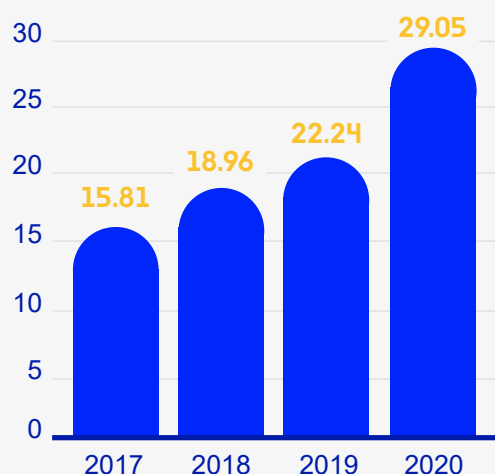
most popular online shopping platform in Colombia 2020.

16%

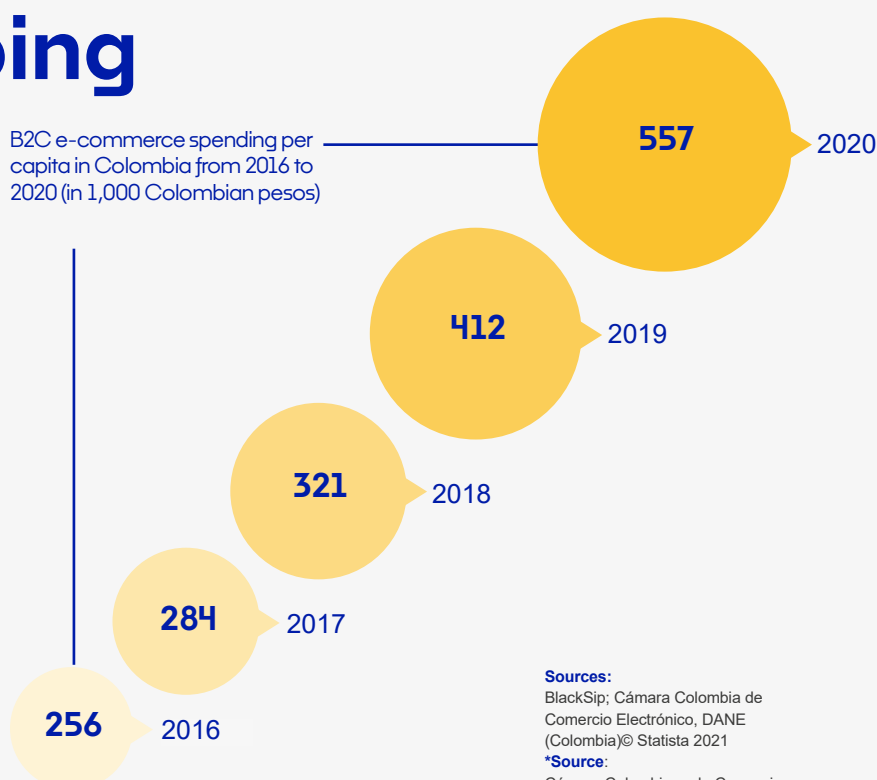
growth of e-commerce spending in Colombia from 2020 to 2021.

Growth of online shopping

Value of e-commerce sales in Colombia from 2017 to 2020 (in trillion Colombian pesos)*



B2C e-commerce spending per capita in Colombia from 2016 to 2020 (in 1,000 Colombian pesos)



Sources:

BlackSip; Cámara Colombiana de Comercio Electrónico, DANE (Colombia) © Statista 2021

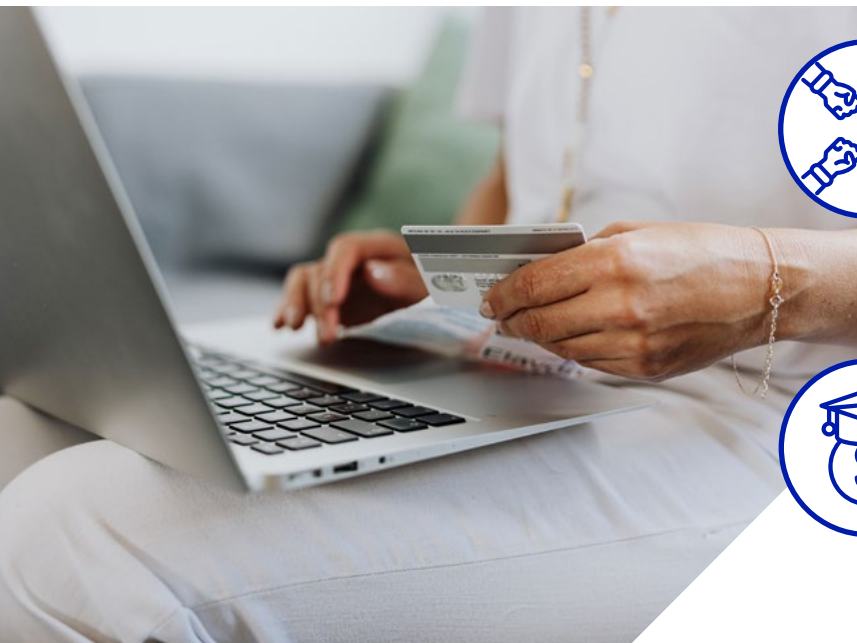
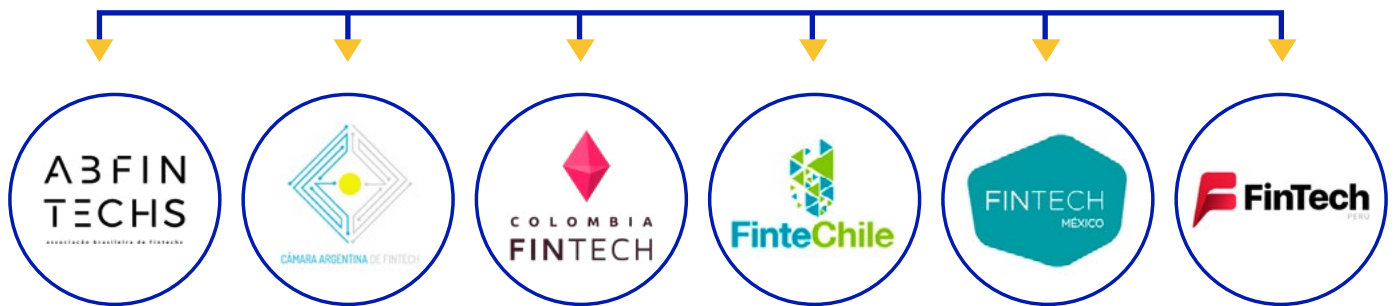
*Source:

Cámara Colombiana de Comercio Electrónico. © Statista 2021

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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