

MANAGING HIGH-VALUE TRANSACTIONS

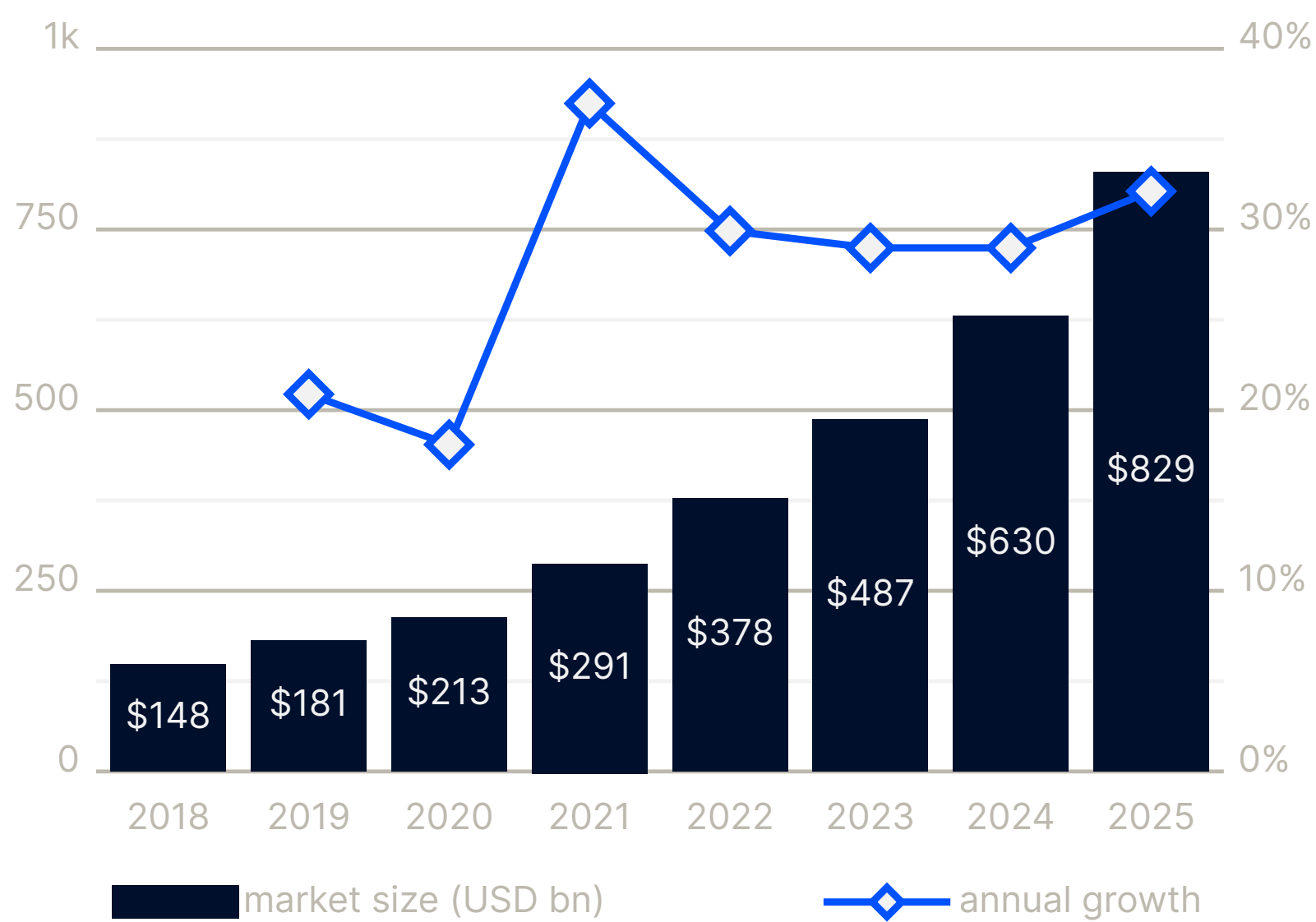


IN LATIN AMERICA

How can tech companies build a seamless payment strategy for high-value products and services

LATIN AMERICA OWNS A MULTI-BILLION DOLLAR DIGITAL MARKET

Digital commerce in Latin America will grow 30% every year through 2025



SEIZING OPPORTUNITIES AND OVERCOMING CHALLENGES

What is driving growth?

The **expansions of SaaS companies**, which have been gaining colossal investment from venture capital, **the remote working**, a high **internet penetration rate**, and the **fast pace expansion of the region's digital commerce** are the primary reasons for this accelerated blossoming market.

In addition, many Latin American businesses are increasingly adopting AI-enabled Cloud and SaaS solutions to improve processes and enhance customer experience.

Striking the challenges

Home to a diverse and mixed-up population, Latin America has many particularities concerning its customer preferences and payment behaviors. Tech companies pursuing growth and performance optimization **must comprehend and address the distinct local businesses' needs and priorities.**

In Latin America, global brands often charge their clients in dollars, making it challenging for local businesses to effectively predict and plan the cost of the service and the end of the term.

The solution

A flexible and robust payment system with a diverse mix of local payment methods to manage high-value transactions quickly and securely.



IN ESSENCE, A HIGH TICKET IS THE HIGHEST AMOUNT A COMPANY EXPECTS TO CHARGE IN A SINGLE TRANSACTION.

It might sound like a fortunate situation to accept a heightened volume of money in one transaction. However, it comes with its own set of challenges: Selling products or services that start in the hundreds and top out in thousands of dollars **requires the ability to run a robust and reliable payment scheme.**

SPEEDING UP HIGH-VALUE TRANSACTIONS PROCESS IN LATIN AMERICA

Global B2B tech companies that experience high-value ticket processing from Latin American businesses face unique hurdles: **a manual, complex, expensive, and slow process** that prevents scalability and performance optimization.

So, what are the characteristics behind this particular payment processing category, and how can **B2B enterprises build a seamless strategy** to ensure security and high approval rates?

Here are 03 decisive measures you must count on to make the most of high-cost processing.

1. PAYMENT OFFERING

For enterprises that experience high-value transactions, the number of default options for accepting payments online might be limited in Latin America, narrowing the chances for businesses to choose the best one it fits their context.

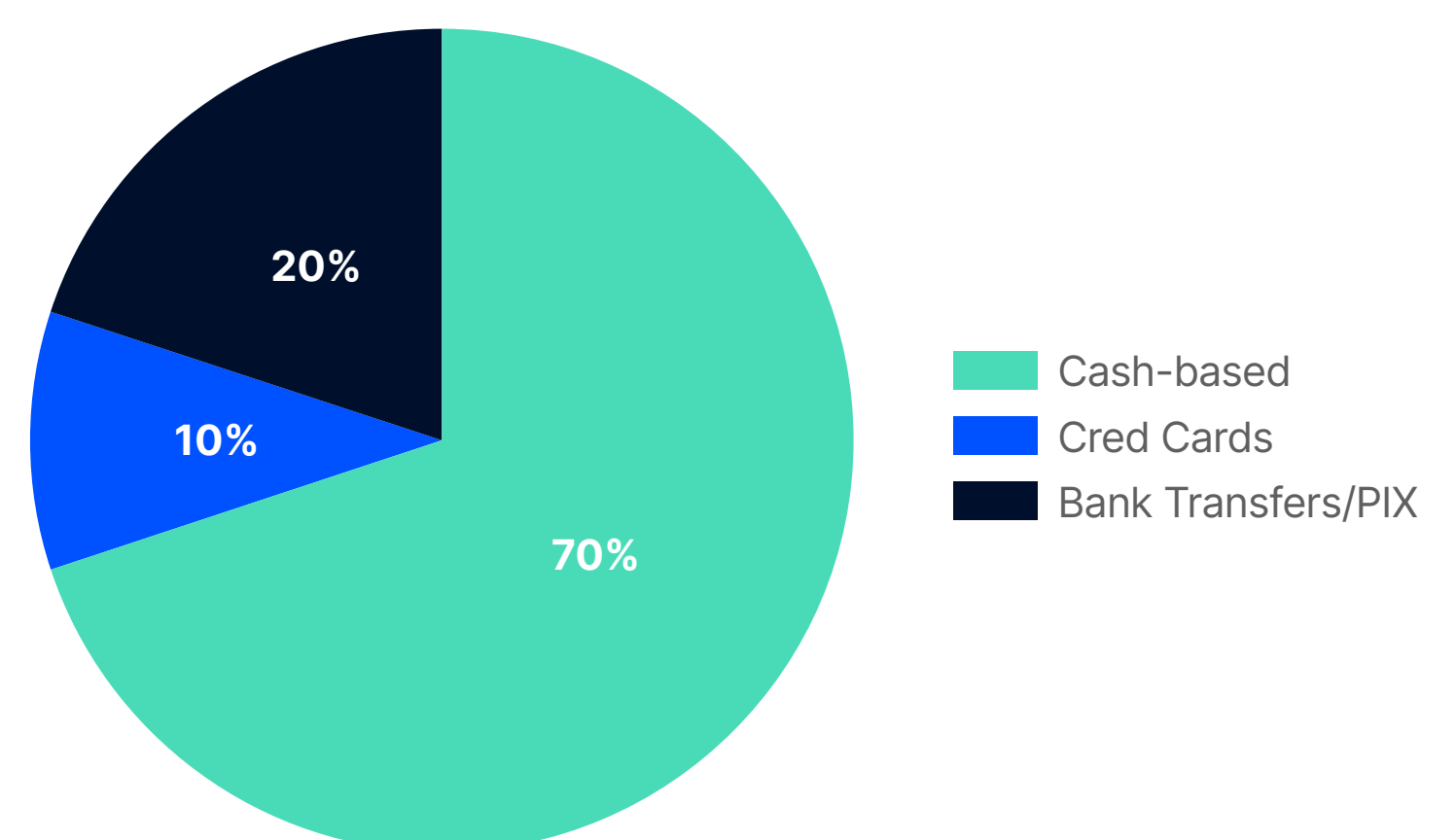
When based in Latin America, a company willing to implement a new solution, product, or service will decide over the provider that offers a **diverse range of payment options** to process high-cost transactions.

HOW DOES LATIN AMERICAN B2B BUSINESS PREFER TO PAY FOR A PRODUCT OR SERVICE?

In Latin America, digital companies are increasingly willing to spend on new tools and solutions through payment methods that suit the local circumstances.

Cash-based payments and PIX are the main modes of B2B digital companies' payments in Brazil.

Source: Netscribes, 2021

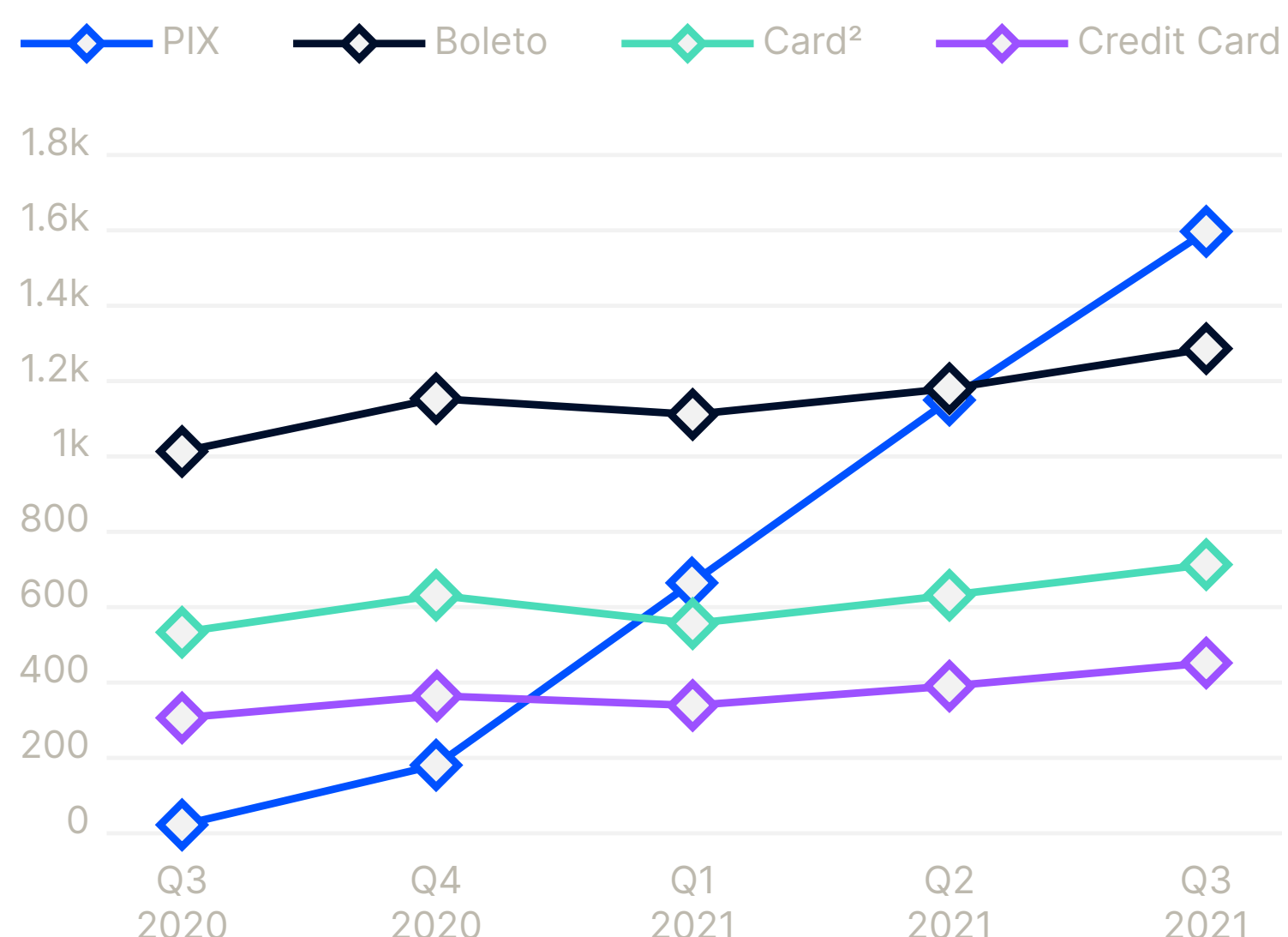


Cash-based payments: The most common form of payment with a **70% market** share and heavy-used by local tech companies to enable cash payments. It includes [Boleto Bancário](#), one of Brazil's most used payment methods.

Bank Transfers/PIX: The second most chosen method for tech companies payment for higher-value purchases. [PIX](#) has gained significant traction in a year and is the ideal example of a rapid payment preference shift that brands must stay on top of.

Exponential growth: PIX, the revolutionary Brazilian instant payment system.

Source: [Beyond Borders, 2021/2022](#)



Credit card: This is the third most popular payment method for tech B2B companies, generally used for low-value tickets. When used for high-value trades, Installments are a game-changer for B2B companies to reach the addressable market, enabling businesses to fit the high-costs transactions into their budget.

Installment payments are a popular and preferred way to put Latin American companies more in control of their budget.

[Learn more about installments in Latin America.](#)

RECURRING PAYMENTS THE KEY TO OPTIMIZED PERFORMANCE

Any B2B tech company that experience the processing of high-cost transaction must continuously sharpen its recurring machine; this is vital to raise performance.

Having a diverse payment mix beyond credit cards is crucial to maintaining an effective strategy based on recurrence. It will enable you to gain **visibility and control over the amount of money you acquire.**

Recurring payments are the key for:

- **Speed up transactions;**
- **Save time;**
- **Take some guesswork out of budgeting.**

[Learn more about the secret to high approval rates](#)

2. FINANCIAL AND RECONCILIATION MANAGEMENT

High-value processing in the B2B market is not known as easy and cost-efficient to manage. Get to know three quick learnings you can apply to your payment strategy to streamline this process.

Save time with automated processes:

Processing high-value transactions sometimes means losing time with manual reconciliation. Having all the information centralized to monitor transactions in real-time will enable you to automate internal processes and save your team's time.

Charge in local currency and receive in USD:

Establish a clear connection with your Latin American business customers and charge them in their local currency. A local payment provider in Latin America will allow you to collect your customers' payment amount and taxes in BRL and remit your funds in USD, always compliant with local regulations.

Stay ahead on price negotiations with currency hedging:

In Latin America, exchange rate fluctuation is a pain for global B2B companies. Removing this hardship is possible when you can operate with a payment provider offering you fixed FX rates, increasing the chances of winning a new deal or renewal.

3. FRAUD PREVENTION

Even though fraud is still one of the main challenges to digital services in Latin America, the opportunities remain more significant than the risk. Holding healthy approval rates can be manageable when **processing high-pricing tickets localized**.

Tailoring a fraud prevention strategy for high-value transactions

Fraud behavior in Latin America has a lot of particularities. To bypass it is necessary to mitigate risks, apply protection rules, and preserve clients. It is also essential to ensure the regulations do not stop transactions in the process.

Managing transactions with high value requires a complete warranty end-to-end process to avoid scams.

CHECK OUT THE 4-PILLAR APPROACH TO IMPROVE BUSINESS PROTECTION IN LATIN AMERICA:

1

Fraud prevention: When setting an anti-fraud strategy for your business, consider: protecting rules, risk scoring, device fingerprint, block & trust list, provider routing availability, and target approval rate

2

Managing fraud: If fraud occurs, time to manage the chargeback dispute and trigger the supplementary acquires.

3

Continuous improvement: It's essential to keep track of performance by testing new hypotheses and modifications to assure the best execution.

4

Performance monitoring: A centralized hub with all the information you need to follow will give insights to enhance your rates and business' health.

MANAGING HIGH-COST TRANSACTIONS IN LATIN AMERICA DOESN'T NEED TO BE A HEADACHE

Despite the region's specificities, the great potential the Latin American market can furnish to global companies willing to raise revenue is unquestionable.

Keep your journey through it and give a further step to discovering the reasons that have paved the path toward new growth opportunities for the companies in LatAm.

What increased digitalization means for SaaS growth in Latin America?

[CLICK TO KNOW MORE](#)



EBANX

BE THERE.
ANYWHERE

The brand "EBANX" represents a group of several products and companies in Brazil and other countries. Some of these products may only be available for specific industries or countries, contact EBANX team to get further information.