

# Mexico Fact Sheet

## COUNTRY OVERVIEW



Mexico has an expanding economy ranking 15th in the list of global economies with more free trade agreements than any other country in the world. The nation possesses a highly skilled workforce, competitive market, stable political and macroeconomic environment. Mexico also has a strategic geographic location between South America and the United States that links it to the consumer economies of both regions and is an excellent gateway to the Latin American market.

## SIZE & SCALE

Population Size of  
**132 Million**<sup>1</sup>

**Second-largest Economy**  
in Latin America

Mexico City has  
**9 Million Residents**<sup>2</sup>  
(21 million including the metropolitan area)

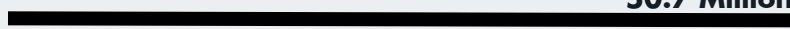
Largest Spanish-speaking city in the world

## ECOMMERCE

 **16th Largest Market**  
in the World for eCommerce<sup>3</sup>

 **US\$23.2 Billion**  
in eCommerce revenue in 2021<sup>3</sup>

### Mexican eCommerce Users<sup>4</sup>

**2020**  **50.7 Million**

**2025**  **+77 Million**

Experts predict Mexico will have over 77 million eCommerce users by 2025 due to improvements in connectivity, enhanced financial inclusion, streamlined logistics, and increased digital literacy.

### Receptive Consumers to International Merchants

Cross-border shopping is a significant part of the Mexican e-commerce market, taking a quarter of total sales. 67% of Mexican e-consumers shop from international sites.<sup>5</sup>

## CREDIT CARD USAGE<sup>5</sup>

- ✓ Cards are used in 45% of all transactions and worth \$10.2 billion in sales
- ✓ Cards are used for half of all online transactions (50.9 %)

## LOCAL PAYMENT METHODS

### Significant Market Share

A high proportion of the population remains unbanked and cash-based payment methods, including bank transfers and convenience-store payments, represent 46% of eCommerce transactions in Mexico.

## RECOMMENDATIONS LOCAL LOCAL LOCAL

- Local understanding of the complex governmental requirements can help facilitate the establishment of a merchant in country.
- Many domestic cards in Mexico are not enabled for cross-border payments. Conversion rates are better with local processing to increase authorization rates and mitigate fraud issues.
- A payments partner with local knowledge and expertise is essential for any payment strategy to be successful in Mexico. As a Mexican payment facilitator, Online IPS has local offices with local teams in Mexico, offering all significant local payment methods, as well as support in strategic market entry tactics, risk prevention, conversion rates and overall optimal merchant performance.

1. Sourced from IMF, World Economic Outlook Database [online]: <https://www.imf.org/en/Publications/WEO/weo-database/2022/April/select-country-group> 2. Sourced from World Population Review, Mexico City Population 2022 [online]: <https://worldpopulationreview.com/world-cities/mexico-city-population> 3. Sourced from e-commerceDB, The eCommerce market in Mexico [online]: <https://ecommercedb.com/en/markets/mx/all> 4. Sourced from Trade.gov, Mexico - Country Commercial Guide [online]: <https://www.trade.gov/country-commercial-guides/mexico-e-commerce> 5. Sourced from J.P. Morgan, E-commerce Payments Trends: Mexico [online]: <https://www.jpmorgan.com/merchant-services/insights/reports/mexico>