

PayPal Alternative Payment Methods FAQs

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What are Alternative Payment Methods (APMs)?

APMs include payment options other than credit cards and cash. Examples include digital wallets, cryptocurrencies, and bank transfers.

What are APMs becoming more popular?

Thanks to a rise in digital access, consumer buying habits are changing. And global transactions are less constrained by the borders of different countries. Cross-border B2C ecommerce spend is expected to rise to a record \$736 billion by 2023¹. As more customers from across the globe prefer to use digital payments, this creates an opportunity for merchants to enter new markets.

However, consumers have unique needs when it comes to their payment choices. In different countries, many consumers prefer using specific local and regional payment types. For merchants, managing these different APMs can make for a smoother cross-border transaction. Offering APMs with PayPal can help you:

- Expand your reach into new markets to increase revenue and cater to buyers' specific needs
- Increase conversions by offering customers their most preferred payment methods when they are ready to buy
- Offer a simplified and frictionless checkout experience for cross-border transactions

TARGET AUDIENCE

Who is the target audience for APMs?

Enterprise customers, small-to-medium sized businesses, and PayPal partners. Typically, these merchants have a need to:

- Expand cross-border or plan to enter a new market
- Streamline the checkout experience with the most relevant and trusted local payment methods
- Own the checkout experience through a consolidated technical, operational, and funding flow
- Require APM support with a single entity, bank account, and integration
- Present APMs via PayPal solutions, but do not want a PayPal look and feel

AVAILABILITY

When will the APMs be available to use and what markets will support them?

Several APMs are already available for use with the PayPal Commerce Platform (PPCP). These APMs can be used in core and international markets. Some markets do not support APMs including BR, RU, and JP. Some APMs are only available for specific domestic markets and don't support cross-border usage. Additionally, Pay Upon Invoice (PUI) will be offered to only DEATCH and Nordic regions.

¹ Forrester Analytics, Online Cross Border Retail Forecast 2018-2023, April 2019