

eGuide

Cross-border payments: How to expand to the US

About the research

Airwallex partnered with Statista to survey 1,000 cross-border eCommerce shoppers, defined as anyone who has shopped internationally in the last 12 months through any type of online shop, such as marketplaces or directly from a merchant's website. All respondents were based in the US and completed the survey in January 2025. Our goal was to understand how shoppers in the US purchase online when buying from another country. Our survey participants come from diverse backgrounds and age ranges, representing a typical sample of shoppers within the US.

Some key findings from the survey include:

- The majority of shoppers in the US are comfortable with making cross-border purchases online.
- Different generations vary in their online purchasing behaviour, with younger generations preferring digital payment methods and buy now, pay later options.
- Frictionless checkouts are non-negotiable: Shoppers in the US prioritise local pricing and familiar payment method options.

In our insights:

- Gen Z refers to those born between 1997–2012
- Millennials refer to those born between 1981–1996
- Gen X refers to those born between 1965–1980
- Baby Boomers refer to those born between 1946–1964

Digital payment methods refer to global eWallets (e.g. Apple Pay and Google Pay) and any further country-specific digital payment methods (e.g. Trustly, GrabPay, and Alipay). They exclude credit cards, debit cards, bank transfers, and buy now, pay later (BNPL) options.

All data referenced in this guide, unless otherwise stated, comes from this research.

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Payments: the lynchpin of your US expansion strategy

Expanding to the US offers immense opportunities. The country's eCommerce industry was valued at US\$1.2 trillion in 2024 and is set to grow by 50% to reach US\$1.8 trillion by 2029. But with strong competition and high customer expectations, success depends on having the right tools in place. Payments might not seem like a priority when planning your US expansion, but they're critical to acquiring customers, running smooth operations, and scaling profitably.

Our recent research in partnership with Statista shows that shoppers in the US expect payments to be fast, familiar, and secure, whether they're buying from marketplaces like Amazon or directly from merchant websites. **Credit and debit cards remain the most widely-used payment methods, but digital payment methods and buy now, pay later (BNPL) options are rapidly growing in popularity, particularly among younger shoppers.** At checkout, clear pricing in US dollars (USD) and being able to pay with preferred methods can make all the difference in converting US browsers into loyal buyers.

With the right payment partner, you'll be able to do business in the US like a local. You can open a US business account without having to set up an entity, accept payments via multiple payment options in local currencies, and settle payments in your preferred currency. You'll be able to do all of this without unnecessary foreign exchange (FX) fees while staying secure and compliant with local regulations.

What shoppers in the US want

The US offers unmatched opportunities for businesses expanding abroad. In 2024, imports reached nearly US\$4 trillion, so there's an appetite for foreign goods. In fact, 83% of shoppers in the US are comfortable with buying products online from another country, with Gen Z and Millennials leading the trend compared to older generations. Shoppers typically purchase fashion and apparel (70%), electronics (50%), skincare and beauty products (47%), and books and games (47%) online.

Gen Z and Millennials are leading the charge in digital payment methods and BNPL

Payment preferences vary across demographics, but convenience is key. While credit cards remain the preferred payment method (72%), 55% of Gen Z and Millennial shoppers favour digital wallets, compared to just 36% of all shoppers in the US. Offering buy now, pay later (BNPL) options like Klarna can also boost sales. Of those who use BNPL, half use it to make fashion purchases and 45% for electronic purchases. On top of that, 68% of Gen Z and Millennials say they wouldn't have made certain purchases without BNPL, and 63% would shop elsewhere if it weren't available.



68%

of Gen Z and Millennials say they wouldn't have made certain purchases without BNPL.



63%

of Gen Z and Millennials would shop elsewhere if BNPL were not available as a payment option.

Marketplaces continue to dominate shopping preferences

77% of cross-border shoppers in the US prefer to buy through platforms like Amazon, Etsy, and Rakuten, while 19% purchase directly from merchant websites and 4% buy via social media. However, luxury shoppers are an exception. 13% prefer buying through social media platforms, compared to 4–7% for other product categories.

2024 : U.S. trade in goods with World, Seasonally Adjusted, United States Census Bureau, accessed 21 February 2025

More than half of shoppers plan around seasonal sales

58% of all shoppers and 83% of younger Gen Z and Millennial shoppers plan their purchases around annual sales and holiday moments. Black Friday, Cyber Monday, New Year Sales, and Valentine's Day rank as the top shopping moments, making these key dates for your calendar.

A familiar checkout experience remains key for shoppers in the US

96% of shoppers in the US say that transparent pricing in USD and being able to pay via their preferred payment methods, such as credit cards and digital payment methods, are the most important aspects of the checkout experience. It's also worth noting that younger shoppers place high importance on a mobile-friendly checkout, with 92% of Millennials rating it as important compared to just 68% of Baby Boomers.



96%

say that local pricing and being able to pay via their preferred payment methods are the most important aspects of the checkout experience.



92%

of Gen Z and Millennials place high importance on a mobile-friendly checkout.

While expanding to the US comes with great opportunities, it's especially important to stay ahead of legislative changes. The new administration's tariff plans could complicate cross-border sales, with retaliatory measures by trade partners raising costs further. Partnering with a platform like Airwallex can ease many of these challenges.

By enabling straightforward checkouts with access to local payment methods and transparent pricing in USD, Airwallex helps businesses cater to US preferences while optimising for conversions and keeping costs under control.

The essentials: tax and compliance in the US

The US tax system includes federal income and corporate taxes, as well as state-specific taxes such as sales, franchise, and excise taxes. If you're selling in the US, you may also need to collect and pay sales tax depending on where your customers are based. And keep in mind that each state has its own thresholds and rules.

Setting up a US-based entity, such as a corporation or LLC, can simplify your operations and build credibility with local customers. But this option can also subject your business to US corporate taxes, so make sure to consult with legal or tax professionals to choose the best structure.

To handle payments and pay taxes, you'll also need a secure and compliant US business account. A local account helps you process payments in USD, build trust with US customers, and operate more efficiently. But opening a US account through a traditional bank can be complex and slow, especially if you don't have a physical presence in the country.

How Airwallex helps you stay compliant

Airwallex Business Accounts simplify your financial operations as you expand to the US, whether you decide to set up a US entity or not. When you open a USD currency account, you'll be able to send, receive, and hold funds in USD, just like a local business would.

Built-in security	Airwallex meets international compliance standards like the Payment Card Industry Data Security Standard (PCI DSS) and Service Organization Control 2 (SOC 2) to protect financial data and customer transactions.
Tax-ready financial tools	Sync with accounting platforms like Xero and QuickBooks to categorise expenses and generate financial reports for US tax filings.
Licensed and regulated globally	Airwallex is licensed and regulated globally, including by the Financial Crimes Enforcement Network (FinCEN) in the US.
Unified reporting system	Airwallex consolidates and standardises transaction and settlement data across all payment methods, helping you maintain control and compliance.

Localise the checkout experience

Localising the checkout experience with local currencies and payment methods improves conversions and reduces cart abandonment. If you integrate with the right payment partner to offer the major international card schemes (Visa, Mastercard) as well as popular local ones (American Express, Discover, Diners Club) you can cater to the vast majority of the population's payment preferences. It's also important to display your pricing in USD and offer rising payment methods such as digital payment methods – for younger Gen Z and Millennial shoppers, they're almost equally as popular as credit cards.

Payment methods preferred by shoppers in the US when purchasing from abroad:



How Airwallex localises the checkout process

Airwallex offers no-code, low-code, and fully-customisable APIs that give you access to:

Major card schemes and 160+ local payment methods

These include popular US options like Visa, Mastercard, American Express, and PayPal to help you drive a higher checkout conversion rate.

Automatic currency conversion and pricing display

Customers see exact costs in USD at checkout.

BNPL options

Drive higher average order values and checkout rates by offering options such as Klarna.

Save on payment processing costs

Cross-border payments often come with currency conversions and transfer fees, which can quickly add up. Here's how you can minimise these costs and maximise your bottom line:

1. Look for market-leading FX rates

One of the most significant hidden costs of cross-border payments is the markup on foreign exchange (FX) rates. Many providers add a margin to the mid-market “interbank” rate, which is the rate banks use to trade currencies with one another. These markups can inflate costs without being immediately obvious.

2. Save on conversion costs with like-for-like settlement

Holding and settling payments in the same currency can eliminate unnecessary FX conversions. For example, if your business has both revenue and expenses in USD, using a provider that offers multi-currency accounts can allow you to make and receive payments in USD. This feature avoids conversion fees and shields you from the impact of fluctuating exchange rates.

With like-for-like settlement, you can avoid FX conversions at these key points in the payment process:

01

At the point of sale when your customer pays in a different currency than your default currency.

02

When you transfer funds out of your payment platform to your merchant account in a different currency.

03

When you pay international suppliers and need to convert currencies again.

3. Choose providers with competitive fees

Cross-border payments typically incur initiation and receipt fees, as well as surcharges from any intermediaries involved. Modern fintech platforms, like Airwallex, build their own payment infrastructure. This model is more cost-efficient and allows for transparent pricing structures and faster processing times.

The Karst logo is a purple rounded rectangle containing the word "karst" in white lowercase letters.

“A US-based customer can pay us in USD. We receive it in our Airwallex US Global Account, and then I can use that same USD to pay a US-based supplier.

It’s such a great benefit, and as you scale, it’s all the small things you do for your business operations that really make a difference. I honestly feel like we’ve hacked the system – we can send money in so many different currencies and circumvent that money needing to be exchanged several times.”

Jon Tse, Co-founder, Karst

How Airwallex saves on costs

Competitive FX rates

Get market-leading FX rates on 60+ currencies, avoiding inflated margins, so you can keep more of your revenue.

Multi-currency accounts for like-for-like settlement

Accept and hold funds in their original currency, such as USD, and use the same balance to pay suppliers without unnecessary conversions or fees.

Transparent pricing and faster settlements

Benefit from cost-efficient international payments and improved cash flow when you can make and receive payments faster.

Drive higher conversions

By using the right tools and strategies, you can reduce failed transactions, improve authorisation rates, and maximise your revenue potential.

Use machine learning to optimise success

When assessing payment providers, check that they incorporate machine learning (ML) technologies. ML-powered optimisation engines analyse transaction data in real time. They then use this data to improve acceptance rates and reduce failed payments.

Another ML-driven tool, automatic retries, can increase sales conversions by reattempting failed payments. This feature is especially important for reducing payment failures caused by technical glitches or temporary card declines.

Reduce checkout friction

Features like autofill, saving payment details for repeat purchases, and guest checkout options instead of having to create an account, make the checkout experience faster and more intuitive. On top of that, displaying progress indicators during checkout can help reduce uncertainty and keep customers engaged.

How Airwallex drives conversion rates

Advanced machine learning tools

Airwallex's checkout optimisation engine and smart 3D Secure (3DS) strategies analyse payments in real time, ensuring higher transaction approval rates by keeping fraud low. Automatic retries also help by reattempting payments when errors occur.

Higher approval rates

Airwallex reduces errors and false declines. Features like tokenization and optimised messaging improve how payments are processed.

Better checkout experiences

With automatic currency conversion and access to local payment methods, shoppers see prices in their own currency and can use familiar payment options.

Build trust with secure payment experiences

Checkout security is a top priority for customers. 89% of shoppers in the US rank visible security badges as one of the most important features of any checkout experience. Putting strong security measures in place can ease those worries, help you build trust, and encourage repeat purchases.



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Prevent fraud

Preventing fraud is the first line of defence for businesses handling cross-border payments. Modern payment platforms leverage machine learning and artificial intelligence (AI) to create intelligent security networks that analyse transaction patterns in real time. This technology helps identify and flag suspicious activities before they escalate.

Dynamic fraud prevention features, such as 3D Secure (3DS), perform security checks based on risk level. Low-risk payments are processed quickly, while higher-risk transactions receive extra scrutiny to prevent fraud.

Comply with data privacy laws

Unlike countries with comprehensive federal privacy laws, the US operates under a combination of federal, state, and sector-specific regulations.

The California Consumer Privacy Act (CCPA) is the most well-known. It grants customers rights over their data and requires businesses to disclose how they're using personal information. Many other states are beginning to follow California's lead. To remain compliant, make sure you implement clear privacy notices, enable customer data access and deletion options, and maintain robust security measures. It's also a good idea to seek legal advice.

Key security features:



3D Secure authentication provides a strong layer of protection for online card transactions.



Secure Sockets Layer (SSL) certificates encrypt data during transmission to maintain confidentiality and integrity.



PCI DSS compliance ensures that payment card information is handled securely.



Visible trust badges at checkout reassure customers that their data is safe.

It's a good idea to make your security measures visible, so your customers feel confident about completing their purchases.

How Airwallex maintains security

Airwallex takes care of all of these complicated security and compliance matters for you with:

Fraud prevention

Fraud detection engines built on machine learning and artificial intelligence protect against online fraud while reducing instances of false alerts to keep payments moving for genuine customers. Features like 3D Secure authentication and risk-based checks add extra layers of protection where needed.

Regulatory compliance

Airwallex meets global standards like PCI DSS Level 1 and SOC 2 and ensures your business complies with US laws, including the California Consumer Privacy Act (CCPA).

Data protection

Encryption technologies like Transport Layer Security (TLS) v1.2 and Advanced Encryption Standard (AES256) keep customer information safe during transmission and storage.

Optimise cash flow

Managing cash flow effectively lets you cover operational costs, invest in growth, and stay agile in a competitive market. But when you expand to new markets, managing multiple local entities and payment solutions as well as FX and transfers can all complicate your operations. These hurdles can eat into your margins and slow your growth. If you're a growing business, you'll know how critical it is to maintain efficient cash flow to cover things like supplier and ad spend.

Simplify financial processes

To stay efficient, focus on streamlining your financial systems. A simple, consolidated approach makes it easier to manage cash flow and plan for growth.

Key steps include:

- Matching income and expenses to avoid cash gaps
- Consolidating financial data to track transactions in real time
- Minimising costs associated with cross-border payments and currency exchanges

Gain clarity with real-time insights

Juggling multiple currencies and payment systems can lead to delays and errors in tracking your cash flow. Real-time financial insights give you the visibility you need to stay in control.

When you have a clear picture of your finances, you can:



Spot potential issues early and address them quickly



Identify cost-saving opportunities or inefficiencies



Make informed decisions to support your goals in the US market

“We used to use Stripe integrated with Xero. We would send out our invoices to a US-based book store, for example, and they would pay us in USD, which our bank would then automatically convert to AUD. But in many instances, we would rather keep the funds in USD so that we could then pay US-based vendors.

The unnecessary currency conversions at high exchange rates meant we were getting ripped off at every stage. Then we switched to Airwallex for payments acceptance, transfers, and Global Accounts.”

Jon Tse, Co-founder, Karst

How Airwallex can improve your cash flow

Airwallex lets you quickly and cost-effectively manage all financial operations on a single platform.

Real-time financial insights

Consolidate and view all your financial transactions, balances, and cash flow across all payment methods in a single dashboard, so you can make informed financial decisions quickly.

Automated reconciliations

Automatically sync with platforms like Xero and Quickbooks to save time on bookkeeping.

Increased liquidity

Receive and spend funds on a single platform with no or low transfer and FX fees. 95% of transfers go through local payment rails and arrive within the same day.

How Karst Stone Paper expanded globally

Karst

Karst Stone Paper is redefining paper for the 21st century with recycled stone paper sketchpads, notebooks, treeless pencils, pens with sustainable ink refills, and other eco-friendly alternatives. The small, Sydney-based company launched in 2017. It attracted 10,000 customers in its first six months and has continued to grow approximately 50% year-on-year since then. Today, Karst has expanded to serve more than 60,000 customers in 90 countries. Let's take a closer look at how they made it happen.

Karst Stone Paper faced major hurdles in handling global payments. High transfer fees, tricky currency conversions, and the absence of a streamlined financial management system were real roadblocks to the business' growth. It was clear that to grow and expand the customer base, the team needed to address these issues head-on.

Karst took a step forward by partnering with Airwallex to tackle these hurdles. Here's how Airwallex's solutions helped it expand cross-border:

Global payment acceptance

Airwallex's quick and secure online checkout has broadened Karst's reach to accept payments in 180+ countries via 160+ local payment methods, bringing in more wholesale and distribution clients and boosting customer satisfaction and loyalty.

Multi-currency accounts

Karst can now accept payments in local currencies straight from customers and partners all over the world. For instance, a customer in the US can pay Karst in USD, which Karst can then use to pay a US-based supplier, avoiding unnecessary currency conversions.

FX & Transfers

Karst managed to save 10% on transfer fees by sidestepping extra currency exchanges. By handling local currencies more efficiently, they've been able to reduce costs.

Corporate Cards

Using Corporate Cards across various departments has simplified the payment process, cut down reconciliation time, and boosted financial integrity.

Partnering with Airwallex has been key to driving Karst's cross-border expansion. A single integration with Airwallex has given its global customers options to pay in local currencies and preferred payment methods at checkout. At the same time, Karst remains secure and compliant with local regulations wherever it operates, while being able to streamline its end-to-end financial operations all on one platform.

10 Top tips

Market expansion experts share their top tips

Understand individual market trends



Wilson Ng

Mid-Market Lead at
Google Customer Solutions,
Hong Kong

“Consumers are expected to continue to spend despite inflationary pressures. To drive sustained, profitable growth and resonate with increasingly savvy online consumers, businesses will need to understand individual market trends. Globally, the path to purchase has grown more complex, with 60% of consumers in surveyed markets, including the US, now taking six or more actions before deciding to buy a brand or product that's new to them.”

Chart your path for long-term growth



Anthony Leung

Managing Director at
FedEx, Hong Kong and
Macau

“While the world remains uncertain, the demand for eCommerce businesses continues to grow. Expanding globally offers a path to new opportunities and customer connections. From parcels to freight, it's important to look for a one-stop-shop like FedEx for reliable global delivery and smart digital solutions to streamline supply chains and grow your business cross border.”

Take a global mindset from day one



Ravi Adusumilli

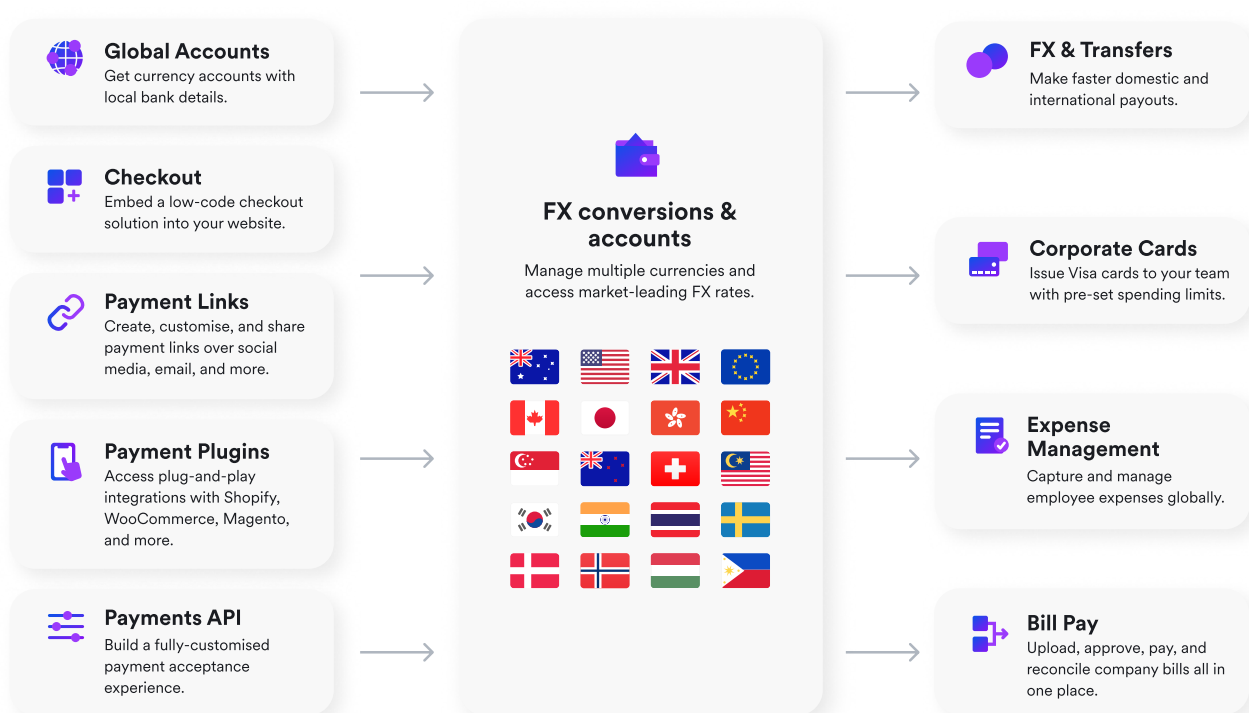
President, Americas at
Airwallex

“Global eCommerce is constantly shifting. With more businesses expanding into new markets like Southeast Asia, Latin America, and the Middle East, your next cross-border opportunity might just be around the corner. My top advice is to partner with providers that are built to be global from day one to truly future-proof your business.”

How Airwallex can help you expand to the US

A key part of your US expansion is being able to make and receive payments like a local.

You need a partner that supports your end-to-end financial operations. They should let you accept, hold, and transfer funds from one platform. You'll also need to offer customers in the US quick and familiar ways to pay, whilst remaining secure and compliant. Here's where you can partner with us.



Gain global reach

Expand your customer base and streamline operations with Airwallex's global payment infrastructure, designed to connect you to customers in 180+ countries.

- **Access major credit card schemes and 160+ local payment methods:** Offer popular options such as Visa, Mastercard, and PayPal to meet the needs of shoppers in the US and maximise your checkout conversion rates.
- **Multi-currency payment acceptance:** Accept payments in 130+ currencies including USD. Display prices in your customer's local currency to create a familiar payment experience and boost trust.
- **Global Accounts with local bank details:** Open accounts with local bank details, including a USD account, to receive payments as if you were a local business in the US.

Save costs

Airwallex reduces the costs of cross-border payments, helping you improve your margins.

- **Market-leading FX rates:** Save up to 80% on foreign exchange fees with competitive mid-market exchange rates.
- **Like-for-like settlement:** Eliminate unnecessary currency conversions by receiving, holding, and spending funds in USD.
- **Transparent pricing:** Avoid hidden fees on transfers and payments, with clear, predictable costs for all your financial operations.

Optimise payment success

Ensure your payments go through smoothly with advanced tools to improve authorisation rates and minimise failed transactions.

- **Machine learning-powered optimisation:** Maximise payment success rates with tools like optimised messaging and smart retries that reduce technical declines.
- **Advanced fraud detection:** Protect your business with real-time fraud detection systems that block suspicious activity without disrupting legitimate payments.

Maintain security and compliance

More than 150,000 businesses trust Airwallex to process over US\$100 billion in global payments annually.

- **Secure funds:** Funds are held in leading financial institutions and safeguarded in line with the local regulations where Airwallex operates.
- **Security controls:** Security controls are monitored 24/7 to keep your account safe.
- **International standards:** Airwallex meets the highest international security standards, including PCI DSS, SOC 1, and SOC 2, as well as local regulatory requirements.
- **Licensed and regulated:** Airwallex is licensed and regulated by various financial authorities globally, including the Financial Crimes Enforcement Network (FinCEN) in the US. This means it's obligated to follow strict security protocols.

It's easy to get started

The first step to making and receiving payments like a local is opening a Business Account on Airwallex – no trip to the bank or complicated paperwork needed. Combined with our payment solutions, you can boost your checkout experience. Create, share, and customise no-code Payment Links, or use our plug-and-play integrations to expand your breadth of payment methods on platforms like Shopify, WooCommerce, Magento, and more. Alternatively, embed a low-code checkout solution on your website or customise your own solution with our Payment APIs.

About Airwallex

Airwallex is a leading global financial platform for modern businesses, offering trusted solutions for global payments, treasury and expense management, and embedded finance. With our proprietary infrastructure, Airwallex removes the friction from global payments and financial operations, allowing businesses of all sizes to unlock new opportunities and grow beyond borders. Proudly founded in Melbourne, Airwallex powers over 150,000 businesses globally and is trusted by brands such as Brex, Rippling, Navan, Qantas, SHEIN, and many more.

For more information, visit www.airwallex.com.

