

d-local

Reach a fresh audience with tailored options: payment insights for the streaming industry

Ensure the ideal, localized payment mix for emerging market subscribers who want to stream your content.

The world is more connected than ever, with smartphone penetration and internet access reaching new highs throughout emerging markets. If your streaming service isn't available to this audience, your media is missing over four billion people.

Regulatory hurdles, an unknown market, and unfamiliar payment methods can be daunting. It may be off putting to see a country's primary payment method is cash, but with a suitable payments partner, these worries are no longer your concern.

More local payments, less subscriber churn

Even in a familiar region, managing subscription payments, renewals, cancellations, and addressing churn is often more challenging than a direct purchase.

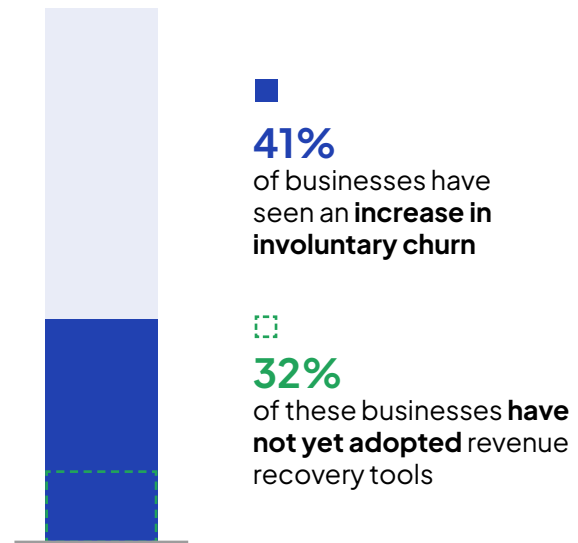


32% of subscription businesses experiencing involuntary churn are not yet using third-party tools to reduce unintentional cancellations and recover revenue. This can be addressed through:

- Following up with customers when a card has expired, or a payment has declined
- Retrying failed transactions at the right time
- Reminders to update expired cards

In emerging markets, less than 20% of the population has access to international debit or credit cards, but this doesn't mean you can't reach them. There are local options and developments such as [mobile money](#), eWallets, and instant payments. Keep in mind that if there's a lack of choice and it's a monthly hassle to pay for a subscription, it's unlikely that emerging market subscribers will stick around.

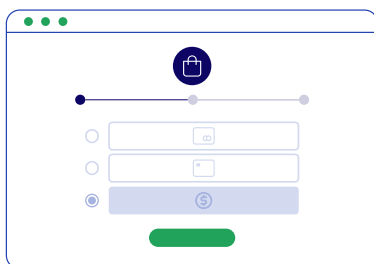
Many businesses that have seen an increase in involuntary churn have not yet adopted revenue recovery tools



Source: The state of subscription and billing management

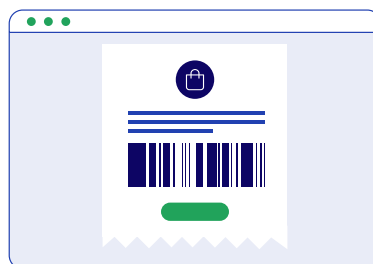
Accept cash for your streaming service

Utilize local alternatives to receive payment in cash, such as [Oxxo in Mexico](#), Fawry in Egypt, or 7-Eleven in Malaysia, so consumers can pay how they know.



Step 1

Cash payment option is displayed as a payment method option, subscriber selects it.



Step 2

Subscriber is redirected to a voucher or barcode with payment information.



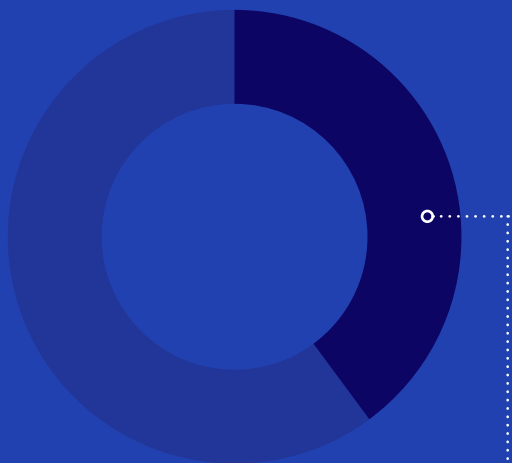
Step 3

Subscriber can pay for the voucher through the closest affiliate store (usually in the thousands), by presenting the barcode to a cashier, and paying in their local currency.

Stay on top of payment innovations

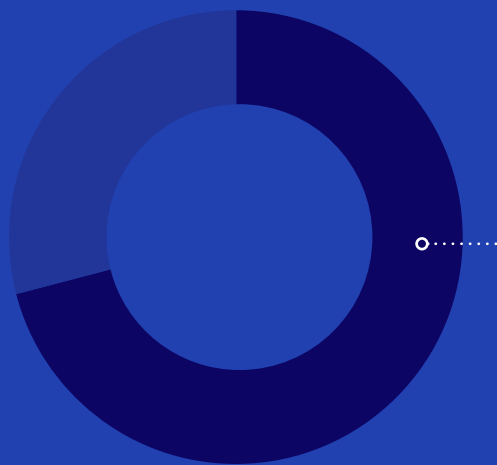
India's UPI

India's instant payment system UPI crossed 10 billion transactions in August 2023, to put its wide use into perspective. The National Payments Corporation of India (NPCI) launched the functionality of AutoPay for recurring payments. With this new facility introduced, customers can now enable recurring e-mandate using any UPI application for recurring payments for media streaming subscriptions and others.



40%

of subscription businesses plan to try a new pricing model to maximize their revenue potential.



71%

of subscription-based businesses are looking to add at least one new payment method to reach global subscribers, and retain existing users.

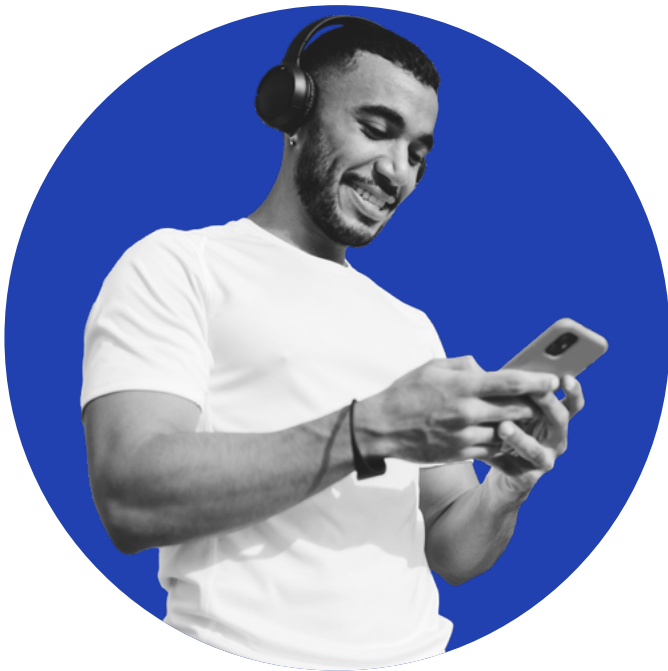
PIX Automatico: available through dLocal in April 2024

Brazil's successful instant payment method Pix is steering to its next milestone, launching recurring payments in April 2024. Pix Automatico offers global businesses a smoother, more accessible alternative to complex automatic debits.

Dealing with cross-border payments and currency conversion

Handling transactions in many currencies is complex, we get it.

With the complicated nature of cross-border payments and currency conversions, integrating an all-in-one payments solution takes the stress out of the process, allowing your subscribers to pay in their preferred currency, while you receive payment in yours.



Take care of your product and content, we'll take care of payments

dLocal ensures our streaming partners in emerging markets are aware of:

- Date to retry collection, based off of regional practices
- How our Defense Suite is keeping away fraud and free trial abuse
- Best practice to reduce insufficient funds rejections
- Understanding recurring subscriptions in regions such as India that have **special mandates**

A reliable payments partner can provide a gateway into emerging markets, reducing the stress, administrative tasks, and time required to establish a presence in a new regulatory environment. ■



In Nigeria, we've made significant strides in streamlining our operations by processing local card transactions through a Payment Service Provider. This strategic move has fueled our growth story in this market. **Our partnership with dLocal exemplifies how local collaborations can help us address unique market challenges.**"

Jocelyne Muhutu-Remy,
Spotify Managing Director,
Sub-Saharan Africa