

stripe

# How digital trade is reshaping the global economy



# Introduction

International trade winds have shifted in recent years, and a new concept has emerged that the [World Trade Organization](#) calls “reglobalization.” The name refers to a form of global trade that is more diversified, as businesses and countries seek a broader network of trading partners that is more robust to political and economic shocks.

Digital trade is a key driver of global growth today and the internet is the primary infrastructure underpinning this trend. It provides businesses with access to customers in far flung markets that stand outside traditional bilateral trade relationships. Any business, anywhere, can now conceivably sell to customers in nearly every corner of the globe. Increasingly, businesses are taking advantage of this potential.

To validate this hypothesis and better understand the nature of this shift, we took a close look at our digital exports data and surveyed 9 key global markets: Australia, France, Germany, Ireland, Japan, Mexico, Singapore, the United Kingdom, and the United States.

We interviewed thousands of businesses, consumers, and analyzed data from the Stripe network. We wanted to understand which kinds of businesses are most likely to be expanding into new global markets, which markets they’re choosing, and what kinds of opportunities and challenges they’re encountering along the way.

This report presents our key findings, indicating that reglobalization is being powered by the rise of digital exports: the cross-border sale of digital services and physical goods via digital channels. It finds unexpected optimism from businesses and consumers about the prospects of the globalized economy. Despite the increased complexity that businesses need to navigate, 50% of businesses think it is easier today to run an international business than it was five years ago, and 66% plan to expand into other countries in the next two years. Eighty-nine percent attribute the wider availability of technology and tools as key to an easy transition to international expansion. Enterprises are pursuing reglobalization, but so are startups and sole proprietor companies. And while it’s less of a surprise that the software industry is reglobalizing, maybe it’s more of one that the education industry is too.

“ A better path forward is what we are calling ‘re-globalization’: deeper, more deconcentrated markets, achieved by bringing more people and places from the margins of the global economy to the mainstream.

**Director-General**  
**Ngozi Okonjo-Iweala**  
World Trade Organization

# About this report

This report provides an overview of the opportunity that the internet is enabling for all businesses across the world to maximize sales through cross-border digital exports.

Based on transaction data on Stripe, as well as business and consumer sentiment surveys, the report identifies and elaborates on emerging trends in the global digital economy, including how reglobalization is being powered by digital exports. It is based on three main sources of data:

- **Business sentiment data** from a B2B International study conducted in June 2023 of over 1,700 business leaders based in Australia, France, Germany, Ireland, Japan, Mexico, Singapore, the UK, and the US.
- **Consumer sentiment data** from a YouGov study conducted in June 2023 of 11,500 consumers across Australia, France, Germany, Ireland, Japan, Mexico, Singapore, the UK, and the US.
- **Transaction data aggregated from the Stripe platform** of payment flows from Stripe users in Australia, France, Germany, Ireland, Japan, Mexico, Singapore, the UK, and the US that sell products or services to customers internationally. The data was collected in April 2023, and covers the period from January 1, 2021 to December 31, 2022.

In this report, the term “digital exports” refers to the cross-border sale of digital products and services, as well as physical goods, via digital channels. This is defined as goods and services which are “digitally ordered” and “digitally paid for,” but could be delivered or serviced either physically or digitally.

In the context of this report, the business sentiment data and the transaction data aggregated from the Stripe platform should be treated as indicative and not directly comparable to national trade data as it is based on different criteria. The business sentiment survey and the transaction data aggregated from the Stripe platform are extrapolated mostly from Stripe users, and do not fully represent the broader global economy.

# Key Takeaways

This report explores how digital exports are transforming the global economy in three core areas:

## 1. Creating unexpected optimism from businesses and consumers about the prospects of the globalized economy:

Despite a challenging short-term climate, both businesses and consumers are optimistic about increasing how much they buy and sell across borders:

- Sixty-six percent of businesses are planning to expand into other countries within the next two years.
- Sixty-eight percent of consumers are open to the cross-border purchase of physical goods, and 59% are open to buying digital services. These numbers are even higher for younger people, with 76% of 18–34 year olds open to buying physical goods, and 74% open to buying digital services
- Eighty-one percent of businesses expect to be able to increase their international sales over the next five years: 25% are forecasting sales growth of more than 50%, while 17% expect more than 75% growth.
- Fifty percent of businesses think it is easier today to run an international business than it was five years ago. Only 22% find it harder to do so.

## 2. Creating more diversified international trade routes:

Economic infrastructure for the internet means that businesses can participate in global trade, regardless of where they're located. However, most businesses have barely begun to tap this potential. Digital exports are reducing friction to buying and selling cross-border, and broadening economic opportunity:

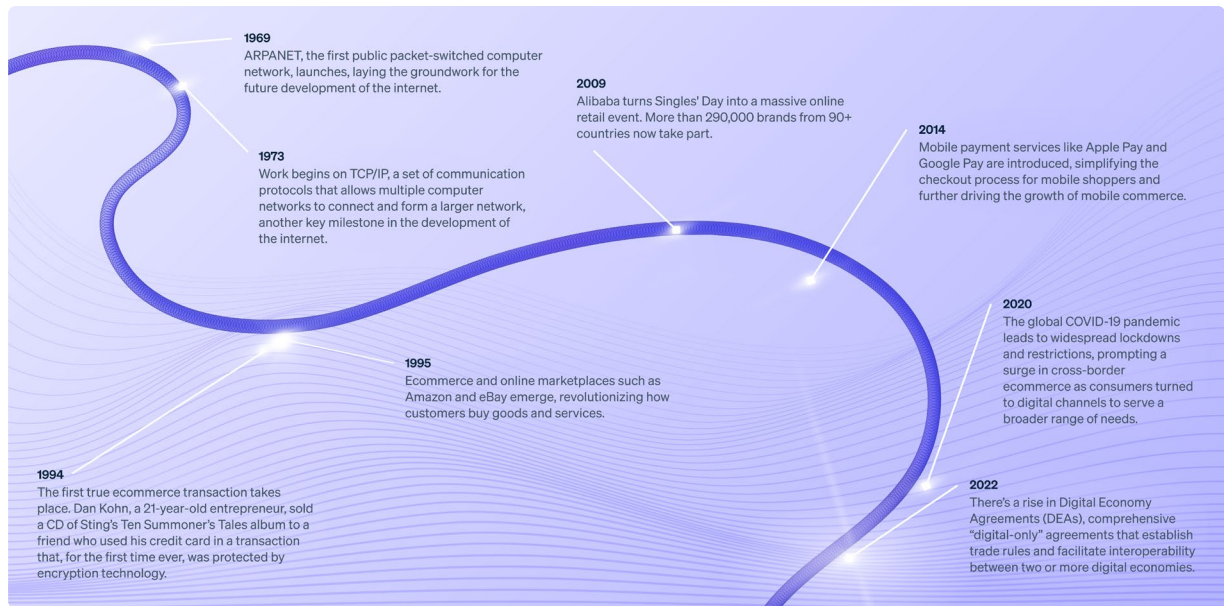
- While many of the fastest-growing digital export routes are between neighbors, there are striking exceptions. Ireland is the fastest-growing digital export destination for both Australia and the UK. Germany is the fastest-growing digital export destination for both the US and France.
- The top five digital export markets for every country in this report cover at least two continents. For five markets (Australia, Mexico, Singapore, the US, and the UK), the top five digital export markets cover three continents.
- While businesses are likely to choose their first international market due to geographic and cultural considerations, future markets are more likely to be chosen by growth potential. High-growth markets like Southeast Asia, South America, and India are growing in focus for businesses around the world for digital exports.

### **3. Creating greater access to the global economy for every kind of business and industry:**

Digital exports are leveling the playing field and allowing businesses of all sizes—from single-person multinationals to large and predominantly offline traditional enterprises—to access global markets:

- Eighty-one percent of sole proprietor businesses in our survey now sell to more than one market, heralding the rise of single-person multinationals. Eighteen percent of these sell to more than 11 global markets.
- The digital transformation of traditional enterprises continues, with 31% growth in enterprises selling internationally via digital channels. Fifty percent plan to further expand internationally in the next two years.
- Traditional, offline industries—such as education—are transforming due to digital exports. Eighty-eight percent of education businesses sell internationally today, and 70% plan to expand further internationally in the next two years.

# A history of infrastructure to enable digital exports



**1969:** ARPANET, the first public packet-switched computer network, launches, laying the groundwork for the future development of the internet.

**1973:** Work begins on TCP/IP, a set of communication protocols that allows multiple computer networks to connect and form a larger network, another key milestone in the development of the internet.

**1994:** The first true ecommerce transaction takes place. Dan Kohn, a 21-year-old entrepreneur, sold a CD of Sting's Ten Summoner's Tales album to a friend who used his credit card in a transaction that, for the first time ever, was protected by encryption technology.

**1995:** Ecommerce and online marketplaces such as Amazon and eBay emerge, revolutionizing how customers buy goods and services.

**2009:** Alibaba turns Singles' Day into a massive online retail event. More than 290,000 brands from 90+ countries now take part.

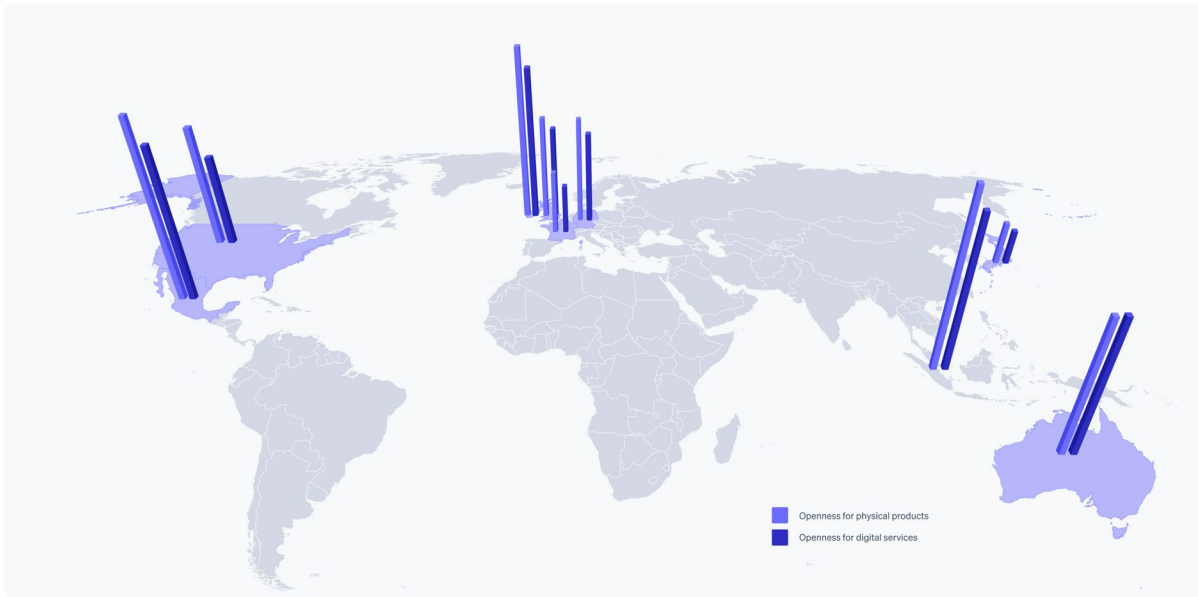
**2014:** Mobile payment services like Apple Pay and Google Pay are introduced, simplifying the checkout process for mobile shoppers and further driving the growth of mobile commerce.

**2020:** The global COVID-19 pandemic leads to widespread lockdowns and restrictions, prompting a surge in cross-border ecommerce as consumers turned to digital channels to serve a broader range of needs.

**2022:** There's a rise in Digital Economy Agreements (DEAs), comprehensive "digital-only" agreements that establish trade rules and facilitate interoperability between two or more digital economies.

Trend 1:

## Creating unexpected optimism from businesses and consumers about the prospects of the globalized economy



Above: Consumer openness to buying from international sellers, based on YouGov survey data, Jun 2023

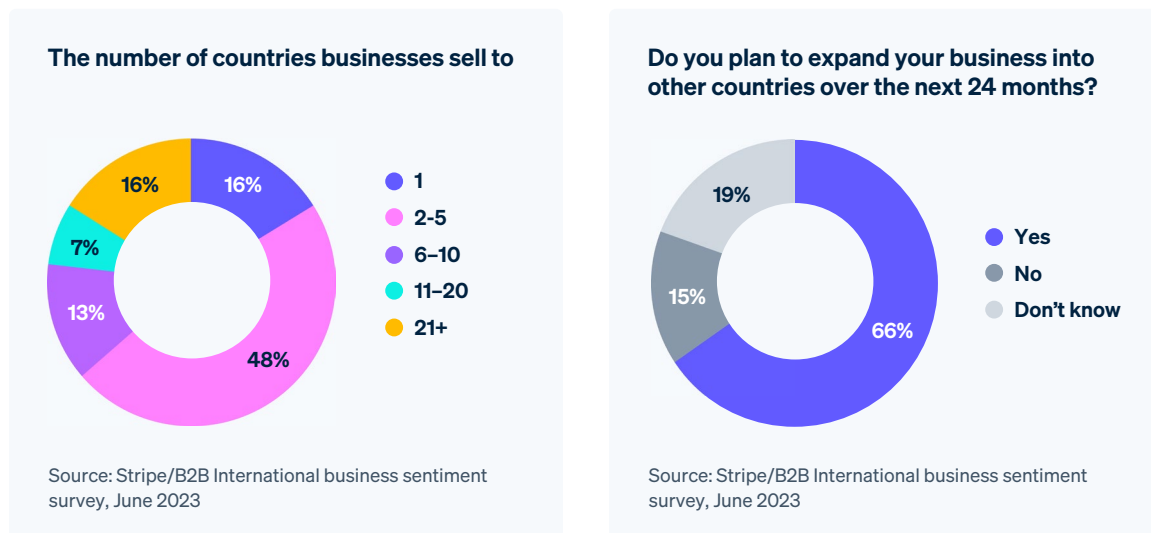
Despite geopolitical tensions and regulatory complexity, this report finds that businesses and consumers across the world are optimistic that globalization is being reshaped, not rescinded.

As more consumers are able and open to buying more online from international sellers, the opportunity for businesses to increase their total addressable markets grows exponentially. With the rise of digital exports, businesses are starting to recognize the opportunity to build, transform, and improve international operations.

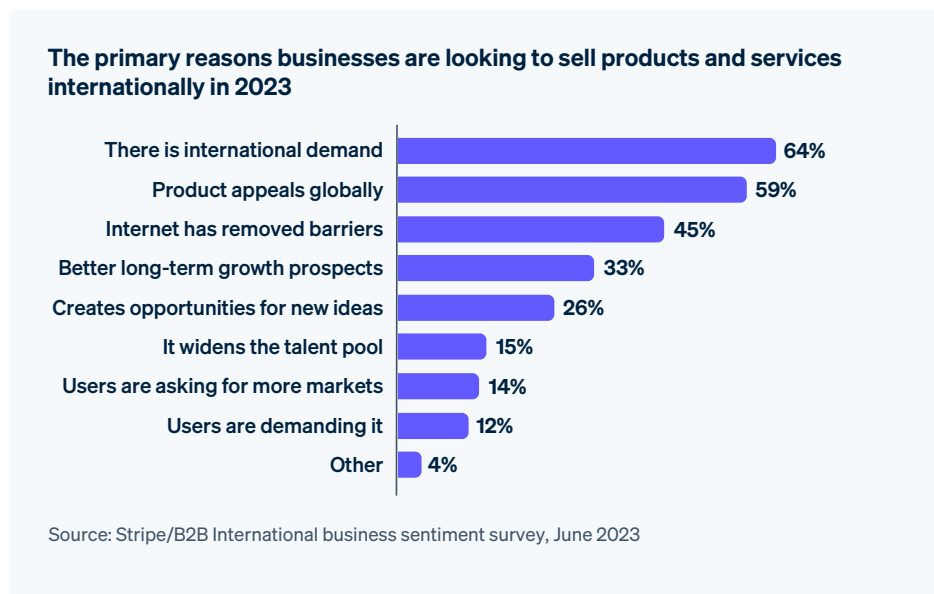
However, to be successful in the era of reglobalization, businesses need to reprogram their international strategies to reflect the diversity and fragmentation of the global economy today.

This reprogramming requires a thoughtful and localized approach—from product design to user experience to payments to fulfillment.

## Businesses' international ambitions are growing in the digital economy



According to the business sentiment study, 84% of businesses sell products and services in more than one market while 16% are selling in more than 21 markets. The majority of businesses are planning to continue this international expansion, with 66% planning to expand into other countries in the next two years. Seventy-five percent say that international expansion is important to their overall business outlook.

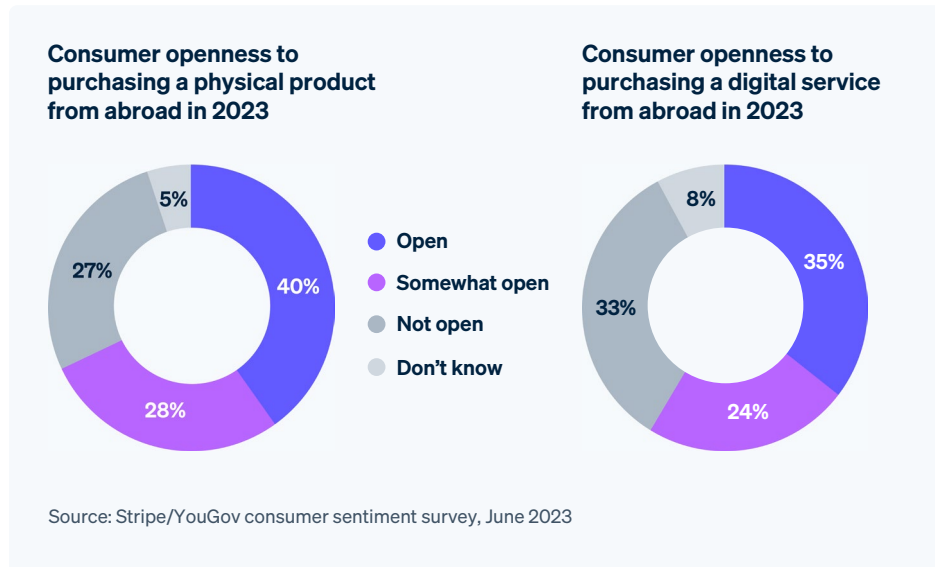


The majority of business leaders believe that they are creating products and services that can solve problems beyond domestic markets. The most commonly cited factors that drive international growth are businesses' belief in international demand for their products and services (64%), and that their product has global appeal (59%). The internet is also playing a key role in enabling digital exports as 45% of businesses believe that the internet has helped remove trade barriers.

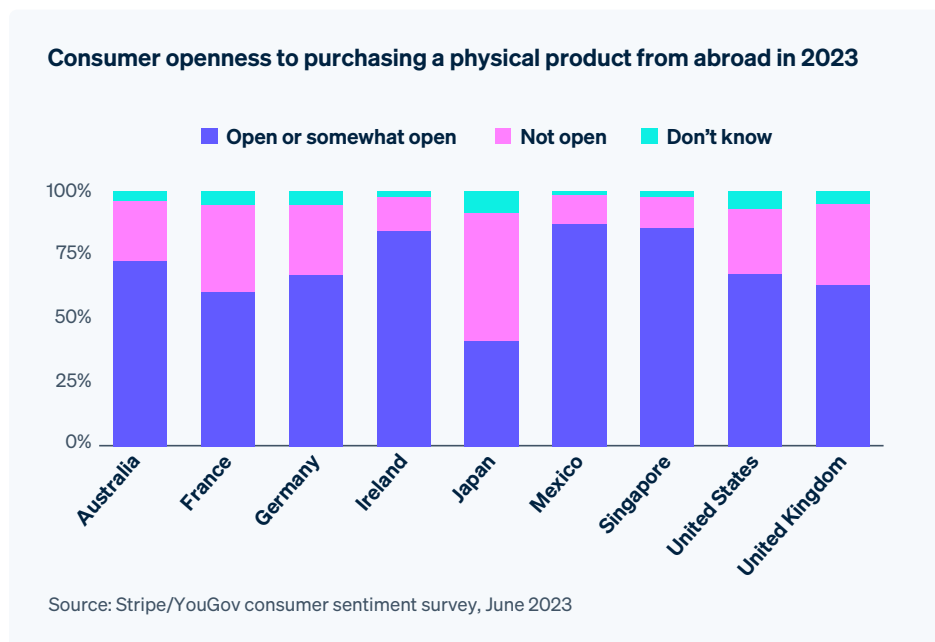


## Consumers are increasingly open to buying from international sellers

The consumer sentiment study demonstrates that this global mindset does not just sit with business leaders. Consumers are increasingly open to buying from international sellers but they want the experience to be localized—from the suitability of the product or service to the way they pay for it.



Globally, 68% of consumers describe themselves as either “open” or “somewhat open” to the cross-border purchase of physical goods, while only 27% describe themselves as “not open.” Surprisingly, fewer consumers (59%) are open, or somewhat open, to the cross-border purchase of digital services, although this differs by age. Only 41% of respondents aged 55 or over are open, or somewhat open, compared to 74% of 18–24 year olds.



Consumer enthusiasm for buying goods and services cross-border varies by country. In Mexico (87%), Singapore (84%), and Ireland (83%), consumers are especially open to buying physical goods online, while those in other markets are more hesitant, often because there are elements of the cross-border purchase journey that they don't trust, or don't have full confidence in.

According to a [Statista study](#) of consumers in the US, Germany, Australia, and the UK, some of the key consumer reservations about cross-border purchases are the belief that they will arrive later than promised (66%) and that they might carry additional fees or duties not made clear at checkout (59%). Sixty percent agree that they are less likely to give a foreign company another chance if a mistake is made with their order.



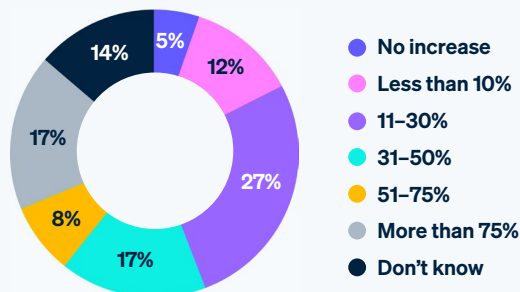
Fitness is a truly global industry which has become very homogenous. People taking a spin class in Ecuador are getting the same experience as gymgoers in London, Kuala Lumpur, and New York. This means global franchises want to make the entire fitness experience consistent, including payments. It's not too difficult to have the same fitness content in different countries, but when you get into highly regulated areas like payments you can really see the differences between markets."

**Anthony Kelly, cofounder, Glofox**

Founded in Dublin, Glofox is a business management software platform for the fitness industry. Glofox uses Stripe Connect to build a white-labeled payments solution to make it easier for gyms and fitness studios across the world to start accepting payments and provide the best possible customer experience.

## Businesses targeting significant sales growth through digital exports

**Business expectation of international sales growth over the next five years**



Source: Stripe/B2B International business sentiment survey, June 2023

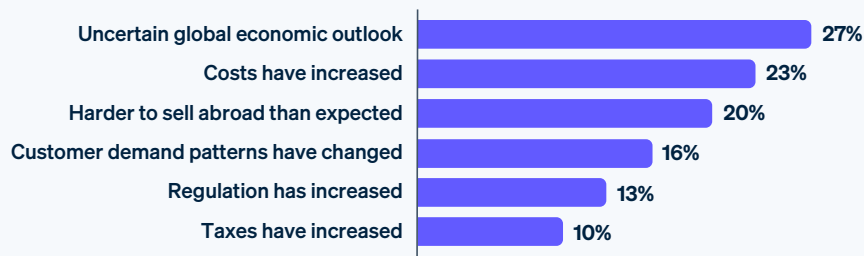
Businesses pursue digital exports to expand their addressable market and increase sales. However, 58% state that in the last 12 months, international sales made up less than a quarter of total sales, suggesting there is large potential growth yet to be captured.

Eighty-one percent of businesses expect to be able to increase their international sales over the next five years: 25% are forecasting sales growth of more than 50% over the next five years, while 17% expect more than 75% growth.

## Businesses are not expecting international success to be easy

Despite this bullishness about international growth, businesses are expecting a difficult journey.

### Top reasons businesses are hesitant to expand internationally in 2023



Source: Stripe/B2B International business sentiment survey, June 2023

Of the businesses that have a stated desire to expand further internationally over the next two years, 38% have yet to devise any concrete plans to do so. The tentative nature of these plans comes down to economic uncertainty (27%), rising costs (23%), and unexpected challenges related to selling abroad (20%).

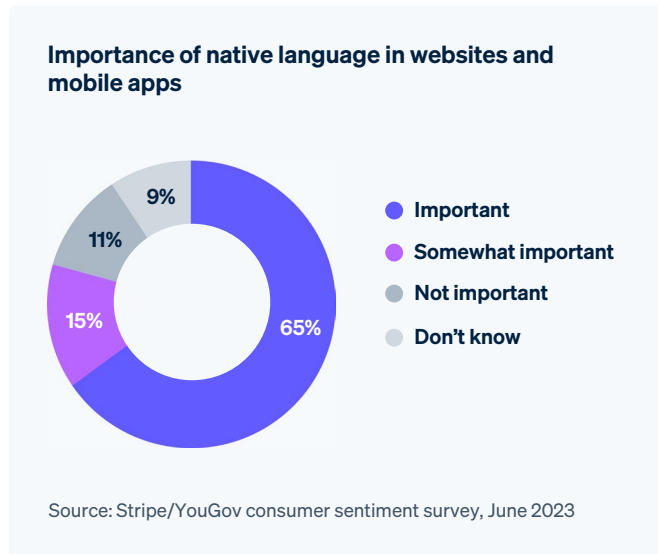


We've really been on a pretty fun international expansion journey over the past six or seven years, thinking about innovations around how we get money to a seller that's selling cross-border, how do we make that currency conversion process trivially easy for them, and how do we make sure they get paid as expected and on time. There's a lot of complexity in that."

**Ben Volk, director of global payment acceptance and customer experience, Amazon**

Amazon partnered with Stripe to streamline global payments experiences, particularly as the company looked to launch in new countries quickly. For example, when Amazon expanded into Poland, the team worked with Stripe to optimize the checkout experience with BLIK, a popular local payment method in the region.

Businesses that do not have international expansion ambitions over the next two years are holding back for several reasons, including a lack of capacity (31%), the perception that their product or service is only suitable for the domestic market (24%), tax or compliance barriers (18%), and global economic uncertainty (12%).












In addition, the vast majority of consumers in every market emphasize the need for the use of native language for online purchases. Sixty-five percent think this is important, compared to only 11% who think it isn't.

This is indicative of one of the core challenges for any successful globalization strategy. As the internet has leveled the playing field for businesses to reach international markets, there are many cultural, legal, and linguistic differences to consider that don't arise for domestic customers.

This extends from cultural differences about levels of formality and phrasing to challenges relating to user interface and user experience—**the average word length in English is 8.23 characters, while the average word length in German is 11.66 characters**. These considerations impact how internationalization strategies need to be designed. It is not just about translation, but thoughtful localization.

## Payment methods preferred by consumers for online purchases

 <b>Australia</b>	<ul style="list-style-type: none"> <li>① Online payment services</li> <li>② Credit card</li> <li>③ Mobile wallets</li> </ul>	 <b>Mexico</b>	<ul style="list-style-type: none"> <li>① Credit card</li> <li>② Online payment services</li> <li>③ Bank transfer</li> </ul>
 <b>France</b>	<ul style="list-style-type: none"> <li>① Credit card</li> <li>② Online payment services</li> <li>③ Bank transfer</li> </ul>	 <b>Singapore</b>	<ul style="list-style-type: none"> <li>① Credit card</li> <li>② Online payment services</li> <li>③ Mobile wallets</li> </ul>
 <b>Germany</b>	<ul style="list-style-type: none"> <li>① Online payment services</li> <li>② Buy now, pay later</li> <li>③ Credit card</li> </ul>	 <b>United Kingdom</b>	<ul style="list-style-type: none"> <li>① Credit card</li> <li>② Online payment services</li> <li>③ Bank transfer</li> </ul>
 <b>Ireland</b>	<ul style="list-style-type: none"> <li>① Online payment services</li> <li>② Credit card</li> <li>③ Mobile wallets</li> </ul>	 <b>United States</b>	<ul style="list-style-type: none"> <li>① Credit card</li> <li>② Online payment services</li> <li>③ Mobile wallets</li> </ul>
 <b>Japan</b>	<ul style="list-style-type: none"> <li>① Credit card</li> <li>② Mobile wallets</li> <li>③ Online payment services</li> </ul>		

*Online payment services refers to solutions such as PayPal, Payscale and others*

Source: Stripe/YouGov consumer sentiment survey, June 2023

These considerations also extend to payments. Not only do businesses need to ensure that customers are able to purchase in their preferred local payment category—from credit card to online payments services to buy now, pay later methods—they also need to be able to accept a variety of payment methods within these categories. With each new market, the number of payment methods that need to be incorporated increases.





Working with Stripe and VTEX, the enterprise digital commerce platform, [enabled] us to expand internationally, fast and seamlessly, by providing our customers a more efficient and secure checkout process.”

**Natalia Molina, ecommerce director, Agua Bendita**

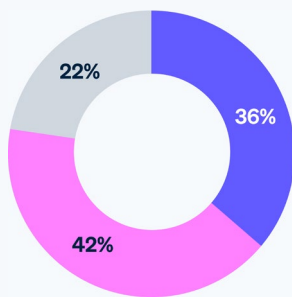
Founded in 2003, Agua Bendita is a partnership between Mariana Hinestroza and Catalina Álvarez, who began handcrafting swimsuits using leftover fabrics from a local clothing factory and their grandmothers’ sewing machines. To grow its presence outside of Colombia, Agua Bendita knew it needed the right payments partner that would unlock easy and secure international growth.

While the road to international success is nuanced, and hyper-localized market expansion strategies are not easy to create or implement, businesses around the world feel there are fewer restrictions on how they operate internationally today compared to the past.

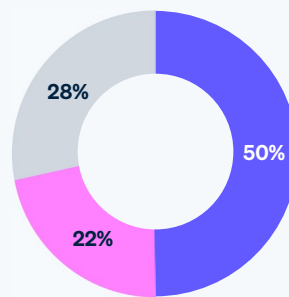
Fifty percent of businesses think it is easier today to run an international business than it was five years ago. Only 22% find it harder to do so.

### Is running an international business easier or harder than it was five years ago?

Businesses polled in 2019



Businesses polled in 2023



- Easier
- Harder
- About the same / don't know

Sources: Stripe/B2B International business sentiment survey, June 2023, and Stripe Global Natives report, 2019

In 2019, Stripe asked businesses around the world this same question in the [Global Natives](#) report. At the time, only 36% of businesses said that running an international business was easier compared to five years ago, while 42% said it was harder to go international—exactly double today’s figure. This trend suggests renewed optimism in their long-term ability to run an international business.

### Why do businesses find it easier to run an international business in 2023 than five years ago?



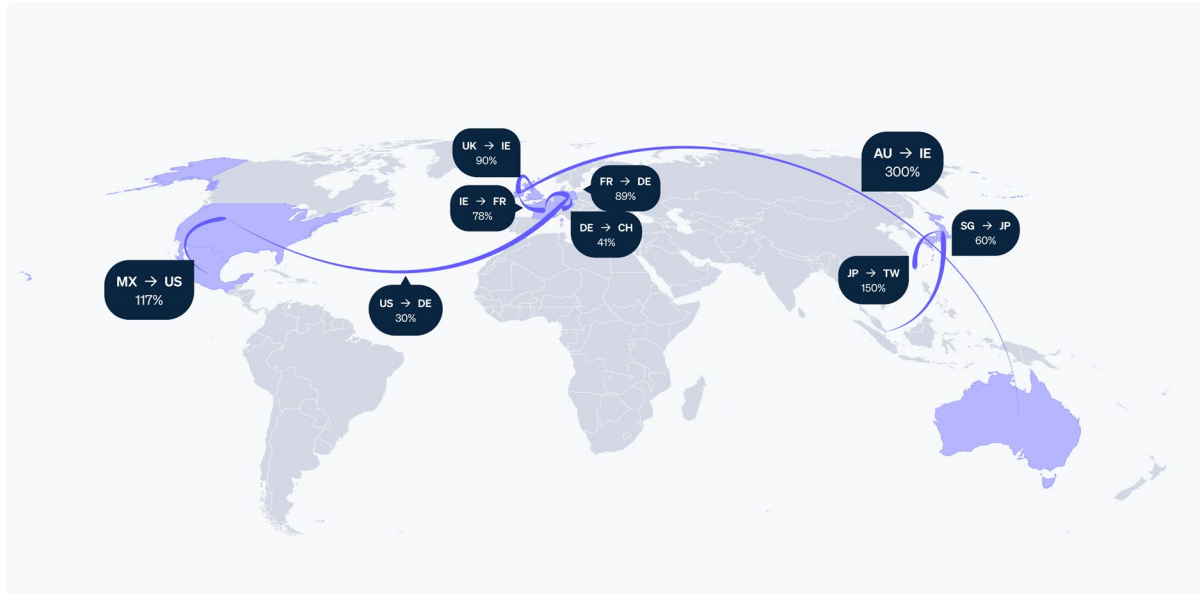
Source: Stripe/B2B International business sentiment survey, June 2023

The power of the internet and the rise of digital exports make global trade easier for everyone and are the obvious causes of this optimism. In recent years, businesses have gained access to more advanced technologies and tools that make the shift to international growth smoother and less complex.

According to the business sentiment study, an overwhelming majority of businesses (89%) find these resources key to an easy transition to international expansion. The next two most commonly cited reasons were improved physical infrastructure (16%) and the greater availability of digital skilled talent (15%).

## Trend 2:

# How digital exports are creating more diversified and deconcentrated international trade routes



Above: Fastest growing digital exports markets based on Stripe transaction data 2021–2022

The internet was created 50 years ago with the vision that global inequality could be decreased by improving communication and access to the world economy.

Half a century later, we are still only scratching the surface of what is possible, particularly in using internet infrastructure to create economic opportunity that transcends borders and geographies.

[Analysis from the International Monetary Fund \(IMF\)](#) suggests that countries with higher levels of digital connectivity tend to have higher levels of economic growth. In Sub-Saharan Africa, the IMF found that a one percent increase in the share of the population using the internet leads to, on average, a 0.37% increase in the growth of real per capita income.

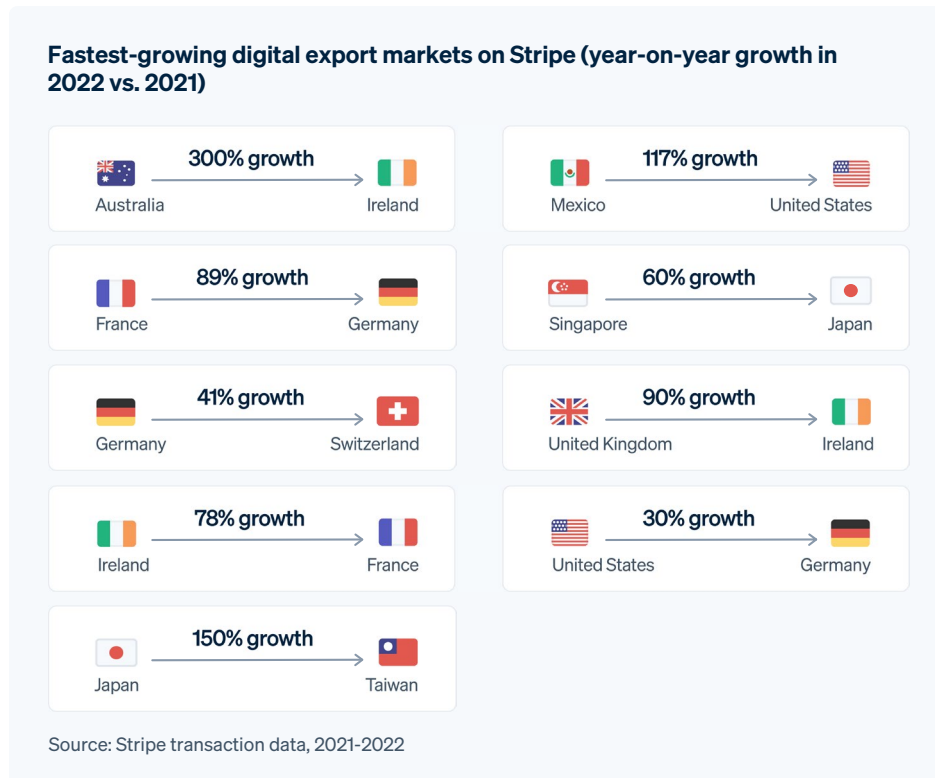
## Exports are more global in the digital era

With the rise of digital exports, trade is already becoming increasingly diversified and deconcentrated.

While international trade once depended on geographic proximity and well-established physical trade routes, businesses worldwide are now able to sell instantaneously across the globe. Small manufacturers in Mexico can easily sell to customers in Singapore, a creator in rural Japan can sell to a buyer in France, and large multinationals in the US can rapidly roll out products in Ireland. This means that product-market fit can become the key determining factor when choosing markets for international expansion, rather than geography or history. This fact also democratizes access to international markets for all entrepreneurs and businesses.

## Emerging growth opportunities for globalizing businesses

As a result, new digital trade routes are forming that are less bound by geography and more shaped by supply and demand. As more people join the digital economy, the flow of goods and services becomes more efficient and companies become more flexible and resilient. This translates into making it more cost-effective for businesses to pursue international strategies.



Globally, while many of the fastest-growing digital export routes are between neighbors, there are striking exceptions. Despite the digital exports relationship between Australia and Ireland being nascent—starting from a relatively small base and driven by the return of travel and tourism—Ireland was the fastest-growing export destination for both the UK and Australia in 2022. Germany, meanwhile, led as the fastest-growing export destination in 2022 for the US and France.



## Top five digital export markets vs. top five traditional export markets

	Digital exports	Traditional exports
 Australia	<ol style="list-style-type: none"> <li>1 United States</li> <li>2 New Zealand</li> <li>3 United Kingdom</li> <li>4 Canada</li> <li>5 Ireland</li> </ol>	<ol style="list-style-type: none"> <li>1 China</li> <li>2 Japan</li> <li>3 South Korea</li> <li>4 Taiwan</li> <li>5 United States</li> </ol>
 France	<ol style="list-style-type: none"> <li>1 United States</li> <li>2 United Kingdom</li> <li>3 Ireland</li> <li>4 Spain</li> <li>5 Germany</li> </ol>	<ol style="list-style-type: none"> <li>1 Germany</li> <li>2 Italy</li> <li>3 United States</li> <li>4 Spain</li> <li>5 United Kingdom</li> </ol>
 Germany	<ol style="list-style-type: none"> <li>1 United States</li> <li>2 France</li> <li>3 Switzerland</li> <li>4 Austria</li> <li>5 Ireland</li> </ol>	<ol style="list-style-type: none"> <li>1 United States</li> <li>2 France</li> <li>3 Italy</li> <li>4 China</li> <li>5 Poland</li> </ol>
 Ireland	<ol style="list-style-type: none"> <li>1 United Kingdom</li> <li>2 United States</li> <li>3 France</li> <li>4 Spain</li> <li>5 Germany</li> </ol>	<ol style="list-style-type: none"> <li>1 United States</li> <li>2 Germany</li> <li>3 United Kingdom</li> <li>4 Belgium</li> <li>5 Netherlands</li> </ol>
 Japan	<ol style="list-style-type: none"> <li>1 United States</li> <li>2 Hong Kong</li> <li>3 Taiwan</li> <li>4 Australia</li> <li>5 South Korea</li> </ol>	<ol style="list-style-type: none"> <li>1 United States</li> <li>2 China</li> <li>3 South Korea</li> <li>4 Taiwan</li> <li>5 Hong Kong</li> </ol>
 Mexico	<ol style="list-style-type: none"> <li>1 United States</li> <li>2 Canada</li> <li>3 Colombia</li> <li>4 United Kingdom</li> <li>5 Ireland</li> </ol>	<ol style="list-style-type: none"> <li>1 United States</li> <li>2 Canada</li> <li>3 Germany</li> <li>4 China</li> <li>5 South Korea</li> </ol>
 Singapore	<ol style="list-style-type: none"> <li>1 United States</li> <li>2 Australia</li> <li>3 United Kingdom</li> <li>4 Malaysia</li> <li>5 Japan</li> </ol>	<ol style="list-style-type: none"> <li>1 China</li> <li>2 Malaysia</li> <li>3 United States</li> <li>4 Hong Kong</li> <li>5 Japan</li> </ol>
 United Kingdom	<ol style="list-style-type: none"> <li>1 United States</li> <li>2 Ireland</li> <li>3 France</li> <li>4 Australia</li> <li>5 Germany</li> </ol>	<ol style="list-style-type: none"> <li>1 United States</li> <li>2 Netherlands</li> <li>3 Germany</li> <li>4 China</li> <li>5 Switzerland</li> </ol>
 United States	<ol style="list-style-type: none"> <li>1 Canada</li> <li>2 United Kingdom</li> <li>3 Australia</li> <li>4 Germany</li> <li>5 France</li> </ol>	<ol style="list-style-type: none"> <li>1 Canada</li> <li>2 Mexico</li> <li>3 China</li> <li>4 Japan</li> <li>5 United Kingdom</li> </ol>

Sources: Digital exports (Stripe transaction, 2022); Traditional exports (Trading economics data, 2023)

The geographic scale of digital export routes is also broadening for all countries analyzed in this report. Based on Stripe transaction data from 2022, the top five digital export markets for all countries span across at least two continents. For Australia, Mexico, Singapore, the US, and the UK, the top five digital export markets stretch further, covering three continents.

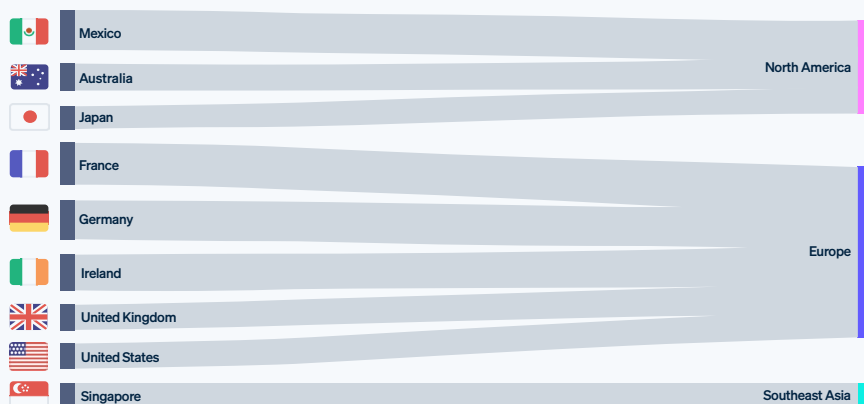


By creating an environment that easily accepts payments from Japan and many other countries, international fans and collectors of manga art are able to purchase manga art, including in the US, UK, Germany, South Korea, France, Australia, Canada, and many other countries.”

Masashi Okamoto, director of digital business, Shueisha Inc

Shueisha’s manga works, which include world-famous characters, are licensed in more than 100 countries and 20 languages. Working with Stripe, Shueisha launched Shueisha Manga-Art Heritage (SMAH), a cross-border ecommerce business that sells manga art all over the world.

### The international markets that businesses first expanded to by region



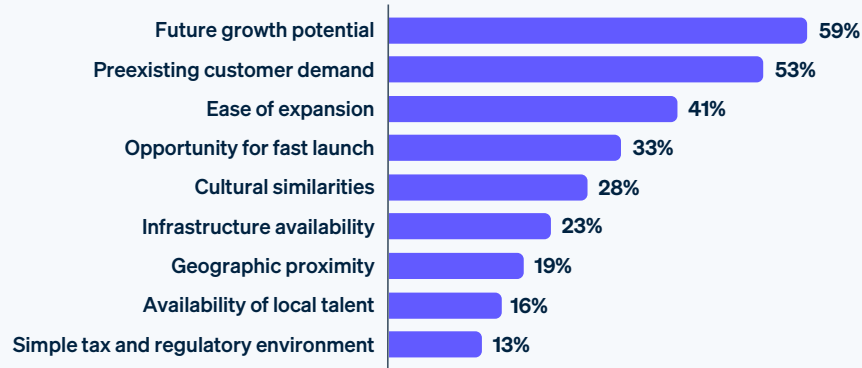
Source: Stripe/B2B International business sentiment survey, June 2023

### Top three international markets where businesses plan to expand next (by region)



Source: Stripe/B2B International business sentiment survey, June 2023

### Top factors businesses consider when selecting their next international market



Source: Stripe/B2B International business sentiment survey, June 2023

While the internet makes it possible for a business to sell into almost any market in the world, a business's first international expansion is often based on geographical proximity. Forty-one percent of UK businesses, 61% of French businesses, and 60% of German businesses that sell internationally started by selling into a country in the European Union, for example. Key drivers for this are the perceived ease of expansion and cultural similarities with the home market.

When asked about future markets to expand into, however, businesses emphasized future growth potential rather than geography or cultural similarities. Fifty-nine percent of businesses choose new markets based on growth potential. For this reason, high-growth markets like Southeast Asia, South America, and India are more likely to be the next market businesses want to expand into, than they are to be the first market they expand into.



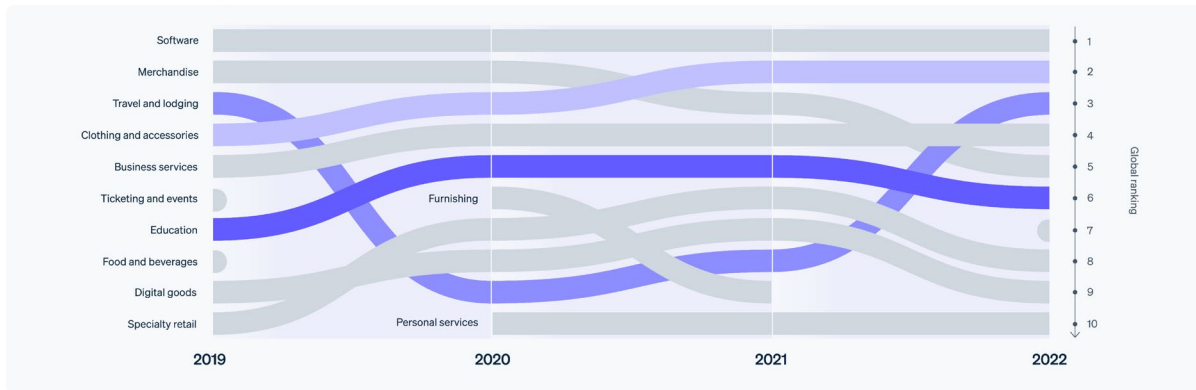
More than half of all Australians tap into our platform, so once we hit that scale, we wanted to explore expanding outside of Australia to solve these problems in other markets. Flexibility is key, too, given the international variances in compliance, payments methods, gateways, and more.”

**Katrina Barry, chief executive officer, me&u**

me&u is a leading at-table ordering platform in Australia that helps customers order and pay for food and drinks in large pubs, clubs and beer gardens. me&u works with Stripe to help scale its operations, expand to new regions, and manage compliance obligations in international markets such as the US, the UK, and New Zealand.

### Trend 3:

## How digital exports are creating greater access to the global economy for every kind of business and industry



Above: Top industries based on global cross-border payment volume on Stripe from 2019–2022

The third key element of digital exports is that they're making the globalized economy more accessible for all kinds of businesses—from entrepreneurs to mom-and-pop shops to traditional enterprises that were founded hundreds of years ago.

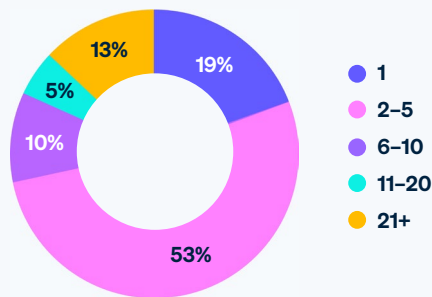
The prevailing image of a business that thrives in the global digital economy is one which was born digital selling a service with an intrinsically international mindset. However, in reality, businesses that are not digital natives, like traditional SMEs and enterprises, and industries that many would not naturally think of as digital-first, such as education, are experiencing some of the fastest growth in digital exports.

### The rise of the single-person multinational

With digital exports removing many of the traditional barriers to international trade, anyone with a great idea can now begin transacting with buyers across the world. This is exemplified by the rise of single-person multinationals, or businesses run by a sole proprietor with global ambitions, alongside micro-multinationals.

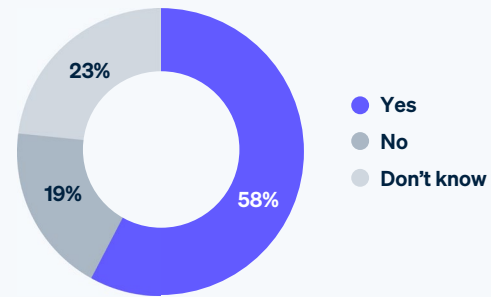
Eighty-one percent of sole proprietor businesses within the business sentiment study qualify as single-person multinationals, in that they sell to more than one market. Eighteen percent are selling to more than 11 markets.

**The number of countries that businesses with a sole proprietor sell to**



Source: Stripe/B2B International business sentiment survey, June 2023

**Do sole proprietor businesses intend to expand into other countries during the next 24 months?**



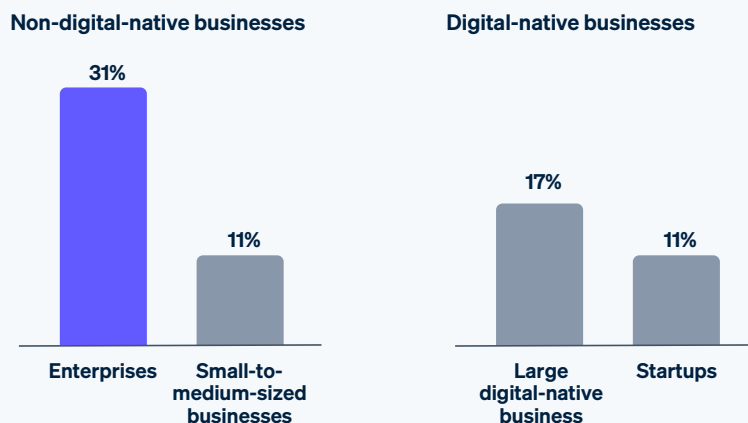
Source: Stripe/B2B International business sentiment survey, June 2023

Fifty-eight percent of these sole proprietor businesses are looking at further international expansion in the next two years, while 18% expect to see their international revenue jump by 50% over the next five years.

## Digital exports are transforming traditional enterprises

At the other end of the business spectrum, large traditional enterprises—often with thousands of employees—are leaning into cross-border expansion despite macroeconomic headwinds. Many of these are exploring digital exports as a channel for business transformation and growth in light of weakening domestic demand.

**Year-on-year growth (2021 vs. 2022) in number of businesses selling internationally by business segment**



Source: Stripe transaction data, 2021-2022

Globally the number of enterprises selling internationally increased year-on-year by 31% in 2022. Enterprises in Mexico (81% growth), Singapore (61% growth), and Japan (39% growth) are selling internationally at the highest rates.

**周生生** (how Sang Sang)



Unlike other traditional jewelry retailers, Chow Sang Sang's next phase of growth is focused heavily on increasing online sales in international markets. Stripe completely revamped our website experience. The team is extremely happy about the 20% uptick in payments conversion rate."

**Fai Leung, deputy director of omnichannel business, Chow Sang Sang**

Chow Sang Sang is a pioneering gold jewelry company that has operated in Hong Kong since 1973. The company is a customer favorite, renowned for its high-quality, upscale jewelry, and wants to become the premier online jewelry retailer for Chinese customers worldwide.

Fifty percent of the enterprises surveyed expect to expand to other countries in the next two years, and 78% believe international growth is important to their business outlook. The yields of this growth are expected to be significant, with 22% of businesses expecting digital export revenues to climb by 50% over the next five years.

**Le Monde**

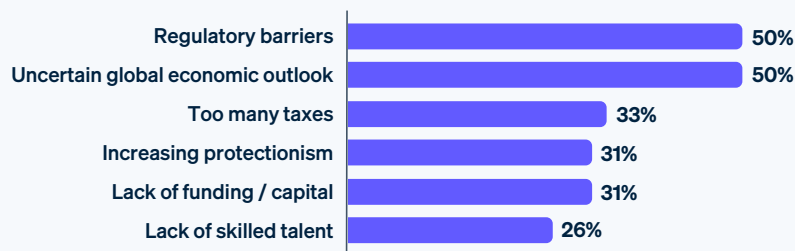


Stripe helps us not only improve our payment management system in France but also scale our business to international markets. Now we'll be able to capture all the payments we were not able to before."

**Louis Dreyfus, chief executive officer, Le Monde**

Published since 1944, Le Monde is a daily newspaper based in France that has expanded over the years on digital platforms to reach international markets including the US, the UK, Canada, Australia, and other French-speaking countries such as Belgium and Luxembourg.

**Top reasons why large companies find it harder to run an international business compared to five years ago**



Large companies are defined as businesses with 100+ employees.

Source: Stripe/B2B International business sentiment survey, June 2023

There are, however, some key factors that are slowing the acceleration of globalization for large companies, including challenges around regulation, the global economy, protectionism, and talent.



We started on this journey a few years back because we knew it was the future, and we wanted to modernize and serve our customers better. We had to make it simple for people to ship and track their orders from one end of the world to the other with a click of a button. Local prioritization is essential to meeting our customers' needs. From the start, and during incredibly pivotal points, Stripe has supported us to ensure our infrastructure works seamlessly across multiple markets."

**Navneet Kapoor, chief technology and information officer, Maersk**

Founded in Denmark in 1905, today Maersk's vast logistics network spans 130 countries and moves tens of billions of dollars worth of goods around the world each year. The company's global business is intrinsically complex, with banking requirements, currencies, and preferred payment methods all varying from region to region, which meant a one-size-fits-all approach was not going to work. To ensure this, Maersk works with Stripe to modernize its international payments.

## Entire industries are evolving in the reglobalization era

There are also surprising industries that are evolving to capitalize on new international opportunities.

### Top global industries on Stripe in 2022 based on digital exports volume:

- 1 Software
- 2 Clothing and accessories
- 3 Travel and lodging
- 4 Business services
- 5 Merchandise
- 6 Education
- 7 Ticketing and events
- 8 Speciality retail
- 9 Digital goods
- 10 Personal services

Source: Stripe transaction data, 2022

Software is the most globalized industry in the digital economy. With delivery via the internet, a diverse pool of global talent, no need for traditional supply chains for physical goods, and the development of accepted and widely adopted standards and protocols to ensure compatibility, the software industry is perfectly designed for internationalization. These factors have made software the number one industry for digital exports in Germany, Ireland, Japan, Singapore, and the US, according to Stripe data.

Seventy-seven percent of software businesses expect to continue their growth into new markets in the next two years, while 33% expect their international sales to climb by 75% over the next five years.

Businesses cite a variety of factors behind this continued expansion. Seventy-four percent attribute it to demand, 72% say it's driven by the fact that software products appeal to a global audience, and 64% say it's aided by the way the internet has removed barriers to expansion. The most commonly cited barrier to international expansion—named by 25% of companies—is the uncertain global economy.

## Pitch



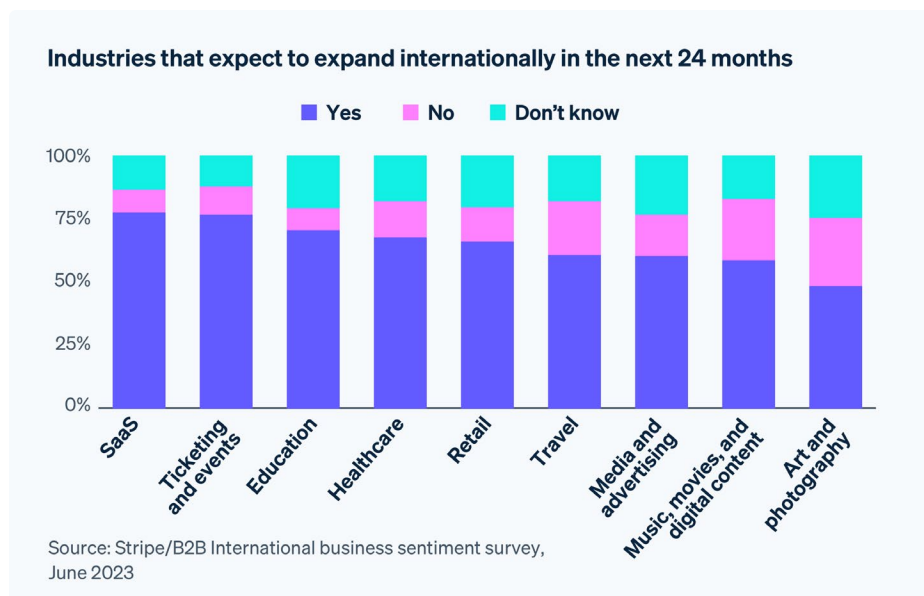
The confidence in Stripe and the confidence in the team that we had working on these projects enabled us to do all of these really complicated things in parallel. It's a little bit unique for most companies starting up, having to flip the switch on an audience that large. But it was something that we were able to do by having the right team and the right technology to make it all possible.”

**Ed Shelley, head of revenue, Pitch**

German company Pitch wanted to launch its presentation software globally in 2020 under a freemium model. But the competition was extremely fierce and there were already numerous established competitors in the market. Working with Stripe, Pitch was able to launch its freemium model with paid components from the start. Pitch soon noticed that the free version was particularly popular in Brazil, which gave the company the idea of using Stripe to display prices in different national currencies.

## The reglobalization of the education industry

Non-digital industries and those that aren't considered digital-first are also benefiting from successful global expansion.





Education is one example. While it has traditionally been bounded by national borders, it is currently the sixth most successful industry globally in terms of digital exports, according to Stripe data.

Remote learning blossomed during the COVID-19 pandemic and the advent of digital tools and platforms has revolutionized various aspects of education. With more information available to students and educators, digital technology is making learning easier and faster than ever. Learning is becoming more interactive and engaging through multimedia elements like videos, animations, simulations, and virtual reality. To further improve educational outcomes, digital tools enable personalized learning experiences tailored to individual students' needs and learning styles. Adaptive learning platforms use data analytics to assess students' progress and provide targeted content and feedback, allowing for customized, more effective instruction.

In this context, 70% of the education businesses surveyed are planning to expand internationally in the next two years—only slightly behind SaaS and ticketing and events. Like other sectors in this study, 24% of education businesses expect their international sales to grow by 50% over the next five years. Sixty-one percent of those surveyed say that running an international education business has become easier over the past five years. This optimism is behind only digital content (73%) and media and advertising (66%) businesses.



We invite teachers and creators from Indonesia to start thinking about going global. Implementing Stripe makes it convenient for our customers to target the global market.”

[Jourdan Kamal, cofounder and CEO, Eduqat](#)

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Eduqat works with Stripe to help educators in Indonesia to globalize their offerings.



In seven years we went from saying, ‘these APIs look great— let’s see how this goes,’ to building a deep strategic relationship with Stripe. Stripe spends the time to identify what the long-term opportunities are and what the long-term approach should be.”

[Will Shu, CEO and cofounder, Deliveroo](#)

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Deliveroo leverages Stripe to provide localized payment methods including Apple Pay, Google Pay, China Union Pay, Dutch payment method iDeal, Bancontact in Belgium, and Cartes Bancaires for French accounts.

# Summary and learnings

While all kinds of businesses face a multitude of challenges in running a global organization in 2023, this report shows that they see opportunity and are optimistic about their ability to seize it.

In recent years, the advancement of digital infrastructure has made it possible to test and implement new international business models and revenue streams in a capital-efficient way without having to invest time and money into building the same tools in-house.

This has made it easier for businesses to sell across international borders, creating three core opportunities:

## **1. International digital trade presents an opportunity to grow in a challenging macro climate**

With the challenging global economy creating uncertainty around the world, businesses are able to broaden their total addressable customer markets to hedge against potentially diminishing demand in domestic markets. Technology is enabling this by removing or reducing barriers. With low-risk, cost-effective digital platforms now available, technology is enabling every kind of business to operate more effectively across international borders.

## **2. Economic infrastructure for the internet enables hyper-localized payment opportunities**

Localization is key for successful globalization strategies. Businesses must adapt their offerings and approaches to customer needs and expectations in each market.

Money and the way we pay is highly local, even online. Digital payment methods that are popular in one country may not exist or be prevalent in another. New economic infrastructure built for increasingly globalized internet commerce is helping businesses adapt quickly, enter new international markets, and optimize for local consumer preferences.

## **3. Business decisions can be based on product-market fit**

Purchasing decisions can now be made based on demand and product-market fit rather than geography or the most established trade routes. Businesses can and should look beyond neighboring countries to identify new markets, particularly for digital products and services which aren't dependent on physical supply chains.

For more resources on how businesses can grow faster internationally, even in a challenging economic climate, please visit [Stripe guides](#).