

The payments experience

A seamless catalyst to travel

Payments solutions are, fundamentally, integral to the entire travel experience. It's obvious, but without the ability to take money – from online booking through to a credit card deposit for any extras incurred during a hotel stay – nothing can take place. Journeys don't exist.

But we often take payment for granted without truly realizing its role as a catalyst to making travel happen, for everyone, not least because for most of the time it's seamless and unintrusive.

This ease of use is key. Travelers need reassurance that their monies have gone through safely, and securely – a payment is convenient when you only enter your details once. This sentiment was echoed in recent Amadeus research for this report with over a fifth (21%) citing that ensuring the payment goes through smoothly is something they worry about when booking a leisure trip abroad.



Top five challenges for travelers when making payments abroad:

28%

Poor internet with no access to mobile banking

24%

Unclear exchange rates

23%

Card declined

21%

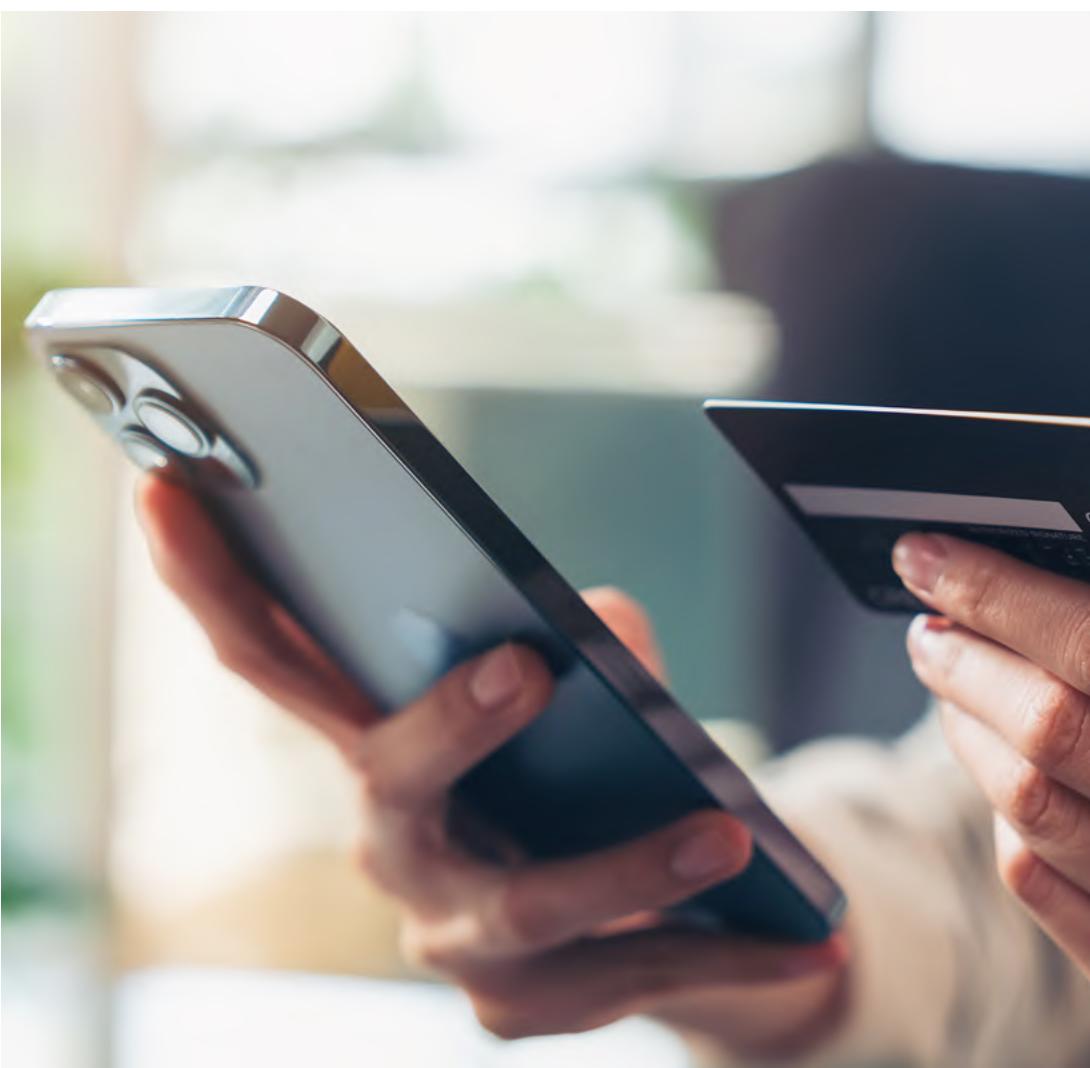
Unable to use contactless payments

18%

Card blocked for use

17%

Experienced card fraud or theft



Technology infrastructure

When looking at payment solutions, we need go no further than Outpayce, a financial technology specialist owned by Amadeus, bringing together travel and fintech expertise. It's the open API infrastructure upon which payments happen in the travel space, streamlining foreign exchange, fraud management, chargebacks, and in-person airport/mobile payments.

These solutions underpin every aspect of travel and open doors beyond just handling money and making transactions simpler throughout a journey (this can't be underestimated, however). It's allowing for the evolution of modern travel retail and creating new revenue solutions through loyalty applications and integration with industries outside of travel and hospitality.

Modern retailing

Airlines are adopting new standards and technology for Offers and Orders that are akin to those used by digital retailers such as Amazon. Offers will include dynamically packaged and intelligently priced product bundles that are more attractive to travelers, making choice simpler and opening up new possibilities through being served a variety of relevant options.

Rather than receiving a ticket plus several EMDs (Electronic Miscellaneous Documents) for ancillary services in a booking, an order will provide a single source of all purchases. This gradual transformation of airline technology will simplify the traveler experience while allowing for personalized retailing.

Essentially, the work being done by Outpayce alongside payments partners is bringing the retailing experience travelers have grown to expect from other industries to travel and tourism. This is key when we consider the ultimate ambition of the 'connected trip' or single button purchase model for travel, and how personalization will work in practice, rather than theory.

Profiling versus personalization

By pricing and packaging air and non-air products and selling them consistently across all channels, the industry can ensure the right offers are targeted appropriately to travelers at the right time in the purchase process.

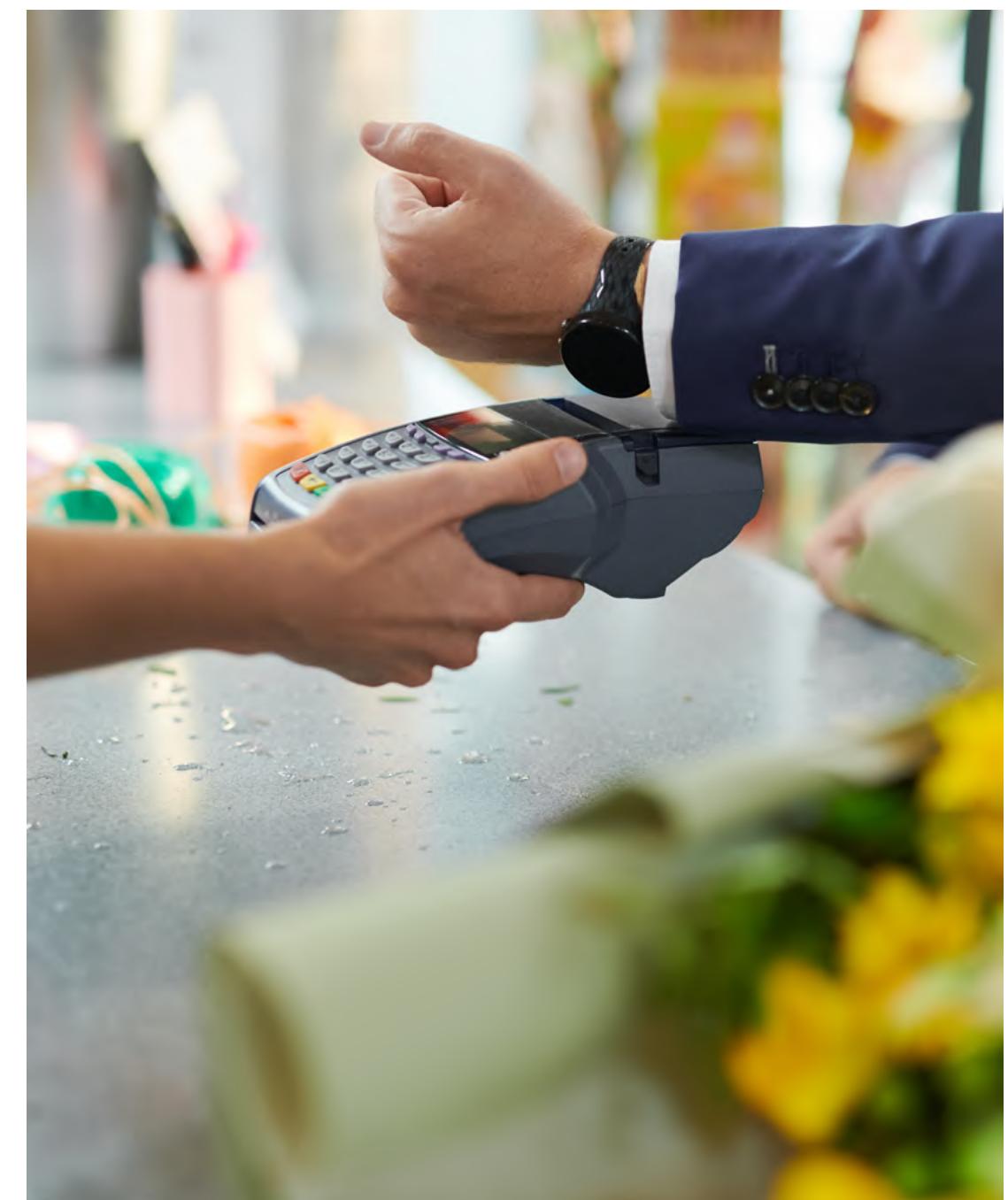
What this tackles is the imbalance between the data held on a specific individual and the ability to parse this data into a truly personalized experience. We can't ignore the fact that if we bring back the Amazon analogy, frequent customers have dozens of shopping transactions a year through the platform. Yet these numbers don't translate to travel - purchasing holidays are nowhere near as frequent.

By bringing together data on the traveler throughout the journey, combined with payments data, the ability exists to create detailed pen-portraits of a customer, target them accordingly, and ensure each transaction can be routed in the most appropriate way. And, of course, where there is a specific search made, future targeting can be adjusted. But the single-customer view the travel and hospitality sectors can lay claim to will always be less granular than the consumer retail equivalent.

“With the increasingly sophisticated AI solutions we’re adopting and deploying, the ability to refine personalization will ultimately improve. But we can’t ignore the fact that we don’t have the scale of data points per customer that major retailers have and there’s always going to be some personification necessary.”

Suzanna Chiu
Head of Amadeus Ventures,
Amadeus

AMADEUS



Expanding into other sectors

Payments solutions are also facilitating expansion beyond the travel sector, through integration with financial services and retail industries. Cultural and socioeconomic change can be a major driver behind such opportunities, alongside shifting consumer behaviors and comfort levels in sharing personal data and information.

As an example, we need only look toward Agoda, where it has taken advantage of the boom in India in alternative and online payments. Previously low-level, India now has one of the biggest markets for such services in the world.

App-driven loyalty

The API-driven ability to integrate mobile apps truly enhances the traveler experience and can be a gateway to increasing revenue and driving loyalty. This can apply to every company throughout the travel and hospitality industries, from hotels looking to offer last minute upgrades to airlines looking to fill flights and upsell premium seats.

As an example, let's consider a traveler arriving at the airport early for their flight. An interconnected, open, agile technology framework understands this because the passenger consented to share their location through the airline's app.

This then informs the offer system of the passenger's early arrival by sending an 'event', which then draws on a detailed profile of the traveler. In this instance, it could be a business traveler who has arrived early, and so with a real-time view of flight and seat availability the airline sends a 'pop-up' offer to upgrade to business on an earlier flight to the traveler's phone.

The passenger's order would be automatically updated once the customer accepts it and payment is taken. Information about the earlier flight would then be shared with other suppliers involved in the journey – for example the hotel which can proactively offer an early check-in or room upgrade if available sooner (without having to re-enter any payment details).

Payments made easy

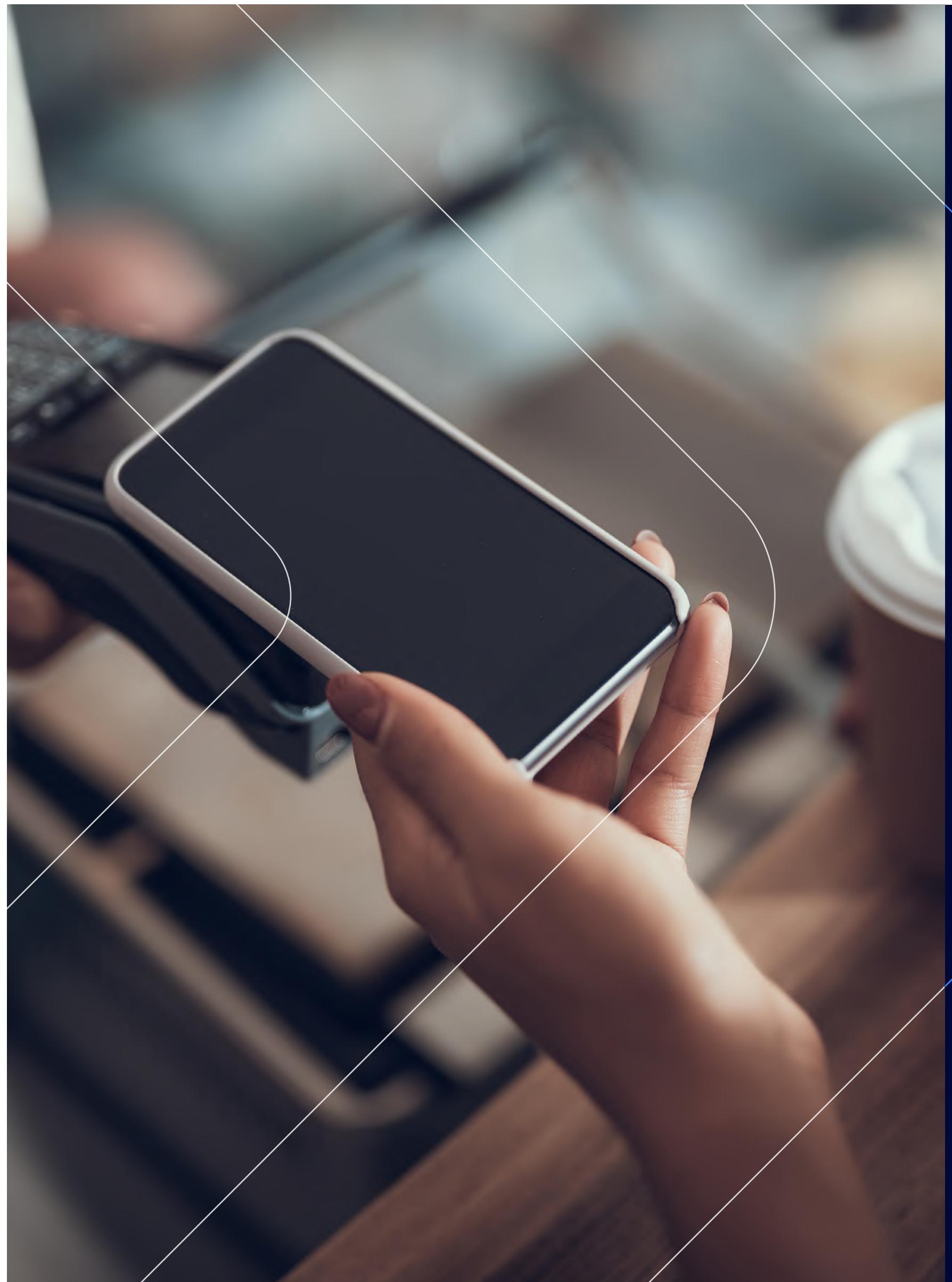
There is a plethora of research across industries which shows that when a payment is automated or built into an overall journey, customers are significantly more likely to accept upsells (e.g., better seats), spend more per transaction, and convert at higher rates. For example, research by Outpayce partner Stripe found that 71% of businesses agreed that seamless payments integration has become a competitive advantage due to rising customer expectations. The same report revealed that three-quarters of customers are more likely to complete a purchase when one-click checkout is available. The ability for payments infrastructure to make this so seamless is key to delivering a great experience and driving loyalty through personalization.

Ultimately, the traveler wants the best experience. If, along the way, it can be improved through extra legroom seats, earlier flights, or targeted loyalty rewards, then this can only improve the whole journey.

This starts of course with the booking process through smart, sophisticated dynamic pricing, where the ability to deliver the best options that match the traveler's expectations can ensure that excitement builds from the very start.

When we consider the emotive element of travel, giving the traveler the results they want at the outset starts the process for a frictionless experience. They can get the journey they want and need and, along the way, it can be improved seamlessly and effortlessly. In this regard, payments become far more than simply solutions – it's integral to creating a highly personalized trip.





“In the evolving landscape of travel, payments are a strategic enabler of seamless, personalized journeys. Whether booking a flight, upgrading a hotel room, or navigating airport services, travelers expect payment to be fast, secure, and invisible.

“Outpayce from Amadeus is at the forefront of this transformation. Our open API platform powers everything from B2B virtual cards and fraud prevention solutions to mobile and in-airport payments, ensuring that transactions are not just processed but optimized for experience. This infrastructure underpins the shift toward modern travel retailing, where dynamic offers and unified orders simplify the journey and unlock new revenue streams.

“As travelers demand more personalization and reassurance, payments become a moment of truth. In our own research, we discovered that over 70% of travelers now choose providers based on secure commerce reputation, the ability to deliver frictionless, trusted transactions is a competitive differentiator. By embedding payments into the core of the connected trip, we’re not just enabling travel - we’re elevating it.”

Sam Abdou
CEO,
Outpayce

outpayce
from AMADEUS