



# 9 ways travel enterprises can reach new heights with PayPal

Drive sales forward while securing your bottom line.







Consumer expectations and behaviours are changing faster than ever before across the board, and this is particularly evident within the travel sector.

Today's travellers demand more flexibility and convenience, environmentally friendly options, more memorable and personalised experiences, and new dimensions of travel options through emerging technologies in augmented and virtual reality (AR and VR).

To keep pace with these growing demands, businesses across the travel industry need to look across their operations to build greater efficiencies, drive customer loyalty, improve customer satisfaction and grow profitability.

With a suite of solutions that help deliver high online conversion rates and consumer trust and loyalty, as well as back-end efficiencies and operational and reporting excellence, PayPal can help travel enterprises transform, stay competitive and meet today's customer needs.



# Putting you ahead of the competition

For too long, payments have been considered the end point in the customer journey.

However, a strong payments strategy can be a key differentiator in driving a competitive advantage in new products, services and business processes.

PayPal helps travel enterprises differentiate and grow with solutions that capture more opportunities across channels, devices and audiences.







# Drive loyalty

across your membership base and attract new customers through delightful experiences.

# Deliver first class service

With one of the world's largest data sets, PayPal helps travel operators understand customer and traveller behaviours, the key to capturing more opportunities.

Our insights allow you to better tailor marketing and promotional activities to capture new customers, encourage loyalty with existing customers, and enter new markets and verticals.



## 1. Create frictionless customer experiences

With a focus on digital experiences rather than channel strategies, PayPal can help you maintain touchpoints across customer experiences online.

Payment can be a friction point for customers, especially when they're required to click through multiple screens to make a purchase. But you can enhance purchasing and self-service through seamless integrations with apps and websites. These integrations not only create better customer experiences, they reduce demand on customer service teams and increase NPS for travel businesses by 2 points.<sup>1</sup>

PayPal's single integration makes it easy to delight customers and provide contactless, friction-free experiences.

## 2. Improve conversion and retention

PayPal's platform enables you to brand, design and optimise your checkout while taking advantage of our 20+ years of experience in helping deliver high converting experiences. PayPal helps increase site-to-conversion for travel businesses 1.2x,<sup>3</sup> checkout conversion by 24%<sup>4</sup> and our millions of UK customers are 3.8 times more likely to convert wherever PayPal is visible.<sup>5</sup>

With a wide choice of payment methods potentially available to consumers, including credit and debit cards, digital wallets and buy now, pay later solutions, it's the easy way to ensure customers can always pay how they want to.



## 3. Increase customer lifetime value

Customers are seeking flexibility in every aspect of their purchases, from the ability to change travel dates to how they pay. Subscriptions and recurring payment options may be enabled, and travellers can choose to buy now, pay later (BNPL) with PayPal's Pay in 3 included at checkout.<sup>1</sup>

With multiple payment options, including pay later, other digital wallets, credit and debit cards, bank accounts and local payment methods for international customers, you'll deliver more choice for customers too.

What's more, you can incentivise customers and reward loyalty with bespoke programs that prompt repeat purchases and help increase overall customer lifetime value.

<sup>1</sup> Pay in 3 availability is subject to merchant status, sector and integration. Consumer eligibility is subject to status and approval. Pay in 3 is a form of credit, may not be suitable for everyone and use may affect consumer's credit scores.

<sup>2</sup> Statista Global Consumer Survey - Online Payment: PayPal brand report in United Kingdom, April 2020.

<sup>3</sup> Nielsen Study, Commissioned by PayPal, Nielsen Media Behavioural Panel of desktop transactions from 13,013 UK consumers who are PayPal users, from October 2019 to September 2020 to understand and measure the impact that PayPal has for 315 UK-based LE merchants across different verticals.

<sup>4</sup> Nielsen Study, Commissioned by PayPal, Nielsen Media Behavioural Panel of UK 95,161 desktop purchase transactions between October 2019 to September 2020 to understand and measure the impact that PayPal has for 315 UK-based LE merchants across different verticals.

<sup>5</sup> Nielsen Study, Commissioned by PayPal, Nielsen Media Behavioural Panel of desktop transactions from 13,013 UK consumers who are PayPal users, from October 2019 to September 2020 to understand and measure the impact that PayPal has for 315 UK-based LE merchants across different verticals.

# 57%

of customers are more likely to buy<sup>6</sup> and **63%** are more likely to buy from you again<sup>7</sup> when you offer pay later options.



<sup>6</sup> An online study commissioned by PayPal and conducted by RFI Consulting in November & December 2020, involving 2,000 UK consumers.

<sup>7</sup> TRC, Commissioned by PayPal, April 2021. TRC conducted 20 minutes online survey amongst 1,000 UK consumers ages 18+.





# Safety precautions as standard

With a focus on compliance and security, PayPal helps you keep pace with rapidly changing customer behaviours, while protecting the bottom line.

We have a powerful set of customisable solutions that use machine learning, automated decisioning and decades of data-driven insights to help you prevent fraud and reduce risk.

## 4. Minimise risk and fraud

Fraud has always been a big issue for travel businesses and operators, which is why it's important to partner with a payments provider like PayPal that's focused on minimising fraud and its impact on businesses. Our fast-learning predictive risk algorithms ingest trillions of data points from across our network to identify patterns and help mitigate risk in real time.

Our proprietary intelligence, along with multiple cards and bank accounts linked to PayPal digital wallets, mean we can help reduce your decline rates. Dynamic routing, retries and granular data analysis ensure that legitimate transactions are approved at a higher rate and more often on the first try.<sup>9</sup> You can also test and deploy new risk rules in real time to adapt to evolving fraud patterns without friction at checkout or increasing risk of false declines.

## 5. Balance compliance and security

Our team of data security experts are on hand to help you apply successful compliance and security strategies. They'll work with you to help limit auditing complexity and ensure PCI compliance across your entire business.

With our secure vault and data sharing tools, you have access to a sophisticated and streamlined way to build and maintain your payments system. And we can help you build business protection that meets your unique requirements, including easy connections with third-party security services partners to optimise your risk and security profile.

<sup>9</sup>PayPal Internal Data, June 2019. Methodology: Benchmarked against Mastercard auth data set for the month of June 2019. There is no de-duplication for any of the numbers (removing duplicates will give us higher auth rates in the range of 95%+).



# 70%

Offering digital wallets, like PayPal, on mobile channels can increase mobile revenue by **70%** while decreasing fraud by **55%** and chargebacks by **28%**.<sup>8</sup>

<sup>8</sup>Forrester, Commissioned by PayPal, September 2020. To evaluate the state of mobile checkout experiences and payments, Forrester conducted online surveys of 2,064 consumers (US: N=1,039; UK: N=1,025 aged 18+) who had made a mobile purchase in the previous month and 202 decision makers at merchants (US: N=101; UK: N=101) that sell on mobile channels.



# Set off on new adventures

Once integrated, our checkout architecture can help future-proof your business with automatic access to new features and optimisations.

## 6. Expand strategic partnerships

PayPal's extended commerce capabilities open up new opportunities for strategic partnerships. Our integrations make technically difficult experiences easy and secure, allowing you to create new monetisation opportunities and to go to market faster.

Easily connect with leading global distribution and tour operating systems. Transaction handling is taken care of for you, with funds auto-routed to the appropriate party for each transaction in real-time.

Partnerships with other brands under your parent company are also more easily optimised with the ability to share payment data without exposure to risk, so you can offer upsell and cross-sell opportunities at every touchpoint.

## 7. Adopt the future

Old payment infrastructure makes it hard for many travel businesses to balance reducing payment complexity and improving the customer experience. Modernising with cloud technology gives you flexibility to add new functionality without the need for new infrastructure.



PayPal's extended capabilities bridge the tech gap, enhance the customer experience and contribute to financial performance. And with custom actions, you have direct access to PayPal's global roadmap so you can fast-track improvements that align with your priorities.





# PayPal

is the most used online payment provider in the UK.<sup>2</sup>







## It's smooth sailing all the way

You can customise your integration methodology at the deepest level with a suite of dev-friendly SDKs and APIs.

Our Solutions Engineering team will partner with you to design, implement and optimise your integration, and help ensure both PCI and regulatory compliance. And a modular integration approach helps you operationalise payment capabilities quickly without delaying or disrupting your roadmap.

### 8. Optimise payment handling and reconciliation

With all your transactions in one optimised control panel, your team can easily track, manage and settle payments. And our robust reporting system helps you simplify and automate reconciliation, as well as stay on top of trends and improve decision-making.

Our proprietary risk systems deliver significantly improved authorisation rates which means fewer declines. Combined with PayPal experts managing your chargebacks, this results in reduced collection and chargeback costs, and helps limit customer churn.

### 9. Integrate payouts

You can payout to almost anyone, anywhere, for example to third-party tour providers or cashback rewards to customers. Our integrated payout solutions enable payments direct to low-cost local bank accounts, PayPal accounts and more, in more than 28 currencies.

Our fully automated APIs mean you can make payouts in real-time or batches, and we help you manage payment and compliance regulations through transaction monitoring, recipient verification and compliance screening.





# Simplify

and streamline payments and enjoy easier reconciliation and reporting with one dashboard.



# Expand your horizons with PayPal

With PayPal, you can deliver familiar, secure and frictionless payment experiences to draw in high-value travellers.

Our customer-facing solutions, like checkout architecture, digital wallets, pay later and security, can be the catalyst for your business growth. While our operations and risk management systems help you streamline processes and secure your bottom line.

Speak with our team today to find out how we can help you reach new heights.

## About PayPal

PayPal has remained at the forefront of the digital payment revolution for more than 20 years.

By leveraging technology to make financial services and commerce more convenient, affordable and secure, the PayPal platform is empowering more than 425 million consumers and merchants in more than 200 markets to join and thrive in the global economy.

For more information, visit [www.paypal.com/es/enterprisesolutions](http://www.paypal.com/es/enterprisesolutions)

