



# Agent cards: a growth opportunity for online travel agencies

The global travel intermediary market, which includes online travel agencies (OTAs), is expected to be worth USD 1.2 billion by 2028, growing at a rate of 5.94% per year.<sup>1</sup>

OTAs recovered from the pandemic much faster than airlines – growing 50% between 2019 and 2023.<sup>2</sup> This ongoing growth has highlighted the need for improved, frictionless payments processes across the customer journey.

## Leveraging agent cards

Virtual cards, including agent cards used in the travel segment for B2B payments, are expected to reach a total transaction value of \$13.8 trillion by 2028.<sup>3</sup> With automated reconciliation and enhanced reporting, agent cards can offer OTAs an optimized and streamlined payments process, enabling buyers to extend days payable due (DPD) and for sellers to be paid earlier, reducing their days sales outstanding (DSO). This efficiency combined with greater flexibility can drive an improved end-user experience, helping OTAs to further grow and maintain their customer base.

By using agent cards, OTAs can generate additional revenue through various channels, including incentives and rebates from issuers. They also can be more secure compared to alternative payment methods, by helping to reduce the risk of fraud and unauthorised use. Only 3% of businesses are affected by fraud related to agent cards, compared to 34% of businesses using ACH debits and 66% of businesses using checks.<sup>4</sup>

1 Global Travel Intermediaries Market Report, Businesswire.com, 2023  
2 Results Presentation, 2022, eDreams ODIGEO

3 Virtual Cards Data Forecasting, Juniper, September 2023  
4 Payment Fraud and Control Survey Report, The Association for Financial Professionals (AFP), 2021



Let's take a look at some of the challenges faced by OTAs, and how agent cards can act as a solution.

## Challenge

## Solution

OTAs are striving towards becoming more innovative to attract and retain customers. This means meeting consumer preferences - such as enabling add-ons during the booking journey - and competing against similar companies, hotels, and airlines, including pricing and increased bidding on search engines.



Agent cards can be issued instantly and customized fully, allowing OTAs to adapt quickly to evolving user needs. Agent cards can also simplify the end-user experience by consolidating transactions - and in turn, improve the OTA's efficiency. Linked to this, agent cards can be used to issue refunds or to provide cash incentives or loyalty payments, providing customers immediate access to their cash and improving customer satisfaction.

OTAs can face significant risk operating within a targeted industry handling large volumes of data.



Transaction level controls can help businesses implement spending limits and prevent misuse. Plus, agent cards offer chargeback protection, as well as protection against supplier default risks. Agent cards can be issued with specific details related to each transaction, such as booking reference, travel dates, or destination. This makes the reconciliation process quicker and easier for OTAs.

OTAs often must balance regulatory obligations, foreign exchange rates, and extensive supplier networks.



With customizable controls, specific parameters and restrictions can be used to help OTAs meet their regulatory obligations. Agent cards can also help mitigate foreign exchange rates, reducing costs and offering operational efficiencies. OTAs can use agent cards to pay suppliers, streamlining their payment processes.

## Get on board with Visa agent cards

OTAs are ascending to new heights. Yet the complex payments landscape is rife with competition and digitalization, as medium sized and smaller merchants recognize the need to go digital.

Backed by Visa's commercial payments network, agent cards can unlock further opportunities for OTAs, helping you to pay suppliers quickly and securely, streamline the payments experience, and maximize the return of card programs.

By partnering with Visa, OTAs can benefit from detailed remittance information for improved reconciliation, lower payment processing costs, strengthened supplier relationships, streamlined working capital management, and configurable authorization controls.

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## Learn more

Contact us today to learn how Visa can help you capture the value of agent card payments.