

**worldpay**  
from FIS

# POWER YOUR PAYMENTS

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Shining light on how customers want to pay for flights



# We asked 33,000 shoppers over 12 countries about their digital payment experiences

## About Power your Payments

Power Your Payments is a research campaign commissioned by Worldpay from FIS that compiles the digital payment experiences and preferences of 33,000 shoppers from 12 countries around the world. The reports explore and analyze how shoppers want to pay for goods and services online across 14 industries, and how preferences vary in key markets.

These reports are designed to provide merchants with the market insights, expert knowledge and guidance they need to meet the increasingly demanding payment expectations of their customers.

These findings will help merchants looking to empower their customers to pay how they want, and in doing so, reap the rewards of a customer-centric global payments strategy. The travel sample consists of 9660 respondents, each of whom have paid online for either a flight (direct with airline), hotel (direct with hotel), holiday booking with an online travel agent, or ground transport.

The following statistics in this report represent the results of research conducted between 27th April - 15th May 2020 by Opinium Research and commissioned by Worldpay from FIS as part of the 'Power Your Payments Campaign' unless specified with a reference.

ARGENTINA  
AUSTRALIA  
BRAZIL  
CHINA

COLOMBIA  
GERMANY  
INDIA  
JAPAN

MEXICO  
SPAIN  
UK  
USA



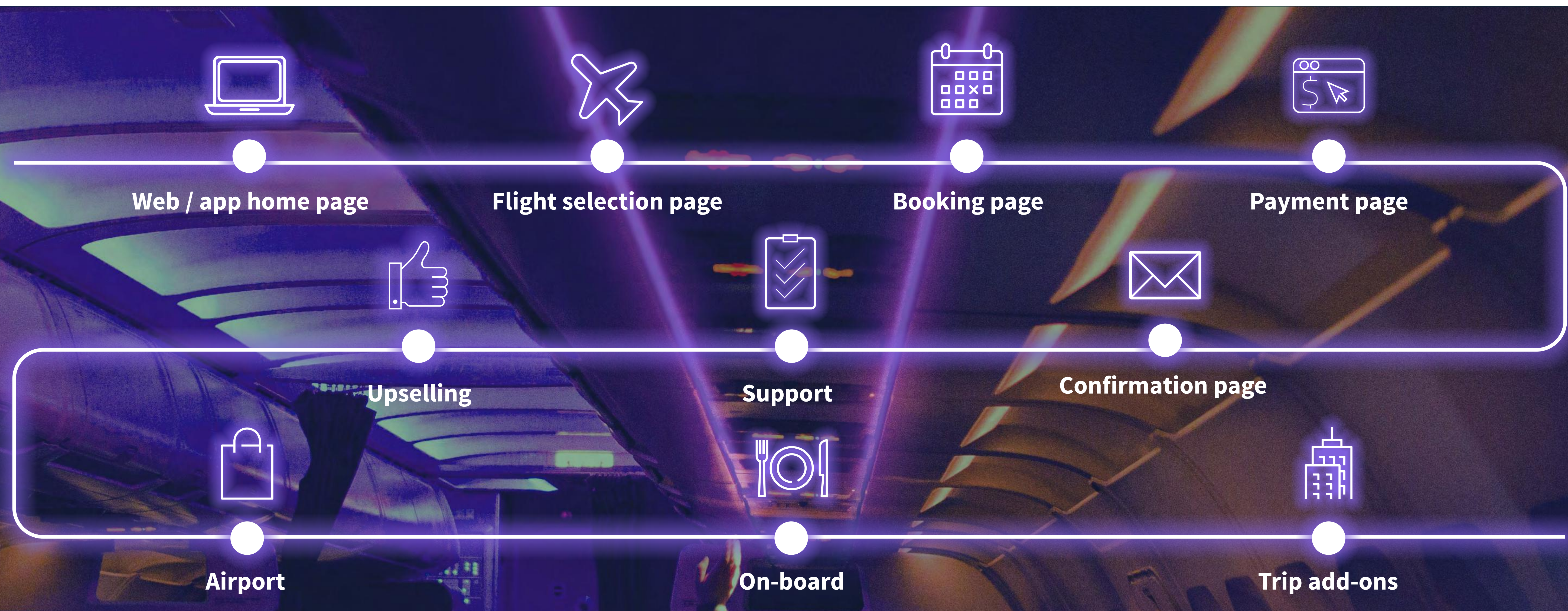
# 36% of passengers told us the payment experience is extremely important when booking flights

The way people buy, book and download content is ever evolving. Consumer expectations are forever being shaped by the way they pay for retail or entertainment purchases. Savvy airlines have an opportunity to lead the way in the travel industry and reap the benefits of aligning their payments processes with the expectations of their customers.

As travelers are often parting upfront with a substantial sum of their hard-earned savings, it's imperative you can build confidence in the security of your payment process, while still delivering the frictionless experience that aligns with the expectations of today's digital consumer.

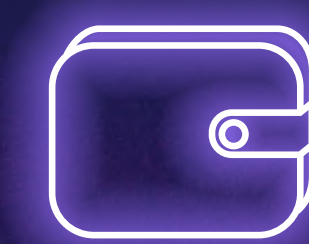
Your payment strategy should be a way to attract, convert and retain passengers – and in this report, we will provide some top tips on exactly how to do this.

In this report, we provide insights from our Power your Payments research on how you can build a powerful payment experience at every stage of the buyer's journey, starting from the homepage, right through to payments on-board the aircraft. We examine the impact that balancing security and convenience has on getting more repeat bookings, and consider the effect that age, demographics and country has on these different factors.





# KEY TAKEAWAYS



## **Tailor the payment process and be on-trend**

28% of travelers drop out of the checkout and shop elsewhere when their preferred payment method is not available. Ensure your payments are aligned with the expectations of today's digital-savvy consumer and offer the right payment types across different markets.



## **Create a frictionless payments flow**

32% of travelers would be less willing to continue a flight booking with an airline if they had to re-enter their payment details or flight choices after a payment error. Be as open and flexible as possible to make paying for air travel as frictionless as possible.



## **Be secure, and show it**

44% of travelers are more likely to book if they can see a digital security logo, which indicates that the website has a layer of cyber security to protect customers when using the site. Being transparent about the steps you've gone through to create a secure payment experience may build trust with your audience.



## **Create upsell opportunities beyond the initial booking**

51% of travelers would purchase additional services through an airline. Generate more ancillary revenue by offering other services such as upgrades, car rental, travel insurance, ground transportation or experiences at the destination, and make it easy for travelers to pay for them during their journey.



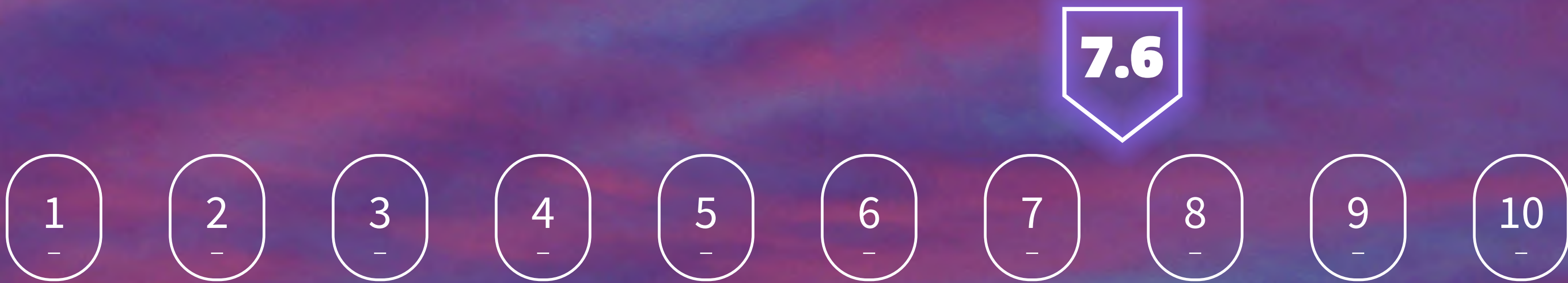
# Tailor your payment process, and be on trend

While it’s essential to gain the trust of your passengers, it’s equally important – and many would argue more so – that your payments experience remains exceptionally convenient for your users.

Don’t underestimate how important a convenient payment process is to your consumers. On a scale of 1-10 for importance, the payment process came in at 7.6, almost on par with other critical aspects of the customer experience, including customer service and a booking confirmation.

With payments proving to be a really important component of the booking experience, airlines should tailor their payment process to meet the needs to their target market. Flights are a high value transaction so customers may give these purchases more consideration. This only makes it more important for airlines to make sure there is minimal friction through the payment process.

## Importance of payment process when booking a flight - average across all countries





# Nail the mobile experience, or risk alienating half of the market

Across all countries, just under half (46%) of respondents usually purchase flights on a desktop. This figure is lower for markets with high mobile app penetration.

Across India and China, airline mobile app penetration stands at 51% and 76% respectively, with only 23% of Indian and 15% of Chinese travelers usually purchasing air travel on a desktop browser.

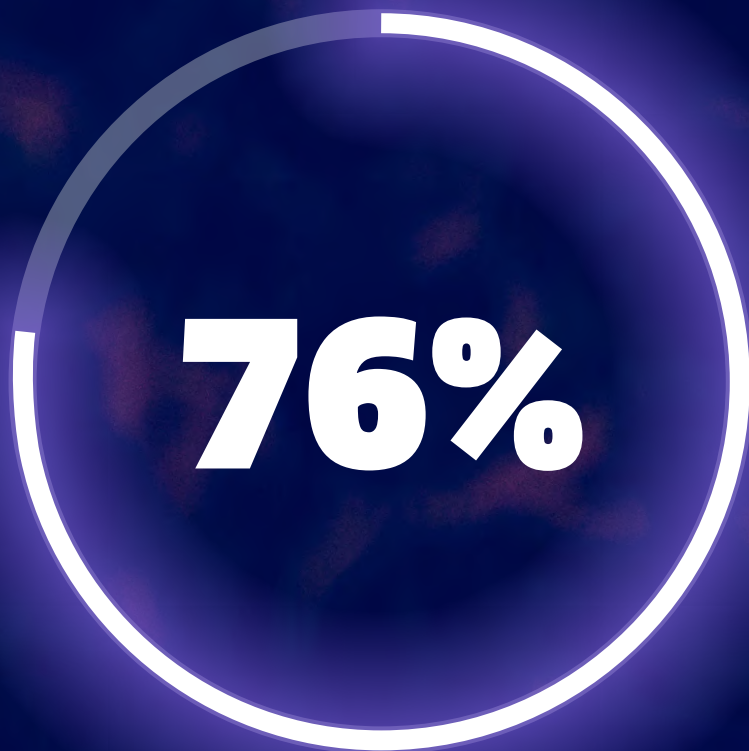
Given that together, China and India represent a third of the world's population, offering a seamless mobile payment experience for flights is important globally, but how can this be achieved?



31% across all countries pay for flights using a mobile app

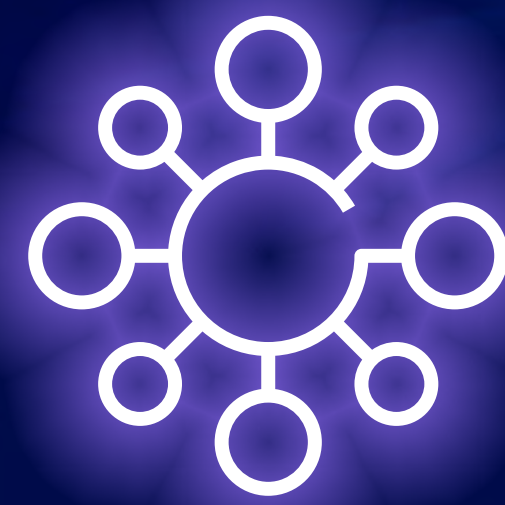


51% pay for flights using a mobile app in India



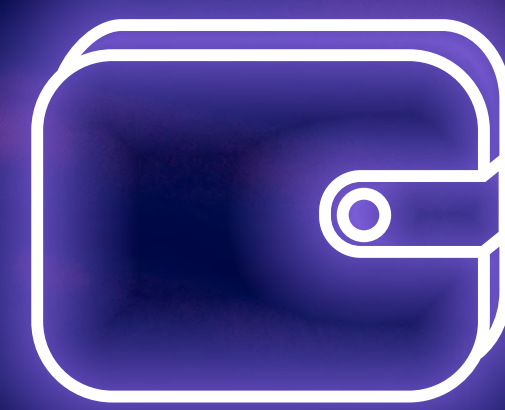
76% pay for flights using a mobile app in China





**43%**

paid after clicking through  
from social media



**11%**

prefer to pay  
using PayPal



**42%**

more likely to book  
if one-click is available

# Deliver a seamless mobile payment experience

## Social selling

43% of passengers told us they click through via social media to book a flight. Ensure the transition between social channels and your mobile app is seamless.

## Mobile wallets

11% of passengers surveyed prefer using PayPal to pay for travel. Make sure you offer the ability to accept mobile wallet payments such as Apple Pay, PayPal and Alipay to provide customers with a fast, convenient and secure way to pay using their phones.

## One-click payments

Surprisingly, 42% of respondents told us that they would be more likely to book an airline if they could pay with one-click. This is another signal that

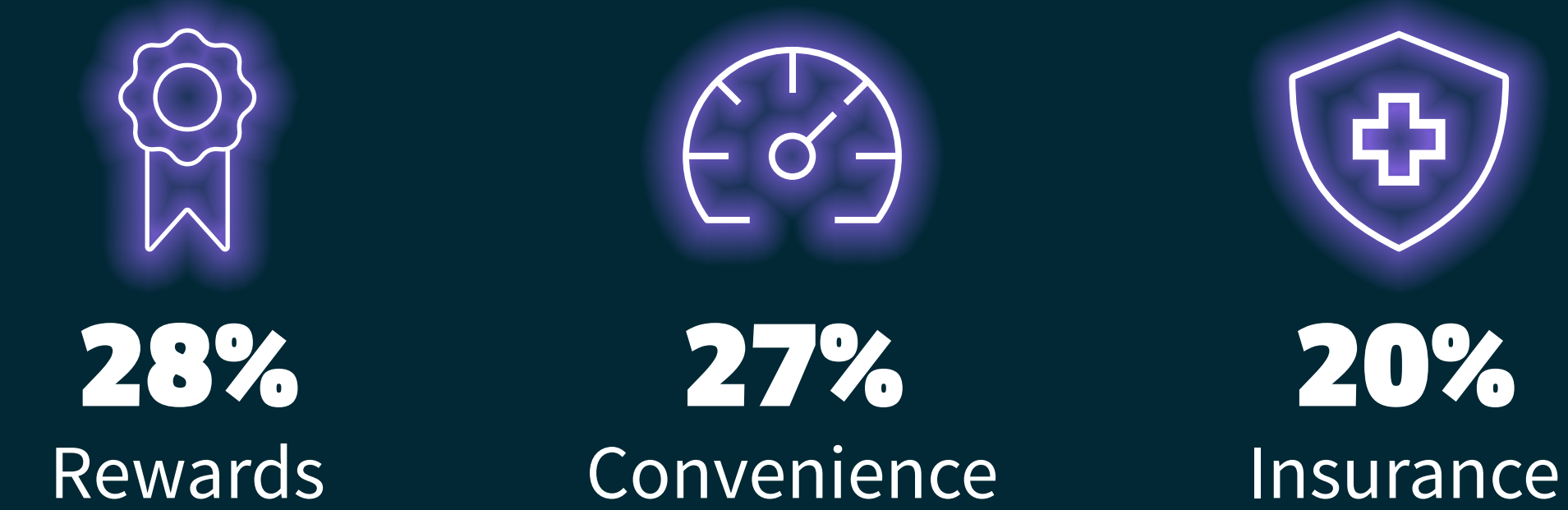
mobile is increasing in prominence when booking online. Brazilian and Mexican respondents were much more open to this than other countries, especially those across Europe, where it seems security still outweighs this extreme example of convenience, given the generally high value of air travel transactions.

This openness to one-click payments may, in part, be influenced by its effectiveness in lower-value transactions in other verticals, for example retail. As the number of mobile app users continues to increase across the world, and where payments are stored and kept up to date, the convenience of one-click payments may entice users to use this method even when making more expensive purchases.

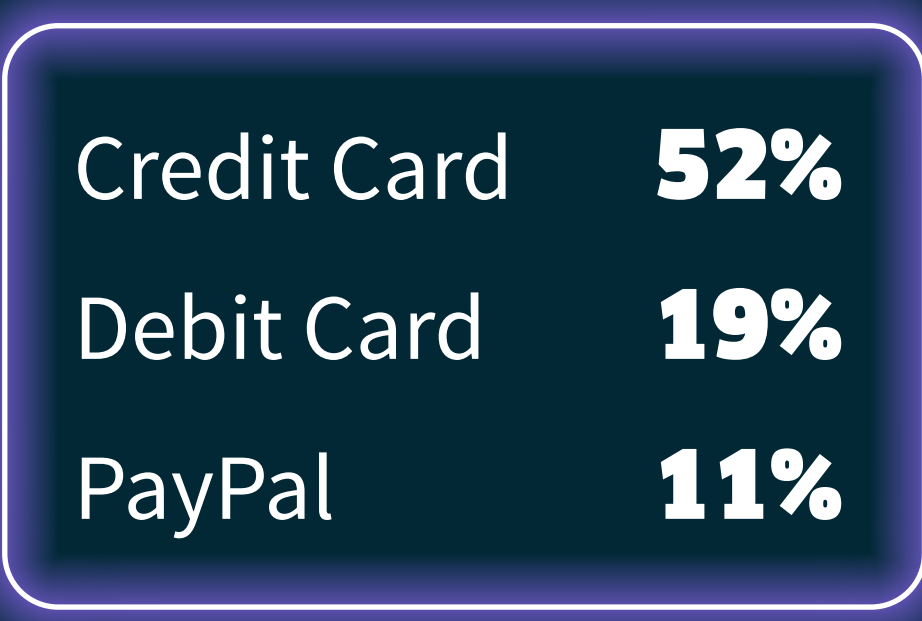


# We asked travelers what was driving their choice of payment for flights

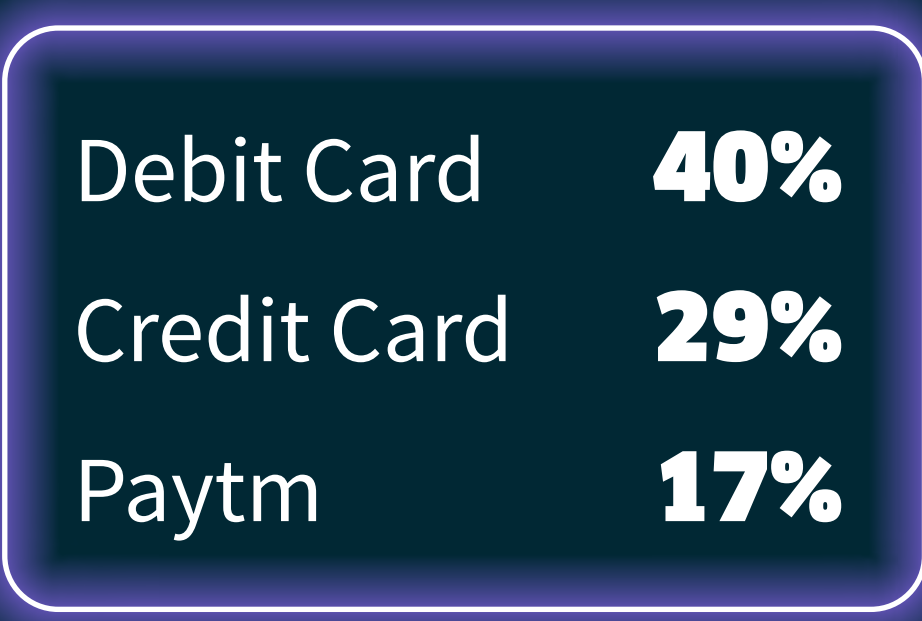
## All countries



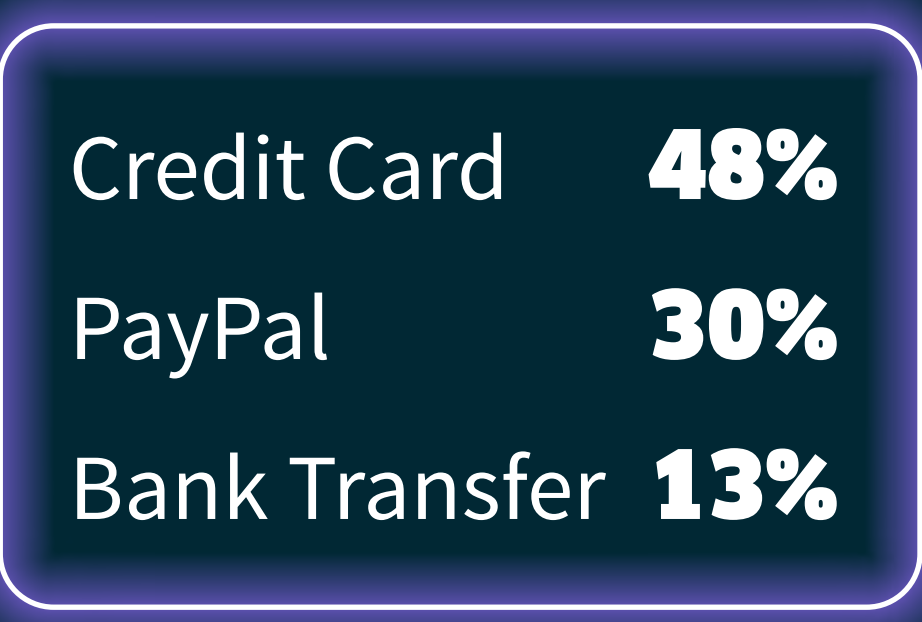
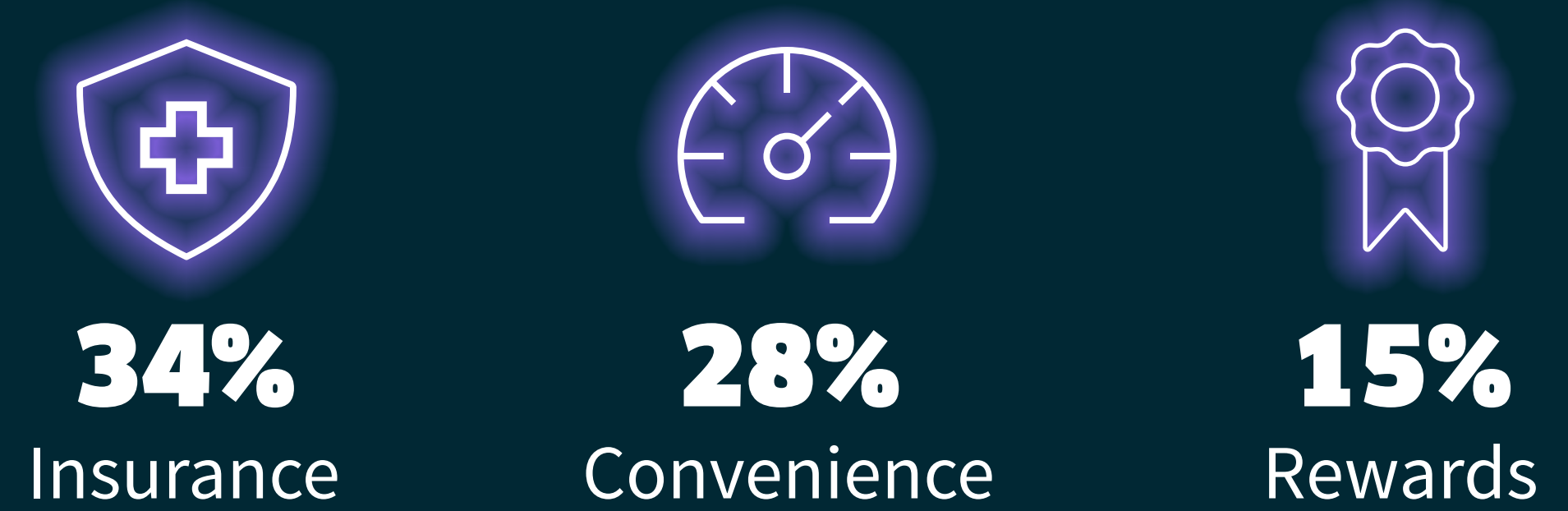
## Top payment methods



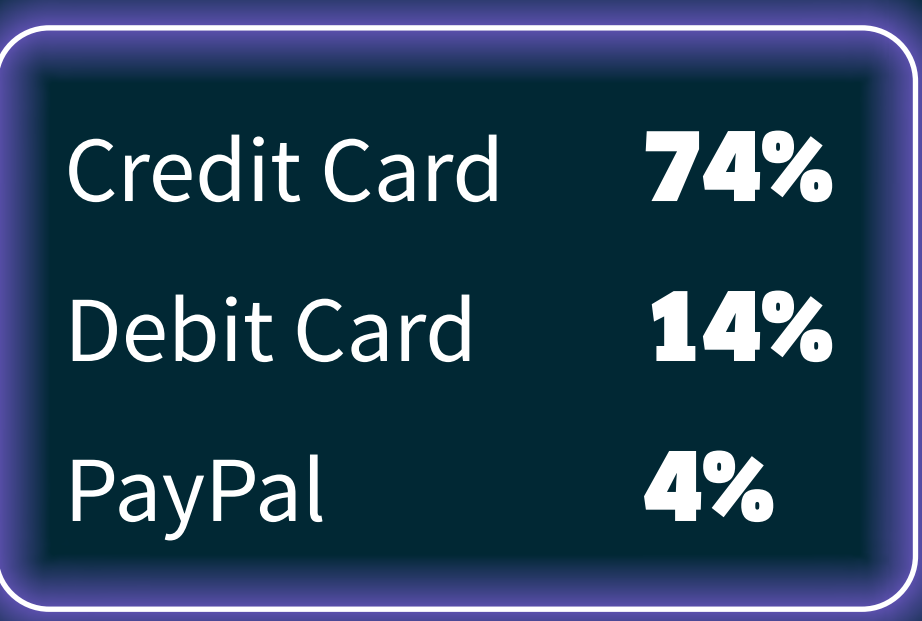
## India



## Germany



## Argentina



# Offer the right payment types for the right markets

Could you be losing repeat bookings because you aren't offering the right payment types? For airlines trying to grow their direct booking channel, you may be losing customers to online travel agents by not taking payment method preferences into consideration.

Payment methods can have an impact on loyalty. Our findings highlighted that while 18% of respondents would reluctantly use a different payment method if their preference wasn't available, they wouldn't book with that airline again.

Credit cards continues to dominate flight payments, with 71% of purchases made across credit and debit cards globally. If you dig into the data a little deeper, however, the payment landscape has considerable variance across different markets. China bucks the credit and debit card trend with only 20% of total

payments made on cards; WeChat and Alipay own this market with 44% and 33% respectively. In Australia, Germany and Spain, PayPal is used between 20 and 30% of the time, while interestingly, in the UK, 19% of travelers prefer to pay by bank transfer – the highest of any market. For South America, local payment methods represent a considerable section of the market share, with Boleto Bancario in Brazil, MercadoPago in Argentina, and Efecty in Columbia.

Interestingly, Indian travelers are most likely to “go with the flow” when booking a flight with an airline, with 52% saying they don't mind paying with a payment method that's not their primary choice. In contrast, Germany provided the strongest resistance, with 33% stating that they wouldn't buy from an airline again if forced to use a secondary payment choice.



# 28% of travelers would drop out at the checkout if their payment method wasn't available

Once you've got the right payment options in place – don't fail to showcase them. If you don't clearly advertize the payment methods you support locally on the home page of your website or your mobile app, you could risk losing over a fifth of bookings from the start. 22% of our respondents said they need to see their preferred payment method on the homepage to make a booking with an airline.

For 28% of travelers surveyed, if their payment method wasn't available, they'd drop out at the checkout, and book elsewhere.

## Top preferred payment methods by country

<b>Argentina</b> Credit Card <b>74%</b> Debit Card <b>14%</b> PayPal <b>4%</b> MercadoPago <b>3%</b> Bank Transfer <b>2%</b>	<b>Australia</b> Credit Card <b>49%</b> PayPal <b>23%</b> Debit Card <b>22%</b> Bank Transfer <b>2%</b>	<b>Brazil</b> Credit Card <b>81%</b> Debit Card <b>7%</b> PayPal <b>4%</b> Boleto Bancario <b>4%</b>	<b>China</b> WeChat <b>44%</b> Alipay <b>33%</b> Credit Card <b>16%</b> Debit Card <b>4%</b> Bank Transfer <b>2%</b>	<b>Colombia</b> Credit Card <b>55%</b> Debit Card <b>27%</b> Bank Transfer <b>9%</b> PayPal <b>5%</b> Efecy <b>3%</b>	<b>Germany</b> Credit Card <b>48%</b> PayPal <b>30%</b> Bank Transfer <b>13%</b> Debit Card <b>4%</b> Sofort <b>2%</b> Barzahlen <b>2%</b>
<b>India</b> Debit Card <b>40%</b> Credit Card <b>29%</b> Paytm <b>17%</b> Bank Transfer <b>6%</b> PayPal <b>5%</b> Prepaid Card <b>2%</b>	<b>Japan</b> Credit Card <b>93%</b> Payment Transfer at Financial Institution <b>2%</b> Prepaid Card <b>1%</b>	<b>Mexico</b> Credit Card <b>48%</b> Debit Card <b>29%</b> PayPal <b>16%</b> Bank Transfer <b>2%</b>	<b>Spain</b> Credit Card <b>37%</b> Debit Card <b>32%</b> PayPal <b>27%</b> Apple Pay <b>2%</b>	<b>UK</b> Credit Card <b>37%</b> Direct Debit <b>23%</b> Bank Transfer <b>19%</b> PayPal <b>8%</b>	<b>USA</b> Credit Card <b>60%</b> Debit Card <b>21%</b> PayPal <b>13%</b> Bank Transfer <b>2%</b> Visa Checkout <b>2%</b>



# Ride the installment payment tide

44% of passengers studied would like the opportunity to pay for flights in installments. This figure was inflated even higher in LATAM markets – Mexico, Argentina, Brazil and Colombia all had a response rate of over 60%.

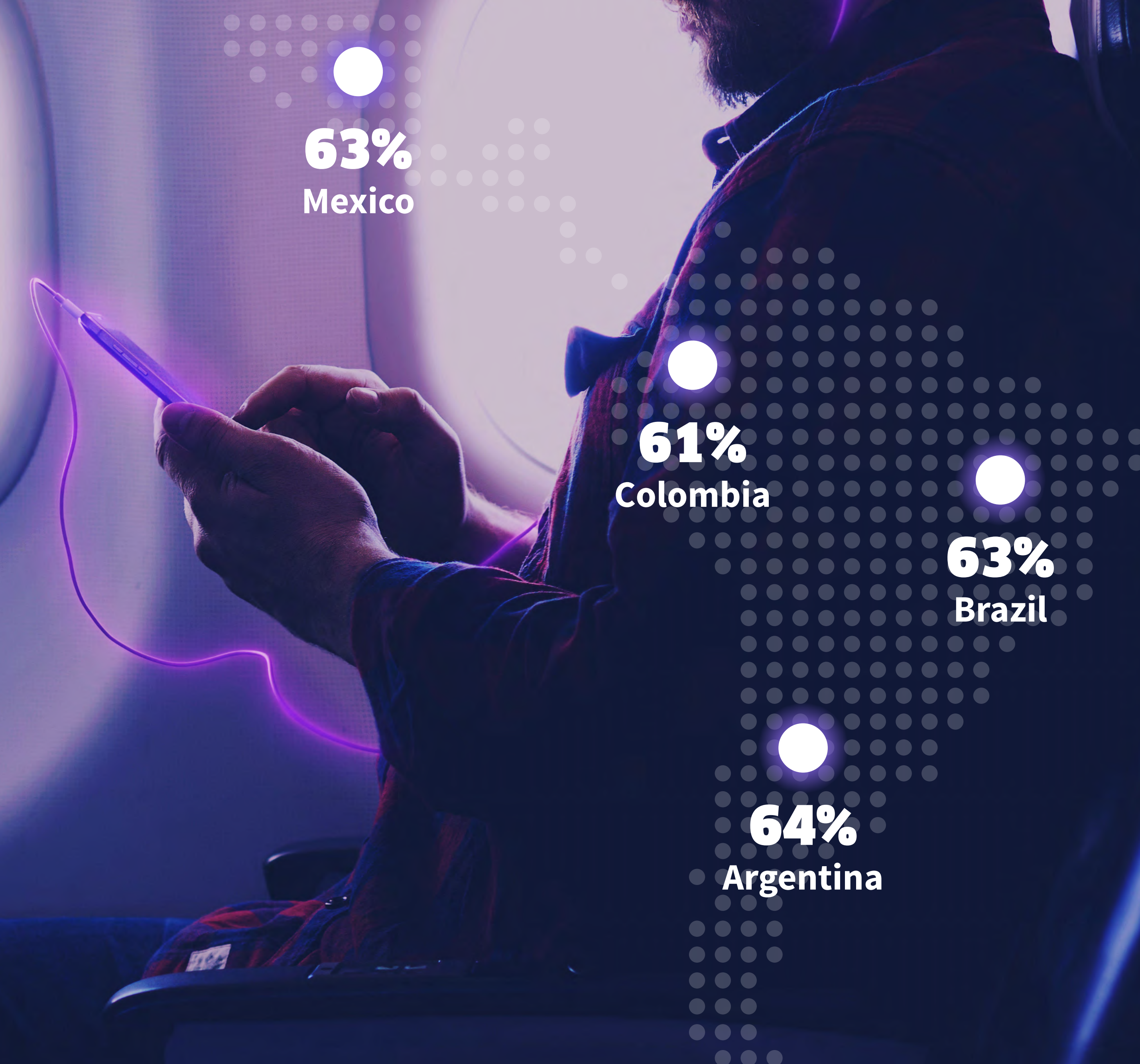
Pay by installment is a popular method of payment in South America, built on a history of local merchants in Brazil offering “crediários” payment plans at the point of sale from as early as the 1950s, to encourage shoppers to purchase more expensive items and pay over an extended period.<sup>1</sup>

This split payment trend allows shoppers to maintain more control over their outgoings, and has since spread across Latin America to become a highly popular way to pay for ecommerce across many industries today.

While Latin America has a rich history of installment payments, other regions are also open to paying this way. 46% of Indian air passengers are more likely to book if they have the option to pay in installments, with a further 24% only willing to pay this way. This response is actually stronger than Latin American countries, with just 19% of Brazilians only willing to pay in installments.

Spain and the USA also show openness to installment payments, with a majority of 53% and 55% positively influenced by this option. The message is clear: offering the ability to pay for flights by installments could open your services to new customers in markets across the world.

## Installment payments are particularly popular in Latin American markets



**Percentage more likely to book if  
installment payments are available**



# Delivering a frictionless payment process

“Friction” in the payment process could refer to several things. Examples include a declined payment without explanation, an unexpected site redirect, or the requirement to re-populate card details at a later date. For airlines, taking steps to make the payment process as streamlined, efficient and frictionless as possible can improve the user experience, increase conversions and help build loyalty.

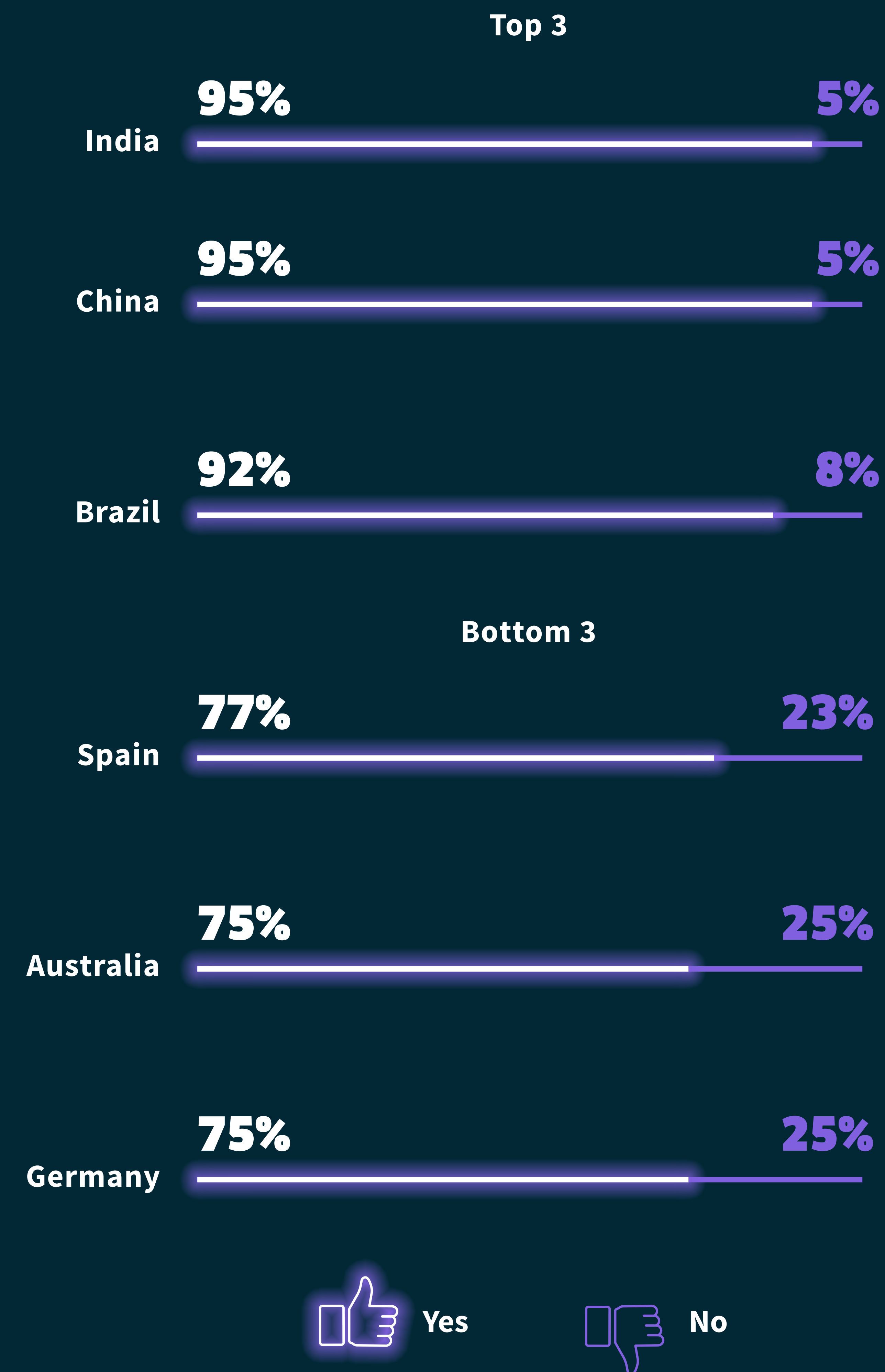
As can be expected, many respondents take negatively to the thought of friction when making a payment. 32% of travelers would be less willing to continue a flight booking if they had to re-enter their payment details or flight choices after a payment error (e.g. the payment was declined).

Therefore, it’s worthwhile incorporating a function in your booking process that allows a traveler to temporarily save their booking for later, or until the initial issue is resolved.





# When booking a flight, do you create an account?



# Should you save payment details, or offer guest checkout?

Upon returning to an airline booking site, saved payment details allow travelers to proceed through the checkout process in a timely and efficient manner.

For 84% of respondents, being able to open an account has a positive effect on their likelihood to book again. This is particularly the case for Indian and Chinese passengers who were most open to saving their details in a user profile or account for future convenience. This correlates with the fact that these two countries also book the most flights per person, perhaps with suppliers where trust has already been built, and where convenience and ease of use is more important.

It's worth noting that creating accounts with an airline can also come with additional benefits as well as convenience. Loyalty programs are frequent in the industry, and with an account comes the ability to collect loyalty points.

Providing the option for passengers to save payment details could also prove beneficial. 40% of Indian and 41% of Chinese respondents are also more likely to book again if they could save their payment details in their user account. This may be because the average number of flights per year was higher in these countries than anywhere else, with 48% of Chinese and 42% of Indian respondents booking flights 4-6 times a year.



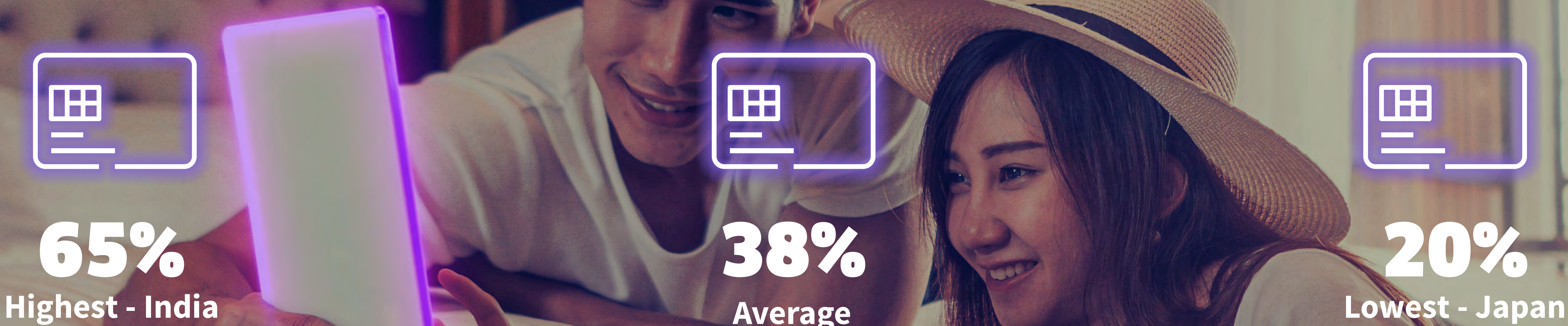
# 38% of travelers are more likely to book if a guest checkout option is available

Offering a guest checkout, rather than the requirement to save contact and payment information, is preferable to certain users. 38% of travelers surveyed are more likely to book a flight if a guest checkout option is available.

This juxtaposition of preferences is the perfect example of why it's essential to strike a balance between security and convenience. Cultural and personal preferences vary surrounding the

checkout experience, so it's impossible to select an optimal universal route. In this example, the best outcome is to offer both options – the ability to create an account or proceed using a guest checkout - and please everybody.

## Percentage of travelers more likely to book or would need to see guest checkout to book





# Make it easy for customers to enter payment details

Could you be doing more to ensure you don't experience dropouts on the payment page? Our survey showed that passengers in some countries, especially India, Colombia and the United States, showed a firm preference towards effortless payment detail entry.

## **Pre-filled personal details**

In India, 29% of passengers wouldn't continue with the booking if they had to re-enter personal information again when they reach the payment page. You could be seeing a high dropout rate by asking passengers to re-enter information.

## **Payment details saved in a browser**

Interestingly, more than 60% of Indian and American respondents would like to use payment details saved in their browser for convenience.

## **Payment information validated as it is being entered**

59% of Colombians and 50% of Brazilians would be more likely to book with an airline that checked payment information was correct as it was entered.



**43%**

of travelers are more likely to book if their personal details are pre-filled



**40%**

of travelers are more likely to book if they can use payments details saved in the browser



**41%**

of travelers are more likely to book if their payment details are validated as they entered them



## Biometric authentication preference - all countries

58%

Fingerprint

20%

Face ID

5%

Voice recognition

18%

Would not use

# Biometric authentication could enhance the payment experience

Attitudes to being able to authorize payments through biometric authentication such as fingerprint or facial recognition vary globally, and interestingly also by age.

More than half of respondents in Spain, Mexico, Colombia and Argentina would be more likely to book with an airline that allowed them to authenticate a payment using biometrics.

In Germany however, biometrics had a markedly negative response, with 23% of German passengers stating they would be less likely to book with an airline if they had to use this option.

Our research highlighted that authenticating with a biometric measure was popular with 18-54 year-olds, but those in the 55+ age group were not as keen. In fact, 9% of over 55's would not book with an airline if this was the only authentication method.

Offering payment methods that allow biometric authentication can significantly enhance the payment experience.



# Use payments to help build loyalty

Globally, travelers tend to use an airline website or app an average of three times before they're comfortable storing their payment details. So how can airlines build trust with their passengers?

Our research indicates that one way that airlines can reassure their customers is by being transparent throughout the entire booking process.

Airlines should provide reassuring indicators such as symbols, logos and other measures of your security and reputation, and clearly communicate the payments process expectations from as early as the home page. This could help to reduce drop off rates and build the trust of customers.

For airlines looking to keep passengers in the booking journey, reassuring indicators are not a nice-to-have, but a necessity.

Reassuring indicators, ranging from logos of third-party industry regulators to positive user reviews, help airlines build the trust and confidence of prospective customers, ensuring they complete their purchases and keep coming back.

**of travelers that are more likely to book a flight if they see a digital security logo**

**71%**

**Brazil**

**69%**

**Mexico**

**67%**

**Colombia**

**67%**

**India**



# Reassuring indicators are not a nice-to-have, but a necessity

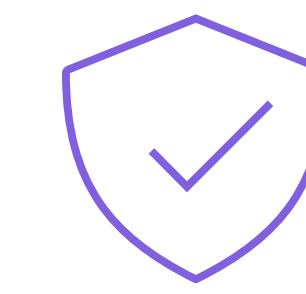
44%

of travelers are more likely to book if they can see a digital security logo

68%

would be more likely to book a flight if a security lock symbol was visible on the payment screen

## What's important to your passengers? Here's an overview:



### Industry regulator logos

31% of travelers are more likely to complete a transaction if the logo of an industry regulator such as IATA was visibly present on the site. These regulators help to ensure airlines operate safely, securely, efficiently, and economically across the world by adhering to clearly defined standards and rules that member airlines must follow.



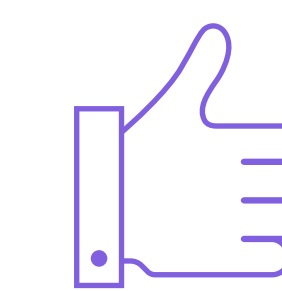
### Third-party consumer protection

33% of respondents would be more likely to book from an airline that showed it offered some form of protection, and in light of the global COVID-19 crisis, this number is now likely higher. Many airlines are currently offering and promoting increased flexibility on bookings, including amendments to date of travel and even free cancellations.



### Digital authentication logos

Digital authentication logos such as “Verified by VISA” and “Mastercard Secure” have a positive impact on 49% of consumers, with 14% of travelers stating that they would not book outright if these logos weren't present on a site. For high-ticket items such as flights, the perception of fraud risk on the minds of consumers should not be overlooked.



### Ratings

Reassurance goes beyond payment security. Travelers respond positively to helpful reviews left by previous customers – quantitative proof that the service is legitimate and of high quality. Adding a review badge or link to positive reviews on a globally recognized service could present a massive return for airlines, with 43% more likely to book after looking at review ratings. We found that in countries like Mexico, Spain, Colombia, Brazil and particularly India, the influence of review websites was even more prevalent.



### Lock symbols

Sometimes the most straightforward amendment can have a considerable impact on the perception of a consumer. 68% of respondents stated that they either needed to see or would be more likely to book a flight from an airline if a security symbol such as a lock was presented to them on the payment screen. This figure was even higher in the USA (73%), India (76%), Spain (78%) and Brazil (82%).



# BE TRANSPARENT THROUGHOUT THE BOOKING PROCESS

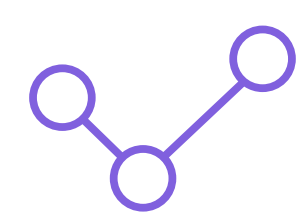
## Clear communication

Being as transparent as possible throughout the extent of the booking process can help to build trust, and also improve the overall payment experience for the customer. Be clear about any costs, guide the traveler throughout the payment process, and annotate any errors or verify data with helpful messaging to clarify what the user needs to do to proceed.



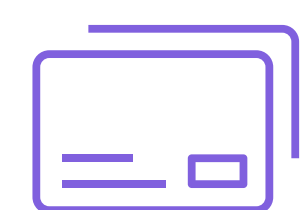
### Local currency

34% of respondents are more likely to purchase if they see the flight price in their preferred currency. For international customers, consider implementing Multi-Currency Pricing (MCP) or Dynamic Currency Conversion (DCC) to convert the price into their local currencies. This builds confidence in the purchase and reduces surprises when passengers see the final price in their own currency on their bank statements.



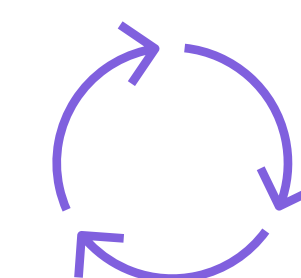
### Website redirects

Pre-warn users if you need to redirect to a different website to pay. With 36% of respondents less likely to or would not purchase if redirected elsewhere, it's vital you're clear this will happen to prevent any friction.



### Automatic card updates

Acquirers can automatically update expired or replaced card numbers that airlines have on file for registered customers. Our data showed a mixed response on whether people want card details to be automatically updated or not. While 24% of Colombian passengers and 26% of Spanish passengers said they would be less likely to book with an airline that automatically updated their card details, we saw a strong preference for automatic updates in China, Mexico, India and the UK.



## Payment progress

When there are multiple steps involved in the payment process, show the number of steps by utilizing interface elements such as progress bars. Communicating this information helps prepare users for what's coming next.



## Verification

In-line verification (when you highlight errors in data entry while the passenger is typing e.g., that the expiry date is a future date, or the card number has 16 digits) can avoid shopping cart abandonments due to payment declines that are caused by data entry errors.



## Clear error message

“Oops! Something’s gone wrong”. There’s nothing more frustrating than a confusing error message. Converting the acquirer’s decline reason codes into a usable response message to the passenger will help them to recover their purchase. For example, consider how “Please validate your card details” compares to “Apologies, there was a technical glitch – please try again.”

17% of Indian passengers and 13% of American passengers said they would need to see a detailed payment error message to feel secure enough to retry making with a payment. That’s a significant amount of potential sales that could be lost.






# More than half of passengers want to buy other travel extras from their airline

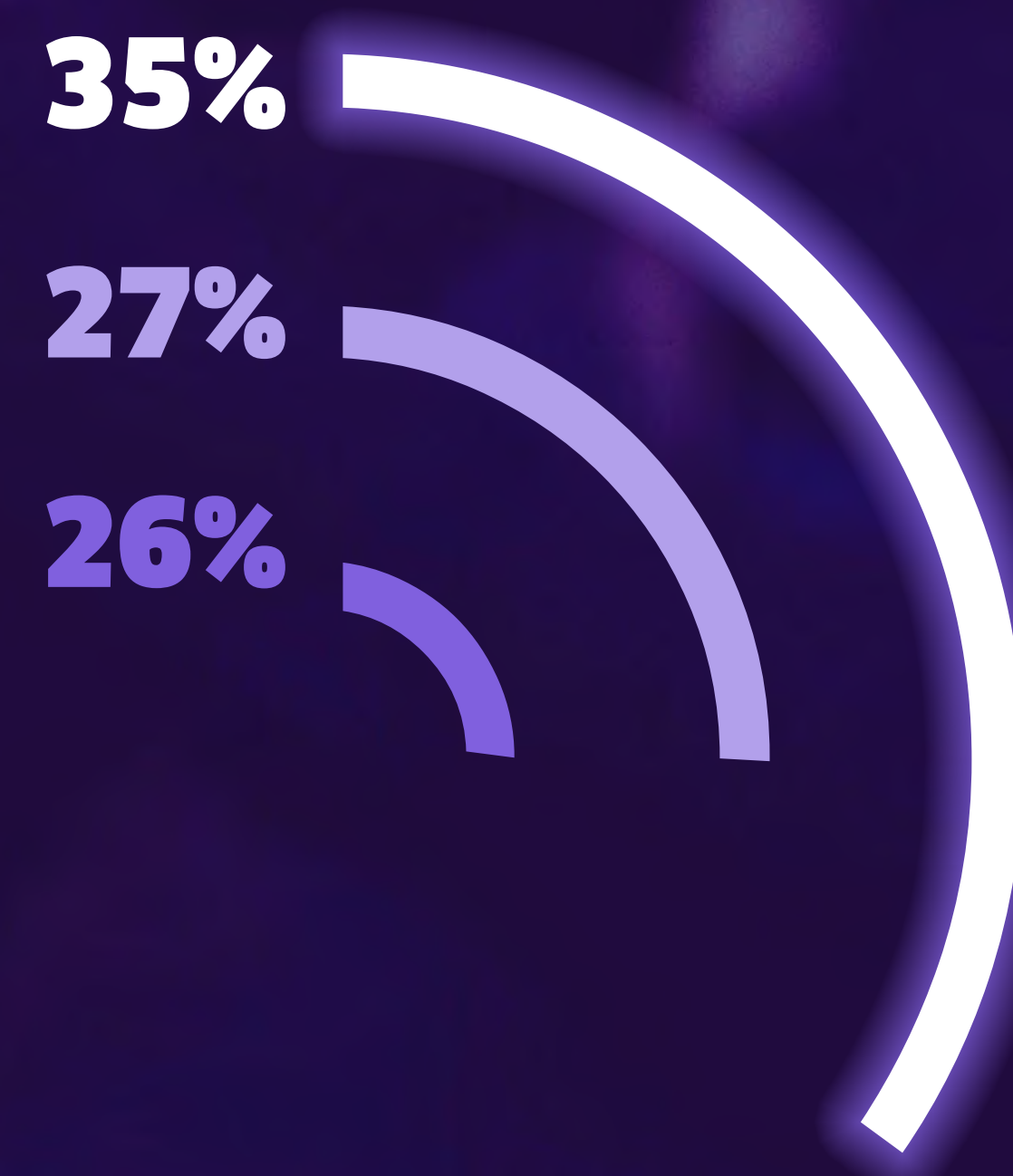
Selling additional services on your website or mobile app could be a great way to increase revenue streams. 51% of our travelers said they would purchase additional services through an airline because it's more convenient to manage through a single provider. For example, 49% of travelers would be more likely to book travel insurance through the airline they purchased their flights from, and a further 36% would consider purchasing car rental.

Our research showed that some travelers would like the opportunity to pay for upgrades once they've started their journey. 35% would be more likely to book an upgrade at the check-in desk, and 26% of passengers would be more likely to book a seat upgrade if they could pay at the gate.

There's even an opportunity for airlines to offer upgrades and addons once passengers have boarded, if the option to pay was there. 29% of passengers told us they would be more likely to pay for extra legroom when on board, and 27% would be more likely to pay for an airport transfer if they could pay on board.

By considering your offline customer touchpoints throughout their journey, you'll make it simpler for customers to upgrade and purchase services that would improve their experience, while also providing you with the opportunity to generate more revenue.

-  More likely to book a seat upgrade if they could pay at the check-in desk
-  More likely to pay for an airport transfer if they could pay on board
-  More likely to book a seat upgrade if they could pay at the gate





# WORLDPAY FROM FIS AIRPORT AND IN-FLIGHT PAYMENTS

**Offer your customers the chance to pay for upgrades throughout the airport or in-flight with easy, flexible and quick airport payment solutions from Worldpay.**



**Offer and receive payments for baggage and seat upgrades at the check-in desk and bag drop**



**Accept EMV chip card payments anywhere at the airport**



**Secure and separate from the shared airport environment**



# Summary

For airlines, security and convenience together pave the way forward to repeat bookings online. It's no longer about striking a balance between the two, nor is it about choosing increased security at the cost of convenience, or vice versa. Instead, it's about delivering an experience that supports the varying expectations of your customers around the world.

## **Aim to build trust through security**

Promote the security of your payments infrastructure throughout the booking process, framing it as a benefit. Displaying reassurance indicators such as security logos and user ratings across your site can go a long way toward developing the trust

of your customers, as does transparent messaging about the process itself.

## **Ensure your booking process is easy to use**

Take steps to align your booking experience with the local expectations of travelers across the world. Consider how preferred payment methods vary across the world, and eliminate any potential points of friction in the booking flow. Create a seamless paying experience across mobile and desktop devices, and explore how you can upsell ancillary services effectively with payment touchpoints after the initial purchase and before, during and after the trip.





**worldpay**  
from FIS

**We lift economies  
and communities by  
advancing the way  
the world pays,  
banks and invests.**

FIS is a leading provider of technology solutions for merchants, banks and capital markets firms globally.

Our more than 55,000 people are dedicated to advancing the way the world pays, banks and invests by applying our scale, deep expertise and data-driven insights. We help our clients use technology in innovative ways to solve business-critical challenges and deliver superior experiences for their customers.

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# POWER YOUR PAYMENTS

## Shining light on how customers want to pay for flights

**worldpay**  
from FIS

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1. LABS Team. Latin American Business Stories (2018).  
Why Do Brazilians Love to Pay with Installments?  
Here Is the Full Story → <https://bit.ly/3fG7SIX>

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