The Travel Business Guide to Understanding Payment Pricing

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Payments sit at the heart of every travel business. Yet, for many operators, payment pricing is one of the least transparent parts of running the business. Acquirers often promote low headline rates that look simple and competitive, but the true cost structure is more complex, especially in an industry where international customers, credit cards, and higher-value transactions are the norm.

This guide explains how payment pricing really works in the travel sector, why headline rates often mislead, and what to look for when assessing the real cost of processing customer payments. The aim is to equip you with practical knowledge that helps you get the best possible value, no matter which acquirer you use.

1. Why Payment Pricing Seems Simple, but Rarely Is

Most acquirers advertise a single number, for example:

- *0.25% for debit cards*
- *0.69% for credit cards*

These are designed to appear competitive. However, these headline rates apply only to a portion of your transactions and exclude the surcharges that often form the bulk of your actual cost.

Travel businesses, in particular, are exposed to a wider variety of card types and international customers than most industries, which makes pricing more layered.

Understanding the elements that sit behind the headline rate is the first step toward understanding your true cost.

2. The Hidden Elements That Influence Your Processing Cost

Below are the most common cost components that affect travel businesses. Even small uplifts can create large differences when applied across higher booking values.

Card-not-present surcharge

Most travel payments are online or taken over the phone. These transactions often carry an additional fee, often **+0.30%**, even when they go through 3D Secure.

This uplift applies to the majority of the booking volume, which means the “low” debit rate applies far less often than it appears.

A rate advertised as **0.69%** for credit cards is often **0.99%** once a card-not-present surcharge is added.

International and commercial card fees

Travel businesses naturally attract international visitors, group organisers, and agents using corporate cards. These cards often add **up to 2.5% more** to the transaction fee.

The combined effect

When you apply all surchages and mix them with your real transaction patterns, a rate that looks like 0.25% or 0.69% might become something very different in reality.

3. Why Your Card Mix Matters More Than the Headline Rate

Most travel businesses assume that the majority of their revenue comes through low-fee domestic debit cards. In reality, most see more than half of their volume coming from:

- credit cards
- foreign-issued cards
- commercial or business cards
- or cross-border transactions.

These categories all carry higher fees.

This means you can have the same headline rate as another operator but end up paying thousands more per year simply because of the types of cards your customers use.

Understanding your card mix is an important factor in estimating your true cost.

4. How to Assess Your True Cost of Payments

No matter which acquirer you use - whether it is Barclaycard, Worldpay, Global Payments, Stripe, or others - the framework for evaluating your pricing is the same.

Here are the elements worth reviewing:

1. Base vs applied rates

Request a breakdown of what you are *actually charged* per card type, not just what is advertised.

2. Surcharges

Note the specific additional fees, such as:

- card-not-present
- international
- commercial card

3. Card mix patterns

Identify the percentage of debit, credit, international, and commercial cards each month.

Even if your headline rate seems low, a high proportion of international or credit cards can increase the true average cost significantly.

5. What "Good" Pricing Looks Like in Travel

Payment pricing that works well for travel businesses typically includes:

- **Clear visibility of all surcharges**, not just the base rate
- **Transparent card type breakdowns**

Fair treatment of international and commercial cards
Options to offset or reduce higher-cost cards

Good pricing is not only about having the lowest number on a page, it is about knowing exactly what you pay, why you pay it, and how to optimise it.

6. How a Partner Can Help You Optimise Pricing

Travel businesses often tell us that payment statements are difficult to interpret and pricing structures vary widely between providers. This is where a specialist partner, working closely with travel operators, can add significant value.

Even though we are not an acquirer ourselves, we work directly with acquirers and travel businesses, which means we are deeply familiar with the common cost structures across the industry.

As a result, we:

- help travel businesses break down their payment fees
- identify where costs are unnecessarily high
- support pricing optimisation with their existing acquirer

and offer tools such as **automatic surcharging** to offset international and commercial card costs

Our aim is to make pricing clearer, more predictable, and more aligned with how travel businesses actually operate.

Final Thoughts

Payment pricing should empower your business, not confuse it. By understanding the components that sit behind the headline rates, travel businesses can make more informed decisions and avoid paying more than they need to.

Better pricing starts with clarity. This guide is designed to give you the foundations to ask the right questions and evaluate your payment costs with confidence.

If you'd like support reviewing your cost structure or simply want to understand your pricing better, we are always happy to help.