

PAYMENTS

From Processing to Intelligence

How multi-day travel operators turn payments into growth.

WRITTEN FOR

Commercial, finance and operations leaders at multi-day travel businesses

COVERS

Payment complexity, friction, orchestration, global acceptance, payment intelligence

INCLUDES

A payment maturity model and two self-assessments you can run today

What this paper covers.

Payments used to sit at the end of the booking process. This paper looks at why that is no longer true for multi-day travel, what it costs when the payment layer is disconnected, and what a modern one actually looks like in practice.

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TWO TOOLS INSIDE

Both self-assessments are designed to be answered in a few minutes by someone who already knows how bookings are paid for today.

HOW TO READ THIS

Sections 01 to 04 describe the problem: why multi-day payments are structurally harder than retail checkout, and where the cost of that difficulty actually lands. Sections 05 to 08 describe what changes when the payment layer is connected to the reservation, and what that makes possible next.

The two assessments are there to make the argument concrete against your own operation rather than a generic one.



Payments have moved to the centre of the booking journey.

Traditionally, a traveler chooses a trip, an advisor or agent confirms availability, and somewhere near the end of the process, money changes hands. Payment was perceived as a necessary but peripheral step to the real work of selling and operating a trip.

While the sequence hasn't changed, the role of payments has. Yes, it still occurs near the end of the booking process, but today payment increasingly determines conversion rates, traveler trust, cash flow, and the quality of the customer experience.

It influences conversion at the moment of highest intent, sets the rhythm of deposits and balances that carry a booking to departure, signals trust on a high-value purchase, and determines whether an operator can sell into a new market without re-platforming.

As multi-day travel becomes more personalized, digitally distributed, and global, the payment layer is becoming part of the product experience itself rather than a financial utility running in the background.

THE SHIFT, IN ONE LINE

Payment stopped being the last step in a transaction and became part of the product a traveler is buying.

It is the same change that reshaped retail and marketplaces. Now travelers arrive at the checkout page expecting payment to be just as effortless, even while the trip they're buying is far more complex than anything in an Amazon shopping cart.

This paper looks at why multi-day payments are uniquely challenging, the cost of friction during the payment process, and what a modern payment experience actually looks like in practice. It examines how connected payment infrastructure becomes the foundation for global growth, operational efficiency, and, ultimately, intelligence.



The complexity of payments in multi-day travel.

A standard e-commerce transaction is a single buyer paying a single price for a single item at a single moment. A hotel checkout is only modestly more involved. Multi-day travel is a different category altogether.

ONE BOOKING, EIGHT VARIABLES

Each line on the right is ordinary on its own. It is the combination, held over months, that breaks a system built for one-off card transactions.

A single multi-day booking can involve:

- a high transaction value
- a long booking window measured in months rather than minutes
- a deposit followed by one or more scheduled balance payments
- mid-stream itinerary changes
- several travelers within one reservation
- multiple currencies
- fragmented suppliers
- an advisor sitting between the operator and the guest

Unlike most retail purchases, there is also a significant gap between when a booking is made and when revenue can be recognized. Operators often collect deposits and balances months or years before departure, but accounting rules typically prevent that revenue from being recognized until the trip begins or is completed. That makes accurate payment collection, cash flow visibility, and balance management critical to the financial health of the business.

WHAT IS HAPPENING BEHIND THE SCENES OF A TRIP

A 14-day FIT itinerary is booked nine months out. A deposit is due now, with the option for the traveler to make manual payments of any amount they're comfortable with along the way, and the balance due at 60 days before departure. The cost is split across two travelers in different countries. Then a room change triggers repricing and refund logic across the whole booking.

None of those requirements is unique; operators see versions of this every day.

But a payment system built for one-off card transactions simply cannot handle that complexity. The result is workarounds such as spreadsheets, manual payment links, and side conversations between finance and reservations that operators have learned to tolerate as the cost of doing business.

“For finance teams, payments aren’t just about collecting money. They’re about maintaining visibility into cash flow, reducing operational risk, and giving the business confidence in what revenue is coming and when.”

STEINGRÍMUR HELGASON • CHIEF FINANCIAL OFFICER, KAPTIO

THE REAL DIAGNOSIS

Not a technology gap. A mismatch between the commerce model the software was designed for and the one the business actually runs.

It’s not that operators lack technology. It is that the technology many of them inherited was designed for a simpler commerce model, and the friction shows up where the product is most complex.

WHERE THIS GOES NEXT

Every operator collects payments. The useful question is not whether the capability exists, but how far it has matured — and whether it simply processes transactions or actively supports growth, operational efficiency, and better decision-making. The next section sets out five stages to place your own operation against.



The payment maturity model.

Most operators don't move from Stage 1 to Stage 5 overnight. But understanding where you are today makes it easier to identify the capabilities that will have the greatest impact on conversion, cash flow, and operational efficiency.

01	Offline	Payments are handled manually through cheques, bank transfers, or customers calling agents with credit card details. Staff manually enter payments, send invoices, and reconcile transactions outside the reservation system.
02	Digital	Digital payment links and embedded card payments replace manual collection. Customers can pay online, payment status becomes visible within the booking, and ACH/bank transfer workflows are increasingly integrated.
03	Orchestrated	Deposits, balance schedules, tokenization, digital wallets, localized payment methods, split payments, reminders, refunds, and payment rules are managed automatically throughout the booking lifecycle.
04	Optimized	Payment data is used to improve forecasting, identify conversion bottlenecks, understand regional payment preferences, and optimize booking performance.
05	Intelligent	Connected payment data powers AI, predictive forecasting, intelligent automation, and personalized payment experiences across the customer journey.

WHERE THE LINE FALLS

Stages 1 and 2 answer “can the customer pay?”. Stage 3 onwards answers “what does the business learn from how they paid?”.

The step that changes the most is the move from Stage 2 to Stage 3. Digital payments make a transaction possible online; orchestration makes the whole lifecycle of a booking — deposit, schedule, change, refund, final balance — run without someone maintaining it by hand. Everything above Stage 3 depends on that lifecycle being captured as data rather than assembled after the fact.



Where payment friction actually appears.

It's easy to talk about “friction” in the abstract. It's more useful to look at where it surfaces in a real booking environment, because that's where the cost lives.

WORST POSSIBLE MOMENT

Friction lands at the point of highest purchase intent — the instant a traveler has already decided to commit.

Before embedded payments, a typical operator's finance team reconciled by hand. Someone exported a bank statement, reformatted it into a spreadsheet, and matched payments to bookings one reference number at a time.

Cheques, cash, wires, and bank transfers all landed outside the booking system, which meant the seemingly simple question — **has this booking actually been paid?** — could only be answered by cross-checking the bank against the booking record manually, days after the fact.

THE PAYMENT METHOD DETERMINES THE PAIN

With a card, confirmation is instant: the moment the guest pays, the booking updates and a receipt goes out. With a bank-transfer-style method — BPAY in Australia, for example — the system never hears back in real time. The guest simply receives payment instructions, and the booking sits in a “pending” state until a settlement file is reconciled days later.

That gap between payment intended and payment confirmed is exactly the manual problem that embedded card payments remove.

In practice, friction shows up as a recognizable set of failures:

- Payment links created and emailed manually by agents
- Customers unable to use the payment method they prefer
- Disconnected checkout experiences that vary by channel
- Unclear deposit and balance timelines
- Delayed booking confirmation while payment status is verified
- Payment visibility gaps between reservations, finance, and support
- Manual reconciliation between finance and the reservation record
- Stalled bookings caused by international payment limitations

THE COMPOUNDING COST

Friction is rarely one large loss. It is five smaller ones, running at the same time, in five different teams.

The business cost compounds accordingly:

- Abandoned bookings and lost conversion at the top of the funnel
- Staff hours absorbed by reconciliation and chasing payments
- Delayed cash flow while balances sit unconfirmed
- Error and refund risk from manual handling
- A brand experience that feels dated compared to modern payment expectations

EVIDENCE • E-COMMERCE CHECKOUT

The e-commerce world has already quantified this gap.

70%

The average documented cart abandonment rate, drawn from a meta-analysis of 50 studies.

13%

Of shoppers who abandon for a fixable reason, the share who leave because their preferred payment method isn't available.

\$260bn

Estimated annual value of orders that better checkout design alone could recover across the US and EU.

Close to one in five abandon because they don't trust the site with their card details or can't pay the way they want. Source: Baymard Institute — see page 19.

\$12,000

A typical multi-day booking value, against a \$50 retail cart.

On a \$50 retail cart, that's a rounding error. On a \$12,000 trip, even a small increase in payment friction can have a meaningful impact on conversion.



How traveler payment expectations have changed.

For high-value purchases like multi-day travel, payment flexibility has become a key expectation. Operator-managed deposits, installment plans, and buy now, pay later (BNPL) options are becoming part of the booking experience itself.

Major airlines and booking platforms including British Airways, Delta, United, and Booking.com have already integrated flexible payment options into checkout. In 2024, UATP partnered with Klarna to extend BNPL capabilities across participating airlines.

FLEXIBLE PAYMENT, ACCORDING TO TRAVELERS AGED 18–34

60%

are more likely to book a trip when flexible payment options are available.

72%

say they would spend more when those options are offered.

Source: ABTA — see page 19.

NOT UNIVERSAL

What creates trust in one market frequently does nothing in another. Preference is regional and behavioural, not global.

Payment preferences also vary significantly by market. PayPal remains one of the most trusted online payment methods in Germany, while mobile wallets dominate much of Asia-Pacific, particularly markets such as India.

The implication for operators selling internationally is clear: payment preferences are not universal. Supporting localized payment methods and flexible payment options is increasingly becoming a prerequisite for international growth rather than a nice-to-have.

Through Kaptio Pay, operators can support major card networks, digital wallets, and localized payment methods through their payment provider's configuration, making it easier to tailor payment experiences for different markets without rebuilding checkout flows.



Assess your payment friction.

How many of these occur at least weekly within your business?

- ☐ Agents manually send payment links
- ☐ Finance manually reconciles payments
- ☐ Customers contact support to confirm payment
- ☐ Travelers miss balance due dates
- ☐ Itinerary changes require manual payment adjustments
- ☐ Payment status differs between finance and reservations
- ☐ International customers cannot use their preferred payment method
- ☐ Staff manually chase outstanding balances

SCORING

0–2

Low payment friction.

3–5

Moderate operational exposure.

6+

Payment friction is likely affecting conversion, cash flow, and staff productivity.

USE IT AS A BASELINE

Score it once now and again after any change to the payment layer. The difference is the return.

Each line above is a task a person is doing because a system is not. Individually they look like minor administration. Together they are the reason payment work expands with booking volume instead of staying flat — which is the pattern the rest of this paper is about breaking.



What best-in-class multi-day payments look like.

A modern multi-day payment experience isn't a single checkout button; it's an orchestration layer that handles deposits, schedules, splits, reminders, refunds, and changes without manual intervention.

Done well, it feels like a natural extension of the booking: embedded in the reservation flow, branded to the operator, and as dynamic as the itinerary itself, so the payment structure flexes as the trip is tailored.

RULES, NOT ENTRIES

The operator configures the policy once. Every booking then derives its own schedule from it.

Staged payments, generated from rules.

Consider a traveler booking a 12-day guided tour priced at \$6,000 per person for two travelers — \$12,000 total — departing 1 September, with the booking made on 1 May, 123 days out.

Rather than an agent manually deciding what's owed and when, the schedule is generated automatically from rules the operator configures once in Kaptio Travel:

- **Deposit rule:** collect a 20% deposit at the time of booking.
- **Final balance rule:** collect the remaining balance 60 days before departure.

Applied to this booking, Kaptio produces a two-stage schedule.

WORKED EXAMPLE
DERIVED, NOT TYPED

The balance due date comes from the departure date. Move the departure and the date recalculates against the same rule.

PAYMENT SCHEDULE

GENERATED 1 MAY

Product	12-day guided tour
Travelers	2 × \$6,000
Departure	1 September
Booked	1 May • 123 days out
Stage 1 — deposit 20%	\$2,400 • due 1 May
Stage 2 — balance 80%	\$9,600 • due 3 July
Total	\$12,000

Stage 1 is triggered at booking and charged immediately to secure the reservation. Stage 2 is triggered by the “60 days before departure” rule.

Critically, that balance is scheduled, not invoiced ad hoc. Its due date is derived from the departure date rather than typed in by hand. If the departure later shifts, the balance due date recalculates automatically against the same rule.

Because these are policy rules rather than per-booking entries, the same configuration scales across every product and booking. A tour with a 90-day balance window or a 30% deposit is simply a different rule set instead of a different process.

The scheduled stages are what make the downstream automation possible: payment reminders, autopay on the balance due date, and balance collection all hang off the schedule the rules create. Layered on top, the system can also accommodate optional manual payments without breaking the schedule.

“The best payment experiences don’t feel like separate systems. They become a natural extension of the booking journey, adapting automatically as itineraries, travelers, and payment schedules evolve.”

UNNUR ÁSGRÍMSDÓTTIR • VP OF PRODUCT, KAPTIO

SECURITY IS THE BY-PRODUCT

Tokenization is usually sold as a compliance measure. In multi-day travel its biggest return is operational.

Secure stored credentials.

Much of the payment flexibility travelers now expect — paying a deposit today, settling the balance months later, or storing a payment method for future trips — depends on securely stored payment credentials.

This is made possible through tokenization, which replaces sensitive card details with a secure, non-sensitive token. Because card information is no longer repeatedly handled across systems and workflows, operators reduce both security risk and PCI compliance burden.

For multi-day travel, however, the biggest advantage is operational. Tokenization enables deposit-now, balance-later payment models, scheduled installments, and automatic collection of final balances without requiring travelers to repeatedly re-enter their payment details. That reduces payment friction, minimizes manual follow-up, and improves balance collection.

It also creates a smoother customer experience by supporting secure self-service payments, saved payment methods, and faster repeat bookings.

In short, tokenization is more than a security feature; it's foundational to delivering the flexible, low-friction payment experiences modern travelers increasingly expect.

IN PRODUCTION • FROM CONCEPT TO LIVE IN SIX MONTHS

Payment strategies are not theoretical.

Armstrong, a leading North American luxury travel operator and one of Kaptio's largest enterprise customers, took its first real guest bookings through Kaptio's embedded payment solution this year.

What used to be handled differently across each sales channel is now a single, consistent payment experience — whether the booking originates from a travel document, a call-centre agent, or the online checkout — with multi-currency support and an insurance upsell built into the same flow.

1

payment experience, replacing channel-by-channel handling across travel documents, the call centre and online checkout

~6mo

from concept to a major customer live in production, with multi-currency and insurance upsell in the same flow



How connected payment infrastructure reduces operational friction.

So far we've looked outward at the traveler. The same disconnection that frustrates guests also drags on the teams behind the scenes.

DISCONNECTED

The cost lands on finance, reservations, support and operations at the same time.

When payment data lives apart from the reservation record, the overhead is shared across every team that touches a booking:

- reconciliation that has to be done by hand
- reporting scattered across systems
- balances tracked manually
- payment status that no one can see in real time
- duplicated workflows
- communication lag between teams trying to answer a single question

CONNECTED

Payments and the reservation share one source of truth.

Connected payment infrastructure collapses that overhead. When payments and the reservation share one source of truth, the operator gains:

- real-time payment visibility
- automated workflows
- streamlined reconciliation
- integrated customer and reservation data
- genuine self-service for travelers

“When finance, reservations, and customer service all rely on the same payment data, reconciliation becomes faster, reporting becomes more reliable, and teams spend far less time resolving avoidable issues.”

UNNUR ÁSGRÍMSDÓTTIR • VP OF PRODUCT, KAPTIO

THE PAYOFF

More bookings, channels and markets without a person added for every new layer of complexity.

The strategic payoff is operational scalability without proportional headcount growth: the ability to take on more bookings, more channels, and more markets without adding a person for every new layer of complexity.

Crucially, getting there doesn't require a complete overhaul. Because Kaptio is modular, operators can adopt and evolve payment capabilities alongside reservations, operations, and distribution, adding pieces incrementally rather than ripping out and replacing an entire system at once.

Payments become part of a broader platform that streamlines operations rather than another tool that adds complexity. This is the compounding advantage of treating payments as connected infrastructure rather than a bolt-on.

ADOPT INCREMENTALLY

Because the platform is modular, the payment layer does not have to arrive as a replatforming project. An operator can connect payments to the reservation record first, then add orchestration, then add the reporting that depends on both — each step useful on its own rather than only at the end.



Why AI requires connected payment infrastructure.

This is where the current excitement around AI meets a hard prerequisite. AI-driven personalization and automation are only as good as the data they can reach.

To personalize a booking journey, automate a workflow, optimize conversion, or forecast revenue, a model needs structured, connected operational data. Payment data is among the richest signals an operator holds about intent, behavior, and value.

Fragmented payment systems starve those models. When payment data sits in a bank export, a spreadsheet, and three disconnected tools, there is no clean foundation for AI to build on.

THE ORDER MATTERS

Connect the payment layer first. The intelligence layer is only as good as what sits underneath it.

“AI can only reason over the systems it can understand. If payment data is fragmented across spreadsheets, exports, and disconnected platforms, you’re limiting what AI can automate before it ever gets started.”

RAGNAR FJÖLNISSON • FOUNDER & CTO, KAPTIO

Connected payment infrastructure is a precondition for an operator’s AI ambitions. The operators best positioned for the next wave of travel technology will be the ones who connected their payment layer first.

FROM PROCESSING TO INTELLIGENCE

As payment systems become more integrated into the booking journey, they also become a source of operational and commercial insight: where conversion drops off, how confident a booking is, which payment methods a region reaches for, when travelers actually pay, and how many complete every scheduled installment.

That is the shift the title of this paper describes — payment systems evolving from transactional tools into intelligence systems.



Is your payment data ready for AI?

Eight questions. Answer each one yes or no.

Do payment records live inside your reservation system?

YES

NO

Can payment status be accessed in real time?

YES

NO

Can you identify abandoned payments?

YES

NO

Can payment data connect to CRM?

YES

NO

Can payment history trigger automation?

YES

NO

Can payment behavior be analyzed by market?

YES

NO

Can payment events trigger workflows?

YES

NO

Can payment data be used for forecasting?

YES

NO

MOSTLY NO?

**AI won't fix your payment process.
It will simply expose the
fragmentation already there.**

READ IT AS A SEQUENCE

The first four questions are about where the data lives. The last four are about what it can do once it is there.

A “no” on the first four questions is an integration problem. A “no” on the last four is usually a consequence of the first four. That is why the order matters: connecting the payment layer to the reservation record is not a step towards intelligence, it is the precondition for it.



The future of multi-day travel commerce.

Payments are no longer peripheral infrastructure.

WHAT OPERATORS COMPETE ON NEXT

Not only itineraries and destinations, but operational fluidity — moving a traveler from inspiration to booking, payment and service without a seam.

The next generation of multi-day travel businesses will compete not only on itineraries or destinations, but on their ability to move travelers seamlessly from inspiration to booking, payment, personalization, and post-booking service.

Payments are becoming part of customer experience, operational scalability, global expansion, revenue optimization, and intelligent travel commerce.

Within Kaptio, payments are part of a Salesforce-native platform that unifies reservations, customer data, operations, and self-service, so the payment layer shares the same source of truth as everything else the operator runs.

Kaptio sees its role within that broader movement toward connected, modular, and future-ready travel operations as helping operators treat payments not as the last step in a transaction, but as a foundation for everything that comes after.

Talk to us about your payment layer.

Bring your score from either assessment. The conversation starts from where your operation actually is today, not from a generic maturity curve.

[Get in touch with Kaptio →](#)

Sources and attribution.

Every external figure quoted in this paper, with the body it comes from.

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- 01** **Baymard Institute.** Cart abandonment rate, drawn from a meta-analysis of 50 studies; the associated estimate of order value recoverable through improved checkout design across the US and EU; and the breakdown of abandonment reasons, including preferred payment method availability and card-detail trust. Cited on page 08.
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- 02** **ABTA.** Research on flexible payment options among travelers aged 18 to 34. Cited on page 09.
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- 03** **UATP and Klarna.** 2024 partnership extending buy now, pay later capabilities across participating airlines. Cited on page 09.
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- 04** **Kaptio.** Payment schedule example generated from deposit and balance rules configured in Kaptio Travel; Kaptio Pay payment method coverage; and the Armstrong embedded payments deployment. Cited on pages 09, 12 and 13.
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A NOTE ON FIGURES

Approximate figures keep their tilde. Only exact counts are printed as exact counts.

Quotations from Steingrímur Helgason, Unnur Ásgrímsdóttir and Ragnar Fjölfnisson are drawn from internal Kaptio interviews conducted for this paper.

Armstrong is named with permission as a Kaptio enterprise customer. Payment method availability through Kaptio Pay depends on the operator's payment service provider configuration; card networks are supported universally, while digital wallets and localized methods are enabled per client.