# Avoiding payment jet lag

The short-term, medium-term, and long-term horizons for travel payments

In collaboration with

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# Introduction

The travel industry has always been sensitive to geopolitical instability. In 2026, geopolitical threats and power moves have put pressure on flight paths, fuel consumption, operating costs, currency exchange rates, and customer confidence.

And yet, amid all this volatility, the world keeps turning. Travelers proceed as best they can to make their travel goals a reality. As seen in a new survey of 300 travel intermediary executives, 72% report that, in times of crisis, customers frequently say travel experiences remain a priority. And 61% say that travelers' spending has remained fairly resilient despite recent adverse events.

For travel intermediaries, the challenge is to remove the strain from customers' ambitions to cross borders. Payment processes should not become another form of jet lag, whereby friction and delays, especially during crises, distress customers and create costs for the industry. There is work to do: 79% of the industry leaders surveyed say that limitations in payment processes during disruption have damaged customer satisfaction or loyalty. And 84% of executives say that the risk of financial losses from upstream supplier insolvency feels significantly higher today than it did just 12 months ago.

Thankfully, payment processes have already improved, and those upgrades are helping the industry's endurance in 2026. Eight in 10 respondents say that improvements over recent years to how they manage outbound payments to travel suppliers have been critical to their overall performance or financial resilience.

Our research indicates that it will take more than historical resilience for the travel intermediary sector to grow through periods of geopolitical tension. It will also demand building a tech-driven financial backbone over the short, medium, and long terms.

# The short–term horizon

## Geopolitical conflicts have affected growth forecasts. Still, the industry has a plan for how to respond

Most travel intermediary executives say that 2026's geopolitical conflicts have dented their performance projections. Almost three-quarters (74%) say the conflict in the Middle East has made them lower their growth forecasts.

Rather than be defeatist, travel intermediaries are responding: 79% have a strong sense of the pragmatic actions they need to take in the current period of geopolitical instability. Out of the five countries in our survey, organizations in the U.S. and Singapore are the most likely to say this (86% and 88%).

In terms of the pragmatic actions to prioritize, payment strategies have already proven to be a critical resilience mechanism for the industry. As routes and itineraries flex to accommodate geopolitical changes, many travel transactions often need to adjust to either cancellations or reissuances. The result is complex payment reconciliation that tests the resilience of travel intermediaries' payment systems.

Thankfully, the vast majority (80%) of respondents say that previous efforts to upgrade payment processes are paying off by reinforcing their organizations' financial resilience and performance. In times of crisis, this resilience will help ensure that travelers are not left stranded. More than half of executives (54%) say they are usually able to help fund emergency travel changes in a stress-free way for customers.

While just over a third (36%) are adopting a mix of payment strategies, our survey suggests there is a tendency to protect performance through tightened payment measures, such as shortening payment windows or passing on costs to consumers where necessary.

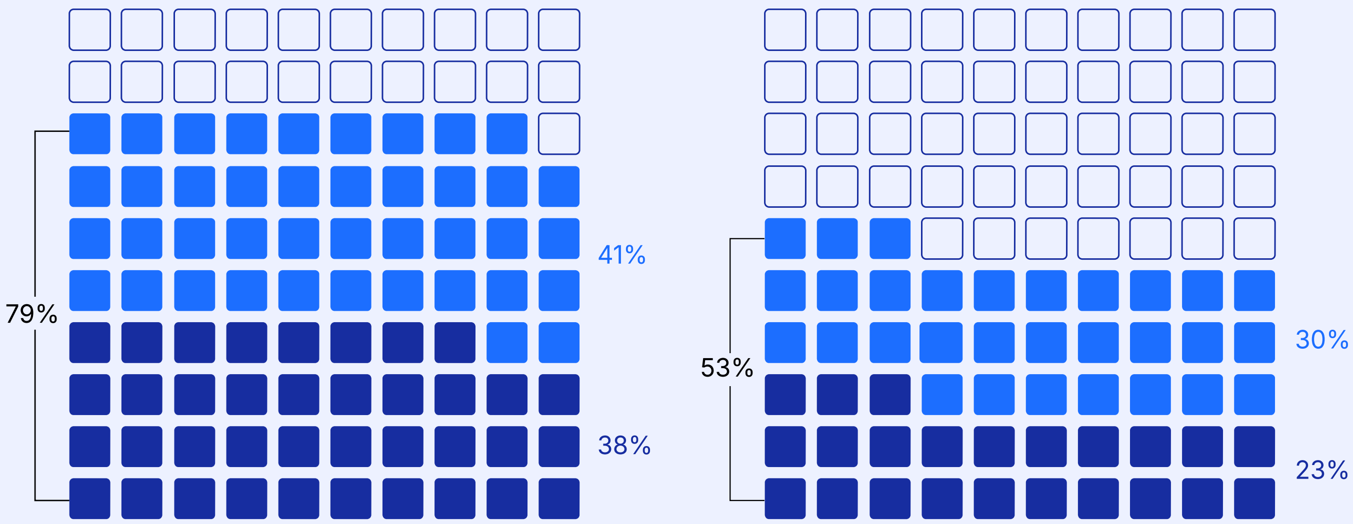
Figure 1

## There is some payment flexibility in the travel sector, but organizations are leaning toward protectionist payment controls*

■ Strongly agree ■ Slightly agree

To protect ourselves against margin pressure, we are prioritizing tightening measures, such as shortening payment windows

To reassure customers and encourage spend, we are prioritizing flexibility by absorbing some short-term price shocks




*Q1: To what extent do you agree or disagree with the following statements about the near-term outlook for your business?*

** Please note this survey question had multi-select factors; participants could select Agree for both options here but not Strongly agree. This is why the overlapped total exceeds 100%.*

More than half of industry leaders surveyed (53%) say they are embracing flexible approaches to encourage spending by absorbing some short-term price shocks and providing flexible payment options, such as cancellation policies.

# Executives say there will be opportunities for growth this year

Geopolitical crises have taken a toll on the travel industry, but industry leaders seem to be optimistic. Three-quarters expect to achieve some growth this year. Six in 10 executives say that travelers' spending has remained fairly resilient despite recent adverse events.

Premium packages are a clear path to growth for travel intermediaries: 86% of respondents say their margins are stabilized by demand for premium travel services in times of crisis, and 50% say this occurs on a frequent basis. To nurture this demand, travel intermediaries could offer flexible payment options to encourage customers to spend on luxury services.

For their mainstream services, travel intermediaries will need to follow demand for destinations.

They also will benefit from addressing flaws in their payment processes: 79% say that limitations in payment processes during disruption harm customer satisfaction and loyalty.

Inefficiencies in how travel intermediaries fund and settle payments can hamper their overall growth by creating operational drag and financial bottlenecks that squeeze margins. Timing constraints in supplier settlement terms often fail to fully sync up with client payment terms, for instance, corporate invoicing. These cash flow gaps create bottlenecks that can block travel intermediaries from tapping into growth opportunities, such as investing in innovating their services to beat competitors.

The payment process flaws to address as a priority are working capital inefficiencies and unexpected cross-border fees. About half of executives say that working capital inefficiencies frequently restrict their ability to redeploy funds quickly in response to shocks. This could stop them from covering emergency travel changes, which would distress travelers and potentially leave them stranded.

Figure 2
**Popularity is shifting across travel destinations**

| Rank | Currently most popular as travel destinations | Rank | Most likely to see an increase in popularity over the next two to three years |
|---|---|---|---|
| 1 | France | 1 | Japan |
| 2 | Japan | 2 | Portugal |
| 3 | Portugal | 3 | Greece |
| 4 | Italy | 4 | Vietnam |
| 5 | Spain | 5 | South Korea |

*Q3: In terms of the popularity of travel destinations, which countries best fit the following categories?*

Companies that say limitations in their payment processes harm customer satisfaction and loyalty are much more likely than others to say working capital inefficiencies frequently stop them from redeploying capital quickly. This correlation suggests a possible link between customer churn and the inability to rapidly redeploy funds, and intermediaries might need to increase their crisis resilience with faster settlement or improved cash flow management.

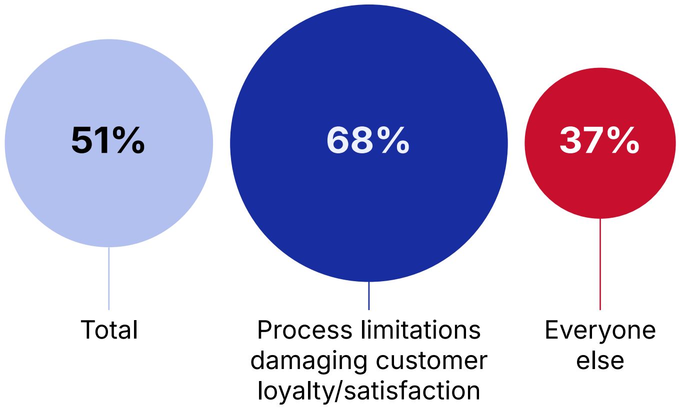
Cross-border fees are one source of pressure on working capital. Travel intermediaries have to pay suppliers, such as hotels, airlines, and car rentals, in their local currencies, which adds complexity across the vast number of transactions they manage. Without integrated systems and data that clearly track their cash flows, regional silos can become a tangled web of local nuances, such as cross-border fees and settlement timelines — nuances that can shift with geopolitical flare-ups. More than eight in 10 respondents (85%) say blind spots in their payment processes cause them to incur unexpected cross-border fees in times of crisis.

With geopolitical volatility likely to continue, intermediaries will need to build resilience into their payment processes so they can better endure short-term shocks. This could even give them a competitive advantage when periods of crisis take hold.

Figure 3

**Companies with process limitations that damage customer loyalty are more likely than others to see working capital blocks restrict disruption agility**

"Working capital inefficiencies restrict our ability to redeploy capital quickly in response to shocks or disruptions."




*Q2: Reflecting on how your business model reacts in times of crisis, how often do the following situations occur? Frequently SUMMARY base: all answering: TOTAL=300, process limitations damaging customer loyalty/ satisfaction=138, everyone else=162.*

# The medium-term horizon

## Travel intermediaries must mitigate their exposure to supplier insolvency

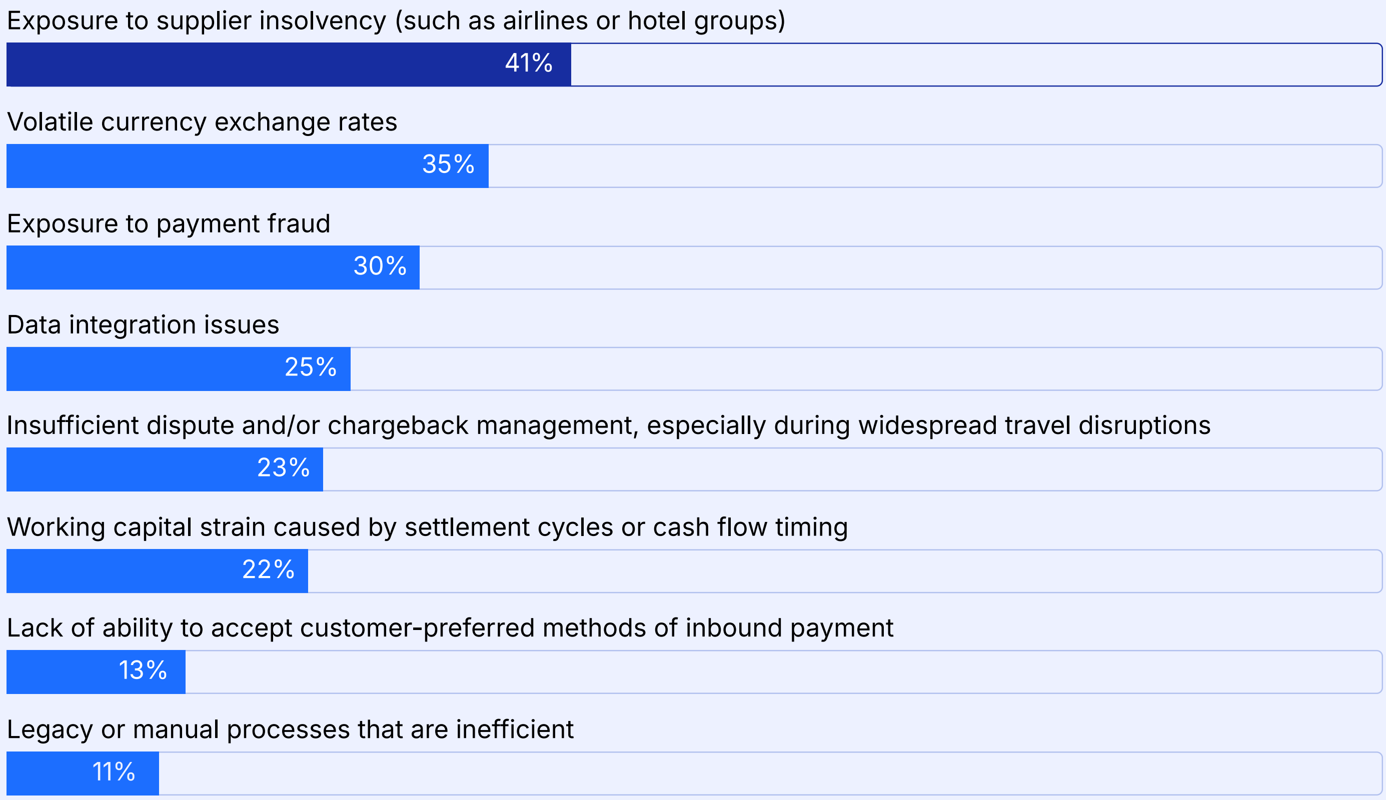
Travel intermediaries must find opportunities to mitigate the financial risks of their business model in order to sustain momentum beyond immediate priorities.

Supplier insolvency and currency volatility are the two biggest financial risks for the next three years.

Exposure to payment fraud and volatile currency exchange rates are in travel intermediary executives' top three forecasted risks. On both fronts, travel intermediaries intend to be proactive in mitigating these. Fifty-two percent of organizations plan to proactively educate their workforce on potential AI-powered payment fraud threats, instead of only training employees on fraud threats that are of immediate relevance. And 82% say that managing currency exchange volatility through payment approaches is becoming more of a strategic priority for their business. Finding finance mechanisms that lock in the currency exchange rate at the point when a traveler makes a booking is one way to increase the predictability of financial flows.

Figure 4

**Supplier insolvency and currency volatility are the two biggest financial risks for the next three years**




*Q4: Please rank the following options based on the level of financial risk they pose to your organization's performance over the next two to three years.*

# Insolvency risk is affecting employee behavior

But the dominant financial risk to travel intermediaries' medium-term performance is exposure to the insolvency of suppliers, such as airlines and hotel groups. More than eight in 10 executives (84%) say the risk of financial losses from upstream supplier insolvency, because of refund liabilities or operational disruption, feels higher now than it did 12 months ago.

This concern is reaching the wider workforce: 67% of respondents say that the heightened-risk environment caused by geopolitical tensions means that some of their employees are avoiding selling certain providers. — airlines, hotels, and particular countries — altogether.

U.S. organizations are far less likely to say this than organizations in the other countries surveyed.

If business leaders ignore this habit, their organization could lose sales volume unnecessarily. Instead, they should reassure employees by communicating to them the measures in place to manage supplier insolvency risk. Responses could include virtual cards, insurance plans, process updates, or official selling strategies to intentionally limit exposure. Eighty-two percent of executives say that better frameworks for disputes or chargebacks could save their organization a significant amount of money by improving recovery rates on supplier payments.

# The long-term horizon

## Future growth will be fueled by proactive payment strategies and modernized payment operations

Instead of treating payments as an afterthought, travel intermediaries see them as a crucial strategic tool against an unstable geopolitical backdrop. Fifty-nine percent say their efforts to proactively innovate and modernize their payment strategies will be a core driver of their long-term growth.

Payment platforms with strong data integration and modern capabilities, such as AI analytics, allow intermediaries and the businesses they collaborate with to make more informed decisions and respond quickly to travelers.

As part of their modernization plans, 64% of travel intermediary executives say they plan to increase their use of automated reconciliation. By moving away from the slow, error-prone task of manually checking that supplier invoices are correctly settled, intermediaries can remove an administrative burden from finance staff while increasing the speed of day-to-day payment processing, issue detection, and month-end accounting.

Figure 5
**Proactively enhanced payment strategies are a core growth driver**


*Q5: Which of the following statements best describe the payment strategies your organization will explore to enhance its long-term growth?*

# Human expertise and empathy will remain crucial

AI systems also have a role in payment process modernization. About six in 10 respondents (59%) say they plan to scale up their use of AI in customer assistance tasks. AI systems can be helpful for tasks such as processing customer feedback and making personalized recommendations, but organizations must be cautious about forcing travelers to depend on bots in times of crisis. This sort of automation during a disruption can be especially frustrating. Travelers often need custom amendments and, especially for those who are mid-trip, will want reassurance from a human that any rearrangements are confirmed.

## AI plays a central role in payment modernization, but organizations are mindful of the risks

**59%**

**We plan to scale up using AI in customer assistance tasks**

**54%**

**We intend to use agentic AI to boost discovery efforts but retain human control over booking decisions**

**46%**

**We intend to extend agentic AI into the booking process as well as enhancing discovery initiatives**

Executives acknowledge the necessity of human expertise. A majority (54%) intend to use agentic AI to boost discovery efforts but to retain human control over booking decisions. The remaining 46%, who plan to extend agentic AI into the booking process, will need to exercise diligence in the guardrails they put in place to make sure these systems are making reliable decisions.

### A significant portion of travel intermediaries are overlooking the potential of payment processes:

- 40% say their long-term growth will be from their core business activities, and payments will just be an operational support system.
- 36% say that instead of modernizing outbound payments as a strategic move to enable future growth, they will focus on refining the efficiency and reliability of their existing operations.

Although this segment of the market intends to be less transformative, it is crucial that they are not complacent. They should work to address payment process risks because failures here often translate into customer discomfort and inconvenience.

From a leisure standpoint, traveling is often about escaping life's stresses. Payment issues can shatter that by causing worry and frustration. Corporate travelers, meanwhile, are already under pressure to ensure their trips are worth the investment. In severe cases, payment issues could cause them to miss business meetings or sales pitches and place the value of their trip at risk.

In short, payment issues can damage customer relationships, and this dynamic is only intensified by disruption. In times of crisis, payments can make or break travel.

# Final remarks

As travel intermediaries continue to innovate with payments to find opportunities to defend their current market share and also grow, even in times of disruption, executives should address the following.

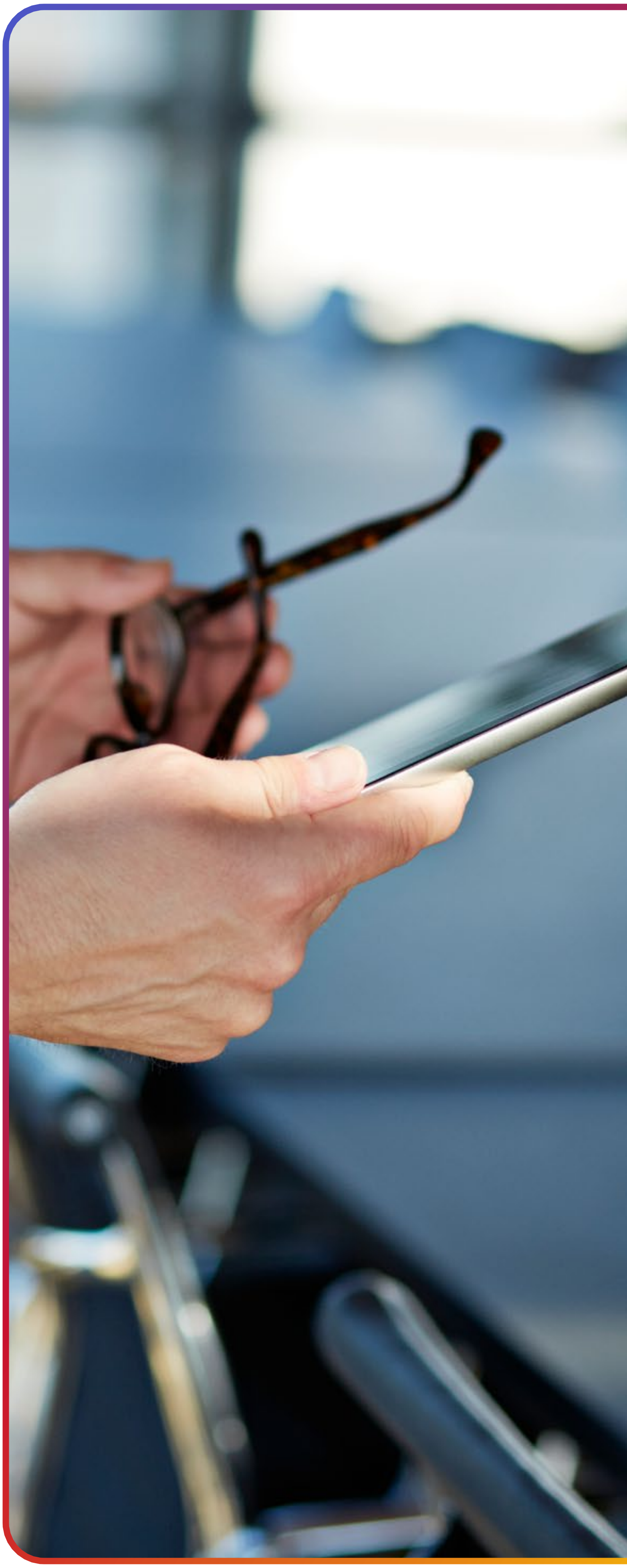
## Avoid payment jet lag

**Short term:** Reduce working capital pressure points and address blind spots in your payment processes that often conceal hidden cross-border fees.

**Medium term:** Proactively strengthen protections around supplier insolvency risk. For instance, dispute and chargeback framework improvements will save you money in the long run. Equip your employees with a clear strategy to prevent toxic behaviors from taking hold.

**Long term:** Explore agentic automation, for instance, in customer assistance tasks and discovery efforts, but establish clear human escalation workflows and guardrails.

Transitioning to more modern payment frameworks does more than just protect corporate balance sheets from catastrophic refund liabilities; it builds the structural flexibility, real-time transaction transparency, and operational agility to be an intermediary that travelers can trust and depend on to support them well, even when crisis strikes.

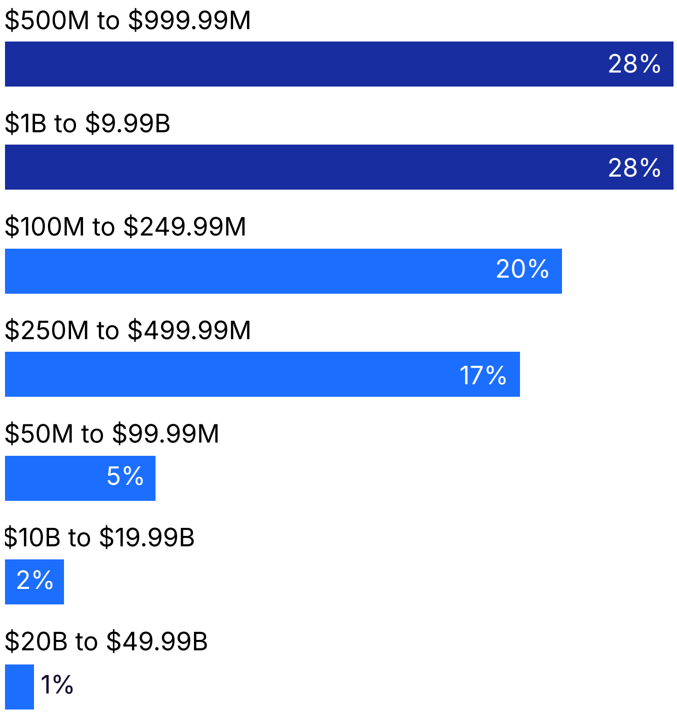


> “Operational resilience in 2026 depends as much on an organization’s digital payment architecture as it does on traditional infrastructure and frontline logistics,” said Jason Hancock, managing director of global travel at WEX. “The report highlights how travel intermediaries are no longer just playing defense against escalating market volatility or supplier insolvencies. Instead, they are transforming their own modern payment architecture into proactive tools for risk protection, cash flow flexibility, and sustainable growth.”

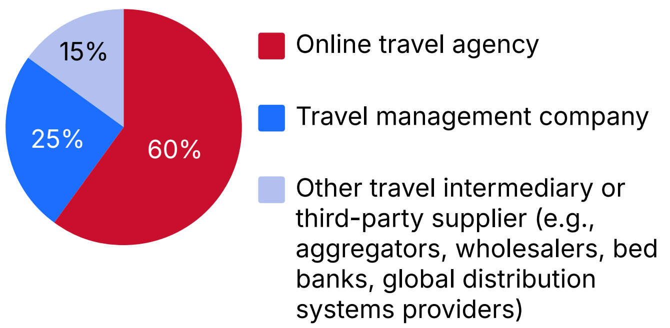
# About the research

The study is based on a survey of 300 senior travel industry executives. Respondents span the C-suite (30%) and C-1 and C-2 levels (70%) across the U.S., the U.K., Australia, Singapore, and Germany. The survey sampled leaders from the following annual revenue bands (USD) and organization type:

### What was your organization's annual revenue in the most recent fiscal year (in US dollars)?




### Which of the following best describes your organization?




*Note that percentages in the figures of this document have been rounded for clarity. So the percentages may not sum exactly to 100% due to rounding.*

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