

SOLUTION BRIEF**ONLINE TRAVEL AGENCIES (OTA)**

Control Over Payment Authorization Decisioning

SUMMARY Online travel companies are rapidly innovating to improve customer experience and introduce new business models into the market. A primary challenge faced by online travel companies is lack of visibility and control over the last mile of the transaction - payments. Organizations are looking for new payment funding models to enter the market quickly and scale as their business grows.

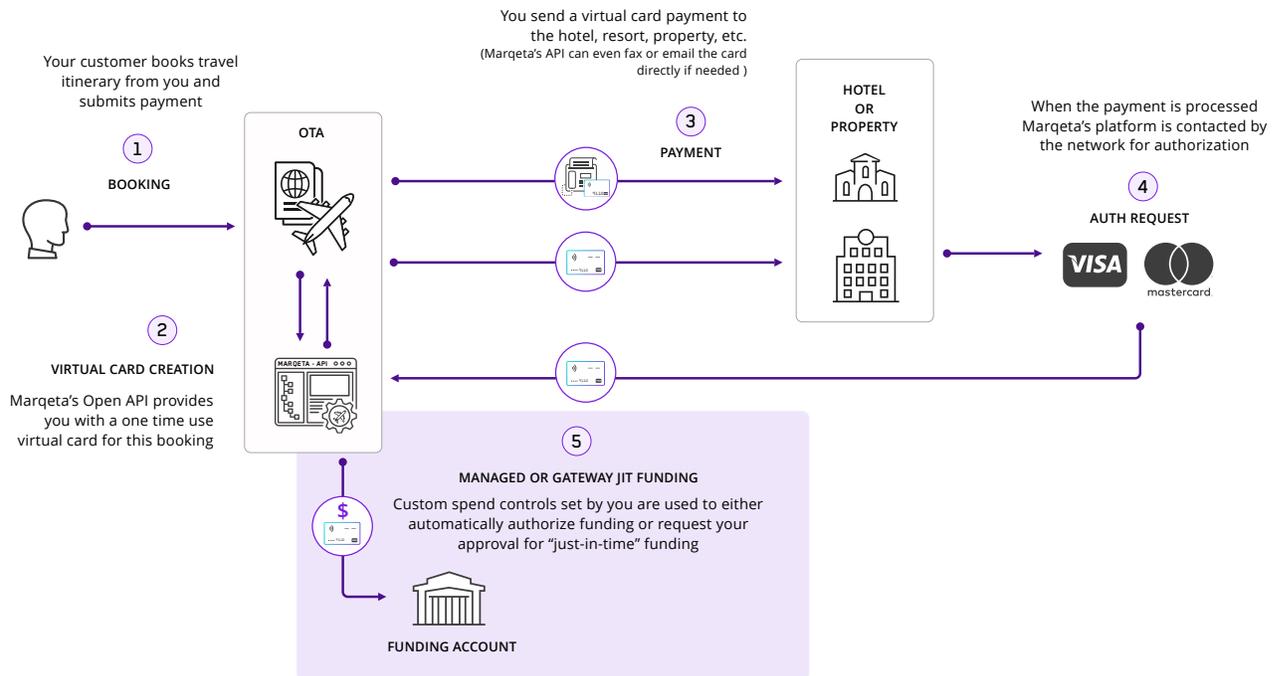
Marqeta provides an innovative payment solution that offers the flexibility of paying with a virtual card without the hassle of applying for credit and waiting for credit line approvals as well as complete control and visibility into the payment process at hotel or airlines.

CHALLENGES Delivering an exceptional end-to-end customer experience is one of the objectives for online travel companies. Other than customer retention, it also provides a critical competitive differentiator for online travel companies. However, online travel companies have no control over the customer experience mainly when a customer checks into the hotel. Legacy payment solutions provide payment authorizations that use only static spend control rules and no visibility at hotel check-in. The limited control and visibility significantly affect customer, merchant and payment experience.

Ability to scale businesses using traditional payment platforms is difficult. Traditional payments platform require online travel companies to have a credit line or use a conventional pre-paid model. Obtaining credit lines and loan processes are difficult and time-consuming. Traditional pre-paid models require immediate funding that makes it necessary to maintain high reserve balance. Some online travel companies also procure inventory from travel inventory sources or directly from hotel chains. In some cases, they need the ability to send virtual cards via email/fax. Reconciliations get time-consuming due to the complexity of multiple systems.

SOLUTION Marqeta provides a payment platform that allows online travel companies to simplify the payments and have control as well as visibility into the transactions. When a traveler creates a booking, the travel company sends the booking data to Marqeta. Marqeta issues a single-use virtual card and sends the card as well as booking data to the requested hotel. For hotels that need the virtual card emailed or faxed, Marqeta's API allows them to fax or email the virtual card. When the hotel uses the card for payment, Marqeta's platform is contacted by the network for authorization.

SOLUTION (cont.) Authorization decision happens either automatically using Managed Just-in-Time (JIT) funding or custom spend controls set by OTA. Online Travel agencies approve or deny the transaction. Funding happens from the funding account, and hotels get the exact amount that was approved.



CUSTOMER USE CASE A fast growing venture-backed online travel agency that provides a marketplace that allows customers to save on their travel budgets while incentivizing employees along the way.

This OTA needed a marketplace for end users to seamlessly book travel accommodations from hotel/flight inventory aggregators like Expedia, Priceline, Sabre etc. Marqeta allowed this OTA to present a virtual card solution using our Just-in-Time (JIT) funding to pay for the hotel/flight inventory.

ABOUT Marqeta is the first modern card issuing and core processing platform, powering prepaid, debit and credit cards for the world's top commerce innovators. Marqeta's advancements represent the first fundamental updates in the past twenty years to card issuing platforms, a \$30 trillion addressable market covering all possible cardable spending.