

eURO • COMMERce


ONLINE PAYMENTS • LOCAL • GLOBAL • FAST • SECURE



Payments: Is this a cost or a touch point for ancillary revenue?

**Aideen McCracken
Sales Director**

In the news ...



"A 52.2% jump in ancillary revenue to \$41.3 million was particularly notable."

Andrew Levy, CFO and MD-Planning, Allegiant Air

US Airways expects to generate \$400-\$500 million this year in ancillary revenue, according to President Scott Kirby.

Norwegian Air Shuttle's operating revenue soared 47.3% to NOK6.23 billion, driven in part by a 69.1% surge in ancillary revenue per passenger.

Ryanair's ancillary revenue jumped 19% to €131.8 million and now accounts for 22% of turnover, up 3 points from the year-ago quarter.

Payments: a cost or touch point for ancillary revenue



Opportunities to Drive Ancillary Revenue

- Credit Card Fees
- Alternative Payments
- Cobranded Credit Cards
- Mobile Payments



Paying to Pay

- Cost of accepting credit cards is significant
- Many airlines now passing on a handling charge to customers
- Credit card charges among the most contentious charges
- Opportunities
 - Own brand credit card
 - Alternative payment methods



Co-branded Credit Cards and Gift Vouchers

- Key component of airline loyalty program
- Revenue Opportunities
 - Sign up and annual fees
 - Commission on spend
 - Increased share of cardholder's airline spend
 - Upsell and cross sell opportunities
 - Lower fraud and chargebacks
- Gift vouchers and prepaid cards



Norwegian Air Shuttle



Alternative Payment Methods

- Payment methods:
 - Direct Debits
 - Internet banking
 - Debit cards
 - Mobile payments
 - Deferred payments
- Lower merchant service charges
- Increased market penetration
- Reduced chargebacks and fraud
- Success of alternative payments:
 - Customer acceptance and penetration
 - Easily deploy on existing infrastructure
 - What's the risk



Alternative Payment Methods

"For the online world, that (alternative payment methods) is extremely significant because abandoned shopping carts are a huge problem. We've got all these eyeballs but we just can't get them to purchase."

Scott Stachowiak, Continental's Director of Distribution Planning and eCommerce



Mobile Technology

- 60% world's population will be using mobile phones by 2011
- Mobile Commerce
- Mobile Payments
- Challenges
 - User interfaces, bandwidth, who owns the customer, revenue share



EuroCommerce Company Overview



- The airline and travel industry subsidiary of DataCash Group
- 100% focused on airline and travel sectors
- Over 40 airline and travel customers
- Full range of wholly owned solutions
 - Credit and debit card processing
 - Alternative payment methods
 - Dynamic Currency Conversion
 - 3D Secure
 - Risk Management
 - Prepaid cards and gift vouchers

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Some of Our Customers & Partners



Questions

