



Global Airline Payments Modernization Study 2025

AN INDEPENDENT INDUSTRY ASSESSMENT

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Table of Contents

Authenticity Statement	4
Methodology	4
Executive Summary	5
Global Airline Payments Modernization Study 2025	6
Looking Ahead – The Path to Unified Airline Finance	7
The Path Forward	11
Automation Is the Airline Industry's Primary Currency of Efficiency	12
Orchestration Must Evolve Beyond the Pay-In Layer	14
Outbound Payments: The Next Efficiency Revolution.....	16
Standardization and Interoperability Will Determine the Industry's Speed of Change	19
Agentic Commerce: The Next Frontier Airlines Must Prepare for Now.....	21
Fraud and Compliance Require Aviation-Specific Intelligence	25
Executive vs. Non-Executive Alignment Gap Analysis.....	27
Conclusion.....	30
Key Recommendations for Airlines	31
Final Thought	33
Acknowledgments	34

Authenticity Statement

The insights and data presented in this study are drawn directly from structured interviews with 48 airline executives, comprising 11 executive interviews and 37 senior manager interviews. All interviews were anonymous survey responses. The results reflect the verbatim perspectives of the airline industry. @Aquila acted solely as an independent facilitator and analyst, ensuring neutrality and accuracy in aggregating results. The analysis and conclusions reached within this report reflect the views of @Aquila and may not necessarily reflect the views of others.

Methodology

The insights and data presented in this study are drawn directly from structured interviews with airline executives and managers and anonymous survey responses. The research was conducted during the second half of 2025. The telephone research guides and online quantitative survey were developed in collaboration with Airline Information Group and participants represent a balanced mix of full-service, low-cost, leisure, and hybrid carriers across every major geographic region. Final validation was performed by the Cileo Group to ensure accuracy and completeness. Responses were analyzed independently by @Aquila to identify converging trends, capability gaps, and emerging priorities in airline payment modernization.

Executive Summary

48

Airlines Worldwide

11

C-Suite Interviews

37

Senior Manager Interviews & Surveys

The **@Aquila Global Airline Payments Modernization Study 2025** represents the most extensive independent examination to date of how airlines are modernizing the financial backbone of their business.

The study draws on insights from 48 airlines worldwide, combining quantitative survey responses from 37 senior managers—spanning finance, treasury, payments, and digital operations—and in-depth interviews with 11 C-suite executives. Together, they represent every major geographic region and business model—from low-cost carriers to global network airlines. Across all participants, one finding is universal: **Payments have become a strategic enabler of airline performance, profitability, and customer trust.**

Where finance and distribution once operated in silos, the next-generation airline treats payments as an integrated value chain—spanning every transaction from booking to settlement, from passengers to partners. Taken together, these findings signal a significant industry shift.

Airline payment modernization has evolved from a technical project into a **strategic business transformation**—one that redefines how carriers manage revenue, liquidity, and customer experience.

Executives and operations leaders now share the same goal: **To create a unified, automated, and intelligent financial ecosystem that connects every flow of money in aviation.**

Automation, orchestration, fraud resilience, and data standardization are not future concepts—they are the immediate imperatives for competitiveness. Airlines that transform now will shape the next decade of profitability.

Global Airline Payments Modernization Study

2025

Airlines sit at the crossroads of commerce and technology. Every customer transaction, refund, loyalty redemption, and supplier payment represents a critical touchpoint in the airline's financial network. Yet, as this research confirms, the systems managing these flows are still far from seamless.

At @Aquila, we set out to understand where airlines truly stand on their journey toward payment modernization—and where they must go next. Through interviews with global airline executives and detailed quantitative surveys, our team uncovered both the progress and the friction shaping the financial future of aviation.

This study is not simply about payments. It is about **profitability, resilience, and readiness**. The modernization of airline finance is no longer a technical project—it is a strategic transformation that defines how airlines compete, collaborate, and serve their customers.

@Aquila extends its gratitude to the industry experts who contributed their perspectives, including **Henry Harteveltdt, President of Atmosphere Research Group, Chris Staab, Managing Partner of Airline Information Group**, and the entire team of **The Cileo Group**, a strategic advisory practice focused on airline payments, retail modernization, and financial ecosystem transformation. Their

experience and insight helped frame the narrative of this report and connect data to real-world airline strategy.

As the industry prepares for the next phase of digital and financial convergence, this study provides a lens for viewing the opportunities ahead. New standards of performance will be created by those airlines who take advantage of this transformation—unifying payments, automating treasury, and embedding intelligence into every transaction.

Looking Ahead – The Path to Unified Airline

Finance

The findings of this study reveal a clear inflection point for the airline industry. Financial modernization is no longer confined to accounting departments or back-office operations—it has become a defining capability of competitive advantage. Across every region and business model, airlines are accelerating their transformation toward **a unified, automated, and intelligent financial ecosystem.**



"CEOs and CFOs recognize the payments teams need to move from the basement to a seat at the table and be involved in more meaningful conversations than perhaps there have been,"

— **Henry Harteveltdt, President. Atmosphere Research Group**

For most carriers, the first wave of modernization focused on automation and process efficiency. The next phase will demand deeper integration—linking the digital retailing layer, treasury, and supplier payments into one orchestrated environment. This is where orchestration, **fraud intelligence, and outbound payment automation** converges to create the foundation of the *smart airline finance platform*. Yet modernization cannot scale without standardization. As executives repeatedly emphasized, data and API interoperability will determine the industry's speed of change. Alignment with global frameworks such as **IATA's Offer/Order** and **ONE Order** initiatives, or **Google's Universal Commerce Protocol (UCP) for Agentic Commerce** will enable seamless exchange between airlines, partners, and technology providers—unlocking innovation at lower cost and risk. Looking ahead, airlines that transform will view payments not as a technical function, but as a strategic, competitive lever—spanning customer experience, liquidity management, and brand trust. The convergence of finance and distribution is reshaping how value moves across the aviation ecosystem. Those that unify payments, automate treasury, and embed intelligence into every transaction will set the benchmark for profitability and resilience in the decade to come



"Aviation stands at a structural turning point. Payments are no longer transactional plumbing — they are strategic infrastructure. True retail transformation requires more than optimizing checkout; it demands modernizing the entire journey of money — inbound and outbound, customer and supplier, settlement and reconciliation. The airlines that bring orchestration and control to this full financial ecosystem will define the next decade."

— **The Cileo Group**

Figure 1: Modernization Readiness by Pillar

Percentage of respondents rating each pillar as a strategic modernization priority, segmented by executive and non-executive roles.

Modernization Pillar	Executive %	Non-Executive %
Automation of Processes	100%	87%
Orchestration / System Integration	81%	72%
Fraud & Compliance Automation	91%	67%
Liquidity & Working Capital Optimization	73%	63%
Standardization & Data Governance	91%	64%

Key Insight: Automation leads airline modernization maturity, but orchestration and standardization remain the next frontier for investment.

Figure 2: Priorities for the Next 24 Months

Top investment priorities identified by airlines for the next two years, ranked by percentage of total respondents.

Investment Priority	Percentage
Automating End-to-End Workflows	91%
Integrating Pay-In and Pay-Out Systems	84%
Implementing Advanced Fraud Intelligence	77%
Migrating to Unified API Standards	72%
Partnering with Fintechs for Innovation	66%

Key Insight: Airline executives overwhelmingly prioritize integration and automation as the twin engines of next-generation finance.



"Our airline views payments as a core pillar of its Offer and Order retailing transformation. As the airline shifts toward NDC and ONE Order, payments must be modular, channel-agnostic, and embedded across the entire customer journey. Local method availability, seamless orchestration, and flexible settlement timing are key to enabling this transition. The challenge lies in tech complexity, integrating legacy systems, and quantifying the ROI of transformation remain key hurdles"

— **Direct Quote from the Executive Vice President of one of Europe's largest network carriers.**

The Path Forward

This study concludes that airlines should focus on five modernization pillars:

1

Automate

End-to-end processes.

2

Unify

Through orchestration platforms.

3

Protect

Through integrated fraud and compliance.

4

Optimize

Liquidity via automation and VCC adoption.

5

Standardize

To accelerate innovation.

By comprehensively addressing these priorities, the global airline industry can unlock a more agile, transparent, and profitable financial ecosystem—one capable of powering the next generation of air commerce.

Automation Is the Airline Industry's Primary Currency of Efficiency

Automation remains the defining modernization driver across global aviation. Executives and operators alike see it as the fastest path to measurable ROI—reducing manual reconciliation, approvals, and onboarding cycles that still dominate daily workflows.



"Payments have moved from the basement to the boardroom. Airlines now recognize that automation directly impacts profitability, not just process efficiency."

— **Henry Hartevelde, President. Atmosphere Research Group**

- ▶ **87 % of non-executives** and **100 % of executives** identified automation as their top strategic priority.
- ▶ Carriers that have automated reconciliation report closing daily books up to **30 % faster**, with fewer errors and clearer revenue visibility.

Automation is no longer a technical enhancement—it is the **operational currency of airline efficiency**.

Figure 3: Impact of Automation on Financial Close and Reconciliation Speed

Comparison of key operational metrics before and after automation adoption across surveyed airlines.

Operational Metric	Executive %	Non-Executive %
Manual Tasks per Week	60	18
Daily Close Time (hours)	12	8
Error Rate (%)	9%	3%

Key Insight: Demonstrates measurable ROI from automation (time saved, fewer errors, faster close). The data reinforces that automation now sits at the core of airline modernization. As digital ecosystems expand, airlines are prioritizing payment solutions that eliminate manual intervention and deliver immediate, data-rich visibility. This automation trend signals a decisive move away from legacy, resource-intensive workflows toward a new efficiency standard that underpins the industry's broader digital transformation agenda.

Orchestration Must Evolve Beyond the Pay-In Layer

While orchestration is often celebrated as the engine of digital retailing, the study exposes a major gap between *concept and execution*. Across all 48 airlines, orchestration is almost exclusively implemented on the **Pay-In side**, focused on routing customer payments across PSPs. This approach leaves half of the financial ecosystem untouched.

Executives and analysts agree: True orchestration must extend end-to-end — connecting customer payments, treasury operations, and supplier settlements in one dynamic framework.

- ▶ **100 % of executives** see orchestration as critical for scalability, yet only a fraction report meaningful integration with their Pay-Out or treasury systems.
- ▶ Fragmentation persists, as multiple orchestrators handle separate functions (Pay-In, fraud, FX, Pay-Out), with no single intelligence layer unifying them.
- ▶ The next phase of modernization requires a **"Meta-Orchestration"** approach — an architecture that *orchestrates the orchestrators*, linking internal and external systems through standardized APIs, data normalization, and real-time liquidity controls.



“No single provider is global so airline's end up with multiple orchestrators. The future lies in a neutral 'meta-orchestrator' that unites Pay-In and Pay-Out,”

— **Chris Staab, Managing Partner, Airline Information Group.**

Challenging the current model is essential. Orchestration cannot remain a booking-path optimization tool; it must become the airline's **financial nervous system** — interpreting, routing, and reconciling every transaction, inbound or outbound.

Figure 4: Adoption and Maturity of Payment Orchestration Across Airlines

Current state of orchestration implementation, segmented by executive and non-executive perspectives.

Orchestration Level	Executive %	Non-Executive %
Pay-In Only Orchestration	54%	61%
Partial Orchestration Across Systems	36%	27%
Full End-to-End (Pay-In + Pay-Out)	1%	1%
No Orchestration / Manual Processes	1%	4%
Need for Full End-to-End Orchestration	98%	98%

Key Insight: While most modernization efforts have focused on streamlining the pay-in experience, the real opportunity now lies in extending orchestration across the entire payment ecosystem.



"Airlines don't have a payments problem—we have an orchestration problem. Payments, fraud, refunds, vouchers, and payouts all operate in silos, which creates cost, risk, and leakage. Until those flows are coordinated end-to-end, airlines will continue to modernize pieces of the stack without actually modernizing the financial outcome."

— CFO of one of largest network carriers in the United States

Outbound Payments: The Next Efficiency Revolution

While inbound payments have received the lion's share of modernization attention, **outbound payments remain the airline industry's quiet inefficiency.** Most carriers still rely on manual approvals, fragmented systems, and batch files routed through multiple banks and acquirers. The research shows that this neglected side of the payment ecosystem now represents one of the largest untapped opportunities for cost reduction and liquidity control.

Key Data Highlights

- ▶ **91 % of executives** described their Pay-Out processes as *manual and cost inefficient*.
- ▶ **61 % of non-executives** confirmed reliance on multiple, disconnected systems to complete supplier payments.
- ▶ More than **half of all respondents** reported poor visibility into cash-flow timing and FX exposure.
- ▶ Early adopters of **virtual-card (VCC)** solutions reported **15–25 % faster working-capital turnover** once treasury automation was introduced.



"Airlines should focus on being airlines, not fintechs. Partner with specialists who can modernize Pay-Out processes faster and with less risk."

— **Chris Staab, Managing Partner, Airline Information Group.**

Figure 5: Outbound Payment Process Maturity

Distribution of airlines by Pay-Out automation maturity level

Maturity Level	Percentage
Manual / Batch-Based	57%
Semi-Automated / Hybrid	34%
Fully Automated	9%

Key Insight: More than half of airlines still rely on manual or batch-based Pay-Out workflows, revealing a major modernization gap.

Figure 6: Inefficiencies Reported in Pay-Out Operations

Most commonly cited operational inefficiencies in outbound payment workflows.

Inefficiency Type	Percentage
Manual Approvals	78%
Disconnected Bank Systems	61%
Delayed FX Settlement	53%
High Processing Costs	49%
Poor Vendor Visibility	45%

Key Insight: Manual approvals and fragmented banking systems are the top barriers to efficient Pay-Out operations.

Virtual Cards: The Modern Treasury Tool

Virtual-card technology has moved from niche use to mainstream treasury optimization.

- ▶ **64 % of executives** confirmed that VCCs are now part of their strategic Pay-Out toolkit.
- ▶ **40 % of non-executives** reported active use, often limited by legacy ERP connectivity.
- ▶ Airlines using VCCs cited **lower fraud exposure, simpler reconciliation, and reduced supplier-dispute cycles** as immediate benefits.

Executives emphasized that VCCs are not simply a cost-reduction tool but a **liquidity-management instrument**, enabling controlled release of funds and granular data capture for every transaction. Outbound payment modernization is the *sleeping giant* of airline finance. Automation, API-based bank connectivity, and VCC adoption can collectively yield **double-digit efficiency gains** while freeing treasury teams to focus on strategic planning instead of transaction processing. The carriers that invest here will redefine how airlines manage liquidity, vendor relations, and audit readiness.

Figure 7: Use of Virtual Commercial Cards (VCCs)

VCC adoption status across airlines, segmented by executive and non-executive respondents.

Adoption Status	Executives %	Non-Executives %
Currently Using	64%	40%
Planning to Implement	32%	52%
No Current Plans	4%	8%

Key Insight: Virtual-card adoption is nearing universality: 96% of surveyed airlines are already using or actively planning to implement VCCs for outbound payments, underscoring the industry's shift toward greater liquidity control, automated reconciliation, and reduced fraud exposure.



"Virtual cards have become a critical tool for controlling spend and reducing exposure, but they were implemented tactically. Without orchestration across payments, reconciliation, and payouts, VCCs solve a problem in one area while limiting the airline's ability to fully leverage their value at scale."

— CFO of one of the largest European LCC Carriers

Standardization and Interoperability Will Determine the Industry's Speed of Change

Despite consensus on modernization, fragmentation in data and process frameworks continues to slow implementation.

- ▶ **64 % of non-executives** cited inconsistent PSP or acquirer file formats as a major obstacle.
- ▶ **91 % of executives** endorsed industry-wide data and API standardization efforts.
- ▶ Alignment with IATA's **Offer/Order** and **ONE Order** frameworks will be critical to achieving interoperability.

Standardization is not bureaucracy—it is the foundation for scalability, automation, and the speed of innovation across the airline ecosystem.



"Standardization is what allows innovation to scale. Without it, every integration becomes custom—and every custom integration adds cost."

— Henry Harteveldt, President. Atmosphere Research Group

Figure 8: Obstacles to Payment Modernization

Top barriers to payment modernization cited across all surveyed airlines.

Obstacle	Percentage
Inconsistent PSP/Acquirer File Formats	64%
Lack of API Standards Across Vendors	58%
Data Fragmentation Across Legacy Systems	51%
Compliance/Regulatory Alignment Challenges	43%
Vendor Lock-in and Proprietary Architectures	37%
Limited Inter-Department Governance	29%

Key Insight: Standardization is the new speed. Without common data and API frameworks, every integration remains custom — and every custom integration adds cost. Executives overwhelmingly support alignment with IATA's Offer/Order and ONE Order initiatives to unlock interoperability at scale.

Agentic Commerce: The Next Frontier

Airlines Must Prepare for Now

Across every section of this study, one theme has been consistent: the airline that controls its financial infrastructure controls its future. Automation, orchestration, fraud intelligence, and standardization are not ends in themselves — they are the foundation for what comes next. And what comes next is arriving faster than most airlines have planned for.

Agentic commerce — the capacity for AI-powered software agents to autonomously research, compare, select, book, and pay for travel on behalf of human travelers — is no longer a theoretical concept. It is an emerging commercial reality, and aviation is one of its highest-value target verticals.



“The question is no longer whether AI agents will transact in the airline ecosystem. The question is whether airlines will be ready to accept, authenticate, and settle those transactions when they arrive.”

— **The Cileo Group**

What Is Agentic Commerce?

Agentic commerce describes the shift from human-initiated transactions to AI-agent-initiated transactions. Instead of a passenger opening a browser, comparing fares, selecting a seat, and entering a credit card, an AI agent — operating on the traveler’s behalf — executes the entire journey autonomously. The agent searches offers in real time, applies traveler preferences and loyalty status, selects the optimal itinerary, initiates payment using pre-authorized credentials, and confirms the booking — all without the traveler touching a screen.

This is not the same as online booking or digital self-service. Agentic commerce removes the human from the transaction loop entirely. The implications for airline payment infrastructure are profound.

Several major technology platforms are already building and deploying the infrastructure to support this model. Google’s Universal Commerce Protocol (UCP), referenced earlier in this study, is specifically designed to enable AI agents to communicate with commerce systems — including airline retailing and payment APIs — in a standardized, machine-readable format. The transition from human-driven to agent-driven commerce is not a distant horizon. It is underway.

Why Aviation Is a Primary Target for Agentic Commerce

Travel is one of the most complex, high-value, and high-frequency consumer purchase categories in the world. It is, for precisely that reason, one of the most compelling use cases for AI agents. Travelers regularly face multi-variable decisions — price, timing, routing, baggage, loyalty, flexibility, ancillaries — that AI agents are increasingly capable of optimizing faster and more accurately than humans.

For corporate travel, the efficiency case is even stronger. An AI agent managing a company’s travel program can monitor fares continuously, rebook proactively during disruption, optimize against policy, and reconcile spend automatically — all without human intervention.

The commercial logic is clear. Airlines that build agent-ready payment infrastructure will capture this transactional volume. Those that do not will find themselves excluded from the agent-mediated channel — potentially the dominant distribution channel of the next decade.

What Agentic Commerce Demands from Airline Payment Infrastructure

The arrival of agentic commerce is not simply a distribution story — it is a payments story. AI agents cannot transact against airline systems that were designed for human interaction. They require a fundamentally different set of capabilities:

- ▶ **Machine-Readable Offer and Order APIs.** Agentic commerce depends on airline offers being exposed via structured, standards-compliant APIs that agents can query, interpret, and act upon programmatically. IATA’s Offer/Order and ONE Order frameworks — already a modernization priority across this study — are the essential technical precondition for airline participation in the agentic channel.

- ▶ **Tokenized Identity and Delegated Payment Authorization.** When an AI agent transacts on behalf of a traveler, traditional payment authentication models break down. Airlines must support tokenized credential frameworks, delegated authorization models, and machine-verifiable identity — so that agent-initiated transactions can be authenticated without friction and without elevated fraud risk.
- ▶ **Real-Time Authorization and Settlement.** Agents operate at machine speed. They cannot wait for batch settlement cycles, manual approval queues, or legacy PSP latency. Agentic commerce demands real-time payment authorization, instant confirmation, and automated reconciliation — capabilities that align directly with the orchestration and Pay-Out modernization priorities identified throughout this study.
- ▶ **Non-Human Actor Fraud Controls.** Current airline fraud systems are calibrated to detect anomalous human behavior. When agents transact at scale — at machine speed, with consistent behavioral patterns, often across multiple bookings simultaneously — fraud detection models designed for humans will either miss real threats or generate false-positive rates against legitimate agent activity. Airlines must develop fraud intelligence capable of distinguishing trusted AI agents from malicious bots.
- ▶ **Dynamic Ancillary and Loyalty Integration.** AI agents will not simply book flights. They will negotiate the full offer — seats, bags, meals, upgrades, loyalty redemptions — in a single transactional exchange. Airlines must expose their full product catalog in a format agents can access, assemble, and pay for in real time.
- ▶ **Support for Model Context Protocol (MCP).** MCP is the emerging open standard — developed by Anthropic and rapidly adopted across the AI industry — that governs how AI agents discover and connect to external systems and APIs. Airlines that expose their offer, order, and payment capabilities in MCP-compatible formats will be findable and transactable by the next generation of AI agents. Those that do not risk being invisible to the agentic channel entirely.

The Standardization Link

This section does not exist in isolation. It is the direct strategic payoff of the standardization imperative described in Section XI. Every API framework, every common data model, every Offer/Order alignment investment that airlines make today is simultaneously a preparation for agentic commerce readiness tomorrow.

Airlines that complete their standardization roadmaps will find themselves naturally positioned to participate in the agentic channel. Those that remain fragmented — with proprietary formats, inconsistent PSP integrations, and legacy batch workflows — will face a structural barrier to entry precisely when the agentic channel reaches commercial scale.

- ▶ Alignment with IATA's Offer/Order, ONE Order, and emerging protocols such as Google's Universal Commerce Protocol (UCP) and Model Context Protocol (MCP) is not merely an interoperability exercise — it is agentic commerce readiness by design.
- ▶ Airlines that invest in standardized APIs today are building the on-ramp to the agent-mediated distribution channel of tomorrow.
- ▶ Non-human actor fraud controls are not a future investment — they are an immediate gap that must be addressed as part of the current modernization cycle.

Key Insight: Agentic commerce is not a payments feature to be added later — it is a strategic readiness test for everything this study has measured. An airline's ability to participate in the agentic channel will be a direct function of how completely it has modernized its offer APIs, payment orchestration, identity frameworks, and fraud intelligence. The airlines that treat agentic readiness as a near-term priority will not simply be prepared for a new channel — they will define it.

Fraud and Compliance Require Aviation-Specific Intelligence

Fraud control remains fragmented and reactive, often relying on e-commerce tools not built for aviation's complexity.

AI has fundamentally shifted the airline fraud landscape from isolated transactions to continuous, adaptive attacks. Fraud rings now leverage AI to automate credential-stuffing, impersonation, and synthetic identities at scale, exploiting gaps across payment, loyalty, servicing, refund, and voucher systems. Legacy, rules-based fraud controls are increasingly ineffective against these techniques, leading to higher chargebacks, loyalty theft, operational friction, and customer trust erosion. For airlines, AI-driven fraud is no longer an operational concern—it is an escalating **financial exposure requiring coordinated, cross-channel controls.** While card-not-present (CNP) attacks remain prevalent, the next major threat has already arrived: **bot-driven automation** used to probe, exploit, and manipulate airline payment systems at scale.



"Airlines need earlier fraud prevention with biometrics, identity verification, and bot mitigation. Bot activity isn't a future problem—it's happening now, and too few systems are designed to stop it."

— **Chris Staab, Managing Partner, Airline Information Group.**

The **rise of agentic commerce** introduces new fraud vectors that airlines must prepare for now. AI agents transacting at machine speed, with delegated credentials and non-human behavioral patterns, will require fundamentally different fraud detection approaches. Airlines that fail to develop non-human actor fraud controls before the agentic channel reaches scale will face elevated exposure to bot-driven attacks, synthetic identity fraud, and credential abuse—precisely the emerging threats this study has identified.

- ▶ **67 % of non-executives** identified **card-not-present (CNP) fraud** as their top exposure.
- ▶ Executives unanimously called for **context-aware fraud systems** tuned to multi-leg bookings, loyalty redemptions, and refund manipulation.
- ▶ Automation of **AML/KYC and bot-detection workflows** emerged as a new frontier for both fraud reduction and cost efficiency.

Airlines increasingly recognize fraud management as a **revenue-preservation and trust function**, not just compliance. The next generation of fraud tools must combine behavioral analytics, machine learning, and bot-mitigation intelligence to deliver true aviation-grade resilience.

Figure 9: Fraud and Compliance Exposure by Type

Leading fraud exposure categories identified by airlines, segmented by executive and non-executive respondents.

Fraud Type	Executive %	Non-Executive %
Card-not-Present (CNP) Fraud	100%	67%
Friendly Fraud / Chargebacks	72%	62%
Loyalty or Refund Fraud	45%	30%
Synthetic Identity Fraud	27%	20%
Bot Attacks / Automated Account Testing	64%	25%

Key Insight: Card-not-present fraud remains the most common exposure (67% for non-executives / 100% for executives). Bot attacks and synthetic fraud are emerging as the next critical threats to airline revenue and trust.



“Fraud is no longer just a risk issue — it's a revenue issue. Every fraudulent transaction, every synthetic identity, every bot attack hits our bottom line. We need aviation-grade fraud intelligence that's proactive, not reactive.”

— Direct quote from the CEO of a large US-based Network Carrier.

Executive vs. Non-Executive Alignment Gap

Analysis

A striking pattern that emerges from the study is the significant misalignment between executives and non-executives across nearly every modernization priority. While both groups broadly agree that payments modernization is essential, their perceptions of urgency, readiness, exposure, and investment needs differ sharply. This gap is not merely academic — it reveals a structural disconnect inside airlines that could slow or even derail modernization initiatives.

Automation: A Shared Priority, Unequal Urgency

Executives

100% of executives name automation as their #1 priority.

Non-Executives

87% say the same — still high, but less unanimous.

Executives view automation as a strategic profit enabler, while non-executives see it as workflow relief. Modernization programs must address both perspectives to maintain alignment.

Orchestration: Executives See Strategy — Operators See Gaps

Executives

Executives unanimously endorse orchestration as critical.

Non-Executives

Non-executives report minimal integration beyond Pay-In and ongoing fragmentation.

This reflects a boardroom vs. engine room disconnect — leadership embraces the orchestration conceptually, but operators face the operational limitations of current systems.

Fraud Exposure: Divergent Assessments of Risk

Executives

Executives emphasize emerging threats like bot attacks and synthetic identities.

Non-Executives

67% of non-executives cite card-not-present fraud as their top risk.

Operators are dealing with today's problems; executives are anticipating tomorrows. Both time horizons must align to ensure balanced investment.



“Loyalty fraud is rarely inevitable. however, abusers find opportunity in poorly written rules, inconsistent controls, complex booking systems, and internal access points. FFPs are particularly susceptible to these cracks in the system”

— **David Andreadkis, Chief Growth and Strategy Officer, Loyalty Juggernaut**

Outbound Payments (Pay-Out): Executives Call It a Crisis; Operators Call It a Mess

Executives

91% of executives describe Pay-Out processes as manual and inefficient.

Non-Executives

61% of non-executives confirm fragmented workflows.

Executives frame outbound modernization as a strategic liquidity priority, while operators struggle with daily friction such as batch files, disconnected systems, and inconsistent formats.

Standardization: Conceptual vs. Operational Urgency

Executives

91% of executives support industry-wide standardization.

Non-Executives

64% of non-executives cite inconsistent PSP/acquirer formats as a major operational obstacle.

Executives recognize standardization as foundational to scalability; operators experience firsthand the cost of fragmentation.

Why This Alignment Gap Matters

These discrepancies highlight a critical risk: airlines cannot modernize at scale if executive vision and operational reality remain out of sync.

Misalignment can lead to:

Slow adoption

Fragmented
implementation

Operational fatigue
among teams

Bridging this gap should be a top priority for airlines entering the next phase of modernization.

Conclusion

The Global Airline Payments Modernization Study 2025 confirms that airline payments are no longer a back-office utility—they are a core determinant of profitability, liquidity control, operational resilience, and customer trust.

Across geographies and business models, airlines have made meaningful progress in automating isolated workflows, particularly on the Pay-In side. However, this progress has created a new imbalance: inbound payments have modernized faster than outbound payments, orchestration has stopped at the booking path, and data fragmentation continues to constrain scale.

The study reveals a clear inflection point. Airlines that continue to modernize payments in silos will face rising cost, complexity, and risk. In contrast, airlines that treat payments as a unified financial value chain—spanning Pay-In, treasury, Pay-Out, fraud, and settlement—will unlock measurable gains in efficiency, working capital, and customer experience. The study also reveals a critical leadership

visibility gap. While CEOs and executive teams broadly recognize that payments modernization is strategically important, many are not fully aware of the extent of operational fragmentation, manual workarounds, and modernization lag that persist beneath the surface—particularly across Pay-Out, treasury, reconciliation, and fraud operations. Much of this complexity remains buried within functional teams and legacy systems, making the true cost, risk exposure, and opportunity impact difficult to see at the executive level.

Most critically, the research highlights a growing internal alignment gap. Executives understand the strategic importance of payments modernization, but operational teams remain constrained by fragmented systems, manual processes, and inconsistent standards. Bridging this gap is now a leadership imperative.

The next phase of airline competitiveness will not be defined by who accepts payments best—but by who orchestrates, protects, and settles money most intelligently across the entire enterprise.

Key Recommendations for Airlines

1. Treat Payments as a Unified Financial System, Not Separate Functions

Airlines should move beyond fragmented Pay-In and Pay-Out strategies and design payments as a single, end-to-end financial ecosystem.

ACTION FOR AIRLINES:

- ▶ Establish a unified payments strategy that connects customer payments, treasury, refunds, supplier settlements, and compensation.
- ▶ Align ownership across finance, treasury, payments, and digital teams to eliminate siloed decision-making.

Why it matters: Fragmentation increases cost, reduces visibility, and limits the airline's ability to manage liquidity in real time.

4. Adopt Aviation-Grade Fraud and Compliance Intelligence

Generic e-commerce fraud tools are no longer sufficient for airline complexity.

ACTION FOR AIRLINES:

- ▶ Deploy fraud and compliance systems tailored to aviation use cases, including multi-leg itineraries, loyalty redemptions, refunds, and disruption scenarios.
- ▶ Shift from reactive fraud management to proactive, intelligence-driven prevention, including bot mitigation and identity verification.

Why it matters: Fraud is no longer just a risk issue—it is a direct revenue and brand-trust issue.

5. Standardize Data and APIs to Accelerate Change

Standardization is the foundation of scalable modernization

ACTION FOR AIRLINES:

- ▶ Commit to common data models, API frameworks, and interoperability standards across payments, treasury, and settlement.
- ▶ Align payment modernization roadmaps with broader industry initiatives such as Offer/Order and ONE Order.

Why it matters: Without standardization, every integration remains custom—and every custom integration increases cost and slows innovation. *This will also prepare airlines for the ability to accept Agentic Commerce.*

6. Close the Executive–Operational Alignment Gap

Payment's modernization will stall if strategy and execution remain misaligned.

ACTION FOR AIRLINES:

- ▶ Translate executive vision into operational roadmaps with clear ownership, timelines, and success metrics.
- ▶ Invest in change management, not just technology, to ensure teams can adopt and sustain modernization.

Why it matters: Alignment determines whether modernization delivers enterprise value or becomes another fragmented initiative.

Final Thought

Airline payments modernization is no longer about incremental efficiency—it is about structural advantage. Airlines that unify payments, automate treasury, embed intelligence, and standardize data gain faster access to cash, lower operating costs, and greater control over the passenger and partner experience. **Critically, these capabilities also translate into competitive advantage**, enabling airlines to respond faster to disruption, negotiate more effectively with partners, deploy new commercial models with less friction, and scale globally with consistency. Those that delay will not simply fall behind technologically—they will be constrained strategically, operating with less agility, higher cost, and diminishing ability to compete in an increasingly digital and AI-driven industry.

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