

PRINCIPLES OF PAYMENT

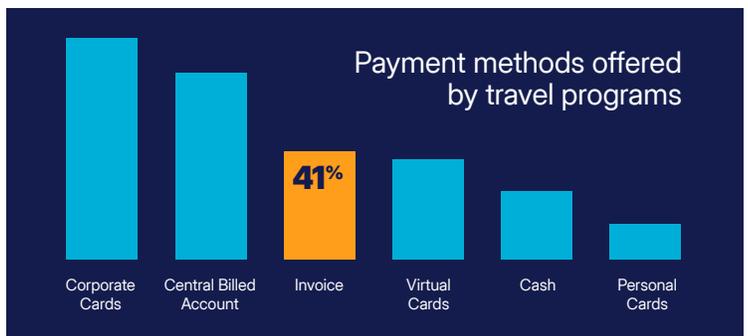
Exploring Payment Options: INVOICES



Travel buyers often include invoices as a payment option in markets that don't offer access to corporate cards or central billed accounts.

Very simply, invoices are sent after the fact by travel providers for services rendered, such as a company's airfare or hotel bookings.

Most invoices include a due date, currency of settlement, late charges/early payment incentives, and preferred methods of payment.



Source: BCD's online survey of 164 travel buyers conducted from May 10-25, 2023

+ INVOICES AT A GLANCE

- CONVENIENCE**
- CONTROL**
- AVAILABILITY**
- VALUE**
- VISIBILITY**

PRO: No foreign transaction charges

PRO: Selectively available

CON: Additional fees

Invoices can simplify cross-border transactions by eliminating the foreign transaction (FX) fees associated with international credit card charges. For instance, when euro or U.S. dollars are the company's preferred currency, a purchase made in Swiss francs must be converted by the card issuer—resulting in additional FX fees. If the same purchase is invoiced in the local currency, there are no conversion fees.

However, some invoicing methods may include other fees. Be sure to establish in advance how invoices will be settled.

Finally, the availability of invoice as a payment option is often dependent on the supplier, and may carry caveats as to when they are willing to invoice versus when they will expect to be paid directly at the time of service.

Although invoices are convenient for travelers, due diligence is necessary to understand availability and safeguard against unexpected charges.

Are you ready to talk to an expert about optimizing your payment supplier strategy? [Reach out to Advito today.](#)