

As solid expense management practices have become increasingly important, virtual payments have taken center stage for efficiency and security. ***What exactly are virtual payments in a corporate environment? How will they help your company?*** Rather than a fixed number that can be re-used (and stolen to be used by a criminal), virtual cards offer a unique number that is generated to be used one time for one event. Companies don't have to provide every business traveler with their own card, and transactions no longer require manual reconciliation.



### Primary Concerns

There are three main issues or concerns when it comes to business travel: fraud, policy compliance, and expense reporting.

- **Credit card fraud** is growing at alarming rates, both in the personal and professional arenas. Virtual cards have a one-time use and are PCI compliant.
- **Policy Compliance:** Recent studies have demonstrated that because the booking is made within the preferred channels (either online or with a travel consultant), the property will be chosen within policy. This decision decreases the cost by choosing a preferred property, increasing negotiation leverage through preferred suppliers, and increasing the duty of care and safety of your travelers.
- **Expense Reporting:** Providing your travelers with their own corporate credit card frequently results in the employee charging personal expenses, although intended solely for company business. This additional component increases the need for manual auditing of statements to ensure bookings match payments. Virtual cards will only cover the basic expenses, and expense reconciliation happens electronically.

### The Future of Virtual Cards

Besides increased technology and automation, there is a cultural shift taking place that will make virtual cards the future of business payments. In less than a decade, Millennials will make up 75% of the work force. A PayPal study showed that Millennials don't want credit cards, and 60% of people ages 18-29 don't own one or use credit cards. They embrace technology and consider the use of credit cards to be outdated. This group of business travelers wants to be able to do things electronically, from booking their travel to paying for their travel.



Hotels also see the benefits of virtual card payments, such as faster receipt of payments, improved payment data, and enhanced security. Virtual card payments are a win-win for everyone involved. Travel Managers can streamline their transactions and improve their bottom line while helping provide their business travelers with positive travel experiences.