

Visa Case Study: British Airways



Come buy with me – worldwide airline offers worldwide online protection

The travel and tourism sector is fast becoming the biggest growth industry in e-commerce payments.

Consumers have shifted their airline ticket buying patterns – globally 20 percent of all British Airways tickets are now sold via its ba.com website. This is an increase of 10 percent in the past 2 years.

With the advent of low cost Internet airlines, the competition to provide faster, safer online bookings has never been fiercer. In December 2003, British Airways joined over 27,000 retailers, and 65 issuing banks across Europe that have now signed up for Verified by Visa, a unique password service designed to give shoppers added safety and security when shopping online. The introduction of Verified by Visa has significantly contributed to a reduction of online fraud, thereby creating essential quality revenue for British Airways.

The world's favourite e-airline

British Airways is the UK's largest international scheduled airline, flying more than 36 million passengers to more than 200 destinations across the globe. As one of the world's longest established airlines, British Airways has always been regarded as an industry leader and in recent years has sought to develop a wide range of technology to make the airline even easier to deal with from a customer perspective including booking online and self-service ticketing.

In January 2005 ba.com sales processed via VisaNet have increased by 38 percent compared to the same time last year. Online bookings via ba.com now account for more than half of all short-haul non premium tickets sold by the airline in the UK and the site is firmly established as one of the leading travel sites in the industry.





“Bookings made on ba.com now account for 54 percent of our short-haul, non-premium business in the UK and this figure will keep rising. The sheer volume of tickets processed via the Internet means that we’re constantly striving to have the best security possible. We want to keep our customers using the web and encourage e-commerce newcomers to book with us in this way. Verified by Visa is a natural step to achieve that goal.”

Simon Parks Smith, Head of Product Management at British Airways

Securing a larger online audience

With an increasing number of people choosing to make their travel bookings online, more secure fraud management is critical.

The added security of a password-protected system like Verified by Visa has helped to reassure the existing client base, and also attracted new customers to the site who may have been previously reluctant to shop online.

Verified by Visa has also helped to widen the available customer base. Prior to signing up to the service, ba.com was unable to accept foreign i.e. non-UK issued cards. With the added layer of security provided by Verified by Visa, the site is now able to authenticate all foreign cards allowing Visa cardholders from across Europe to access safer shopping on the site.

Essentially, Verified by Visa gives British Airways’ customers the online security and peace of mind while shopping on the Internet as well as being simple and easy for its customers to use. The service is provided to ba.com by CyberSource, an electronic provider of risk management solutions and Streamline International which provides the processing services and has been available to BA customers since December 2003.

Soaring profits

Until the launch of authentication services like Verified by Visa, British Airways would have previously bore the cost of rising online fraud levels. By using Verified by Visa, however, the airline is now no longer liable for disputed transactions that relate to customer repudiation, whether or not its customers have signed up to the service. By guaranteeing the cardholder’s identity, Verified by Visa ensures the liability for such charge-backs is shifted from the online merchant, back to the card-issuing bank.

“More and more travellers are looking to the convenience of the Internet to book their holidays and flights – making that process safer and more secure helps increase traffic to our site and ensure we remain competitive with other web providers. By signing up to Verified by Visa, British Airways is able to offer customers the most secure method of payment currently available on the Internet” said, Tim Arnold Boakes, Card Acceptance Manager, Treasury, British Airways.

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