



Case Study

Citi's seamlessly implemented Virtual Card Account solution offers fully integrated FX capabilities to Destinations of the World.

Destinations of the World (DOTW) is a dedicated B2B travel industry wholesaler that connects travel professionals with over 80,000 hotels, including all major chains, in 7,500 cities worldwide. Its online booking system provides instant hotel accommodation pricing information and reservations for a global network of travel agents.

The challenge

DOTW needed to introduce automated payment functionality to its online booking system to continue to meet the expectations of its suppliers for timely, cost-effective and secure bookings. DOTW used post-stay invoicing with payment by cheque and funds transfer, which was expensive and inefficient. Moreover, it meant it could not access dynamic booking rates from the major hotel chains, which are increasingly only available when a booking is made using a credit card. DOTW's analysis identified single-use credit cards as the most effective solution for bookings on behalf of its clients.

Given the global nature of DOTW's operations, it was essential that any solution incorporated capabilities to reduce FX risk and lower costs. An important consideration in selecting a card provider was therefore the breadth of their local currency footprint and their ability to automate the FX component of the payment solution. Further requirements included matching DOTW's credit period to maintain working capital.

The solution

Seamless implementation

DOTW wanted to minimise disruption by ensuring that the implementation of any solution would be fast and straightforward. Most importantly, it wanted a tool that would not add complexity to existing work practices. The solution needed to integrate with DOTW's existing booking system so that when a card number was generated for payment, it would be automated.

To meet DOTW's global needs, Citi proposed the use of its Virtual Card Account (VCA) solution, which was successfully and easily integrated into DOTW's existing back-end tool and meant that the company would use a familiar interface to gain access to increased functionality. When a DOTW client processes a booking with a VCA-linked supplier, the booking system automatically pulls a card number, expiration date and CVV2 card verification value from Citi's systems.

Citi carefully coordinated the implementation across multiple teams and countries, and worked closely with DOTW's finance and accounts team, technology team and MasterCard technology to ensure a smooth and speedy implementation.

Financial efficiencies

DOTW virtual cards can be raised in 14 currencies, which provides the flexibility to settle monthly statements in local tender at the best rates. This shields purchases from FX fluctuations, reducing FX risk for DOTW. The instant FX solution also allows for faster and more accurate forecasting for DOTW, imposing no cost and providing access to tighter FX rates.

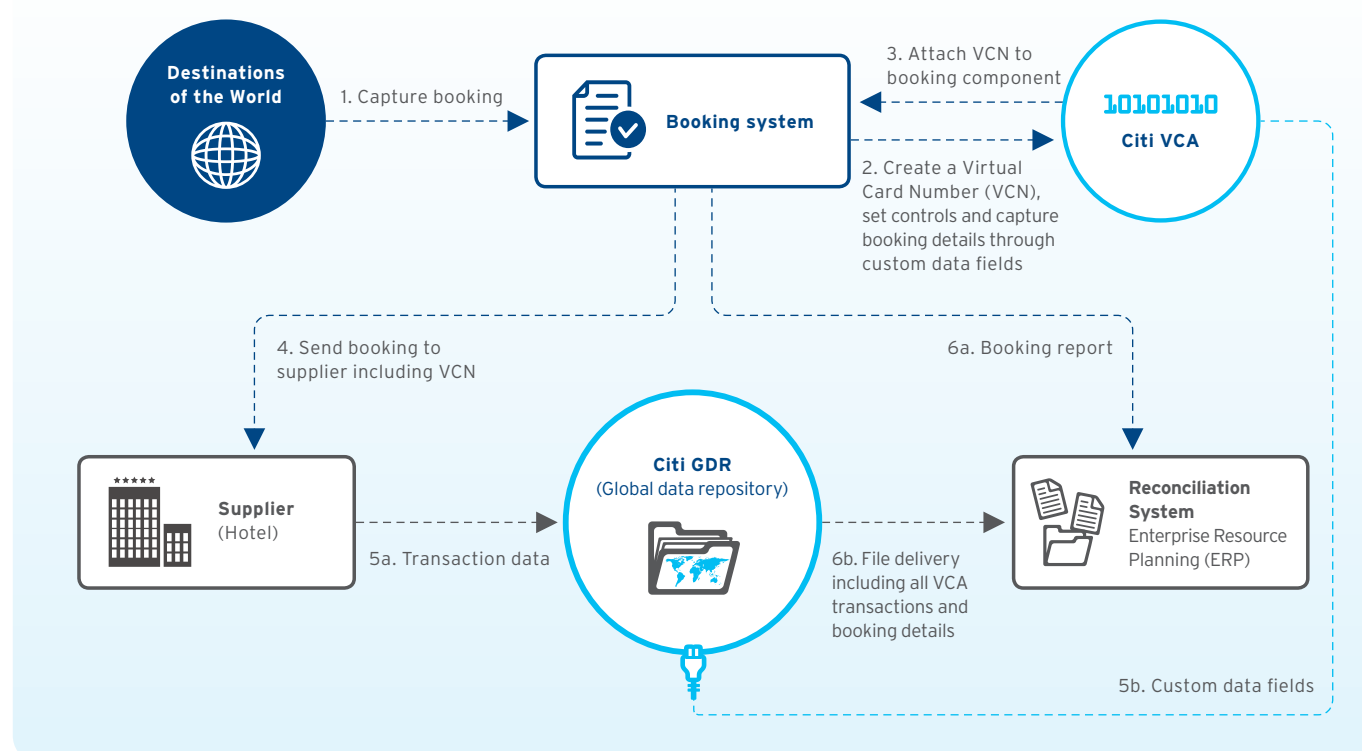
Using a VCA solution replaces manual processes, including cheques and funds transfers, with a fully automated system. As a result, DOTW has reduced the length of time it takes to make supplier payments, strengthening its supplier relationships while gaining access to credit card-only dynamic rates for its clients.

More information

To find out more about Citi's VCA solution, contact your Citi representative or visit citicommercialcards.com

Booking system integration

Payment and reconciliation process using a VCA



Treasury and Trade Solutions
transactionservices.citi.com

© 2015 Citibank N.A. All rights reserved. Citi and Citi and Arc Design are trademarks and service marks of Citigroup Inc. or its affiliates and are used and registered throughout the world. Citibank, N.A. is incorporated with limited liability under the National Bank Act of the U.S.A. and has its head office at 399 Park Avenue, New York, NY 10043, U.S.A. Citibank, N.A. London branch is registered in the UK at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB, under No. BR001018, and is authorised and regulated by the Office of the Comptroller of the Currency (USA) and authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request. VAT No. GB 429 6256 29. Ultimately owned by Citigroup Inc., New York, U.S.A.