Payment - an amount of money that is paid for something.

We have many payment options to choose from.
Payments

- Cash
- Check
- Credit card
- Debit card
- Electronic check
- Money order
- Traveler’s check

Paying for travel today is the same as purchasing any item.

Travel can be paid for by:
- Cash
- Check
- Credit card
- Debit card
- Electronic check
- Money order
- Traveler’s check

Can anyone tell me the difference between a check, such as a personal check, and an electronic check?

A personal check that is taken must be taken to a bank and is deposited in the account of the person or company accepting the check as payment. Then that bank will send the check to the bank of the person writing the check who will send the funds electronically, the accepting bank receives the funds. This transaction may take several days.

An electronic check still uses a personal check but the transaction is all handled at the point-of-sale and the register/computer will electronically retrieve the funds from the check writer’s account instantly. Many retail businesses now handle personal checks in this manner.

A traveler’s check is preprinted for a fixed-amount (e.g. $50 or $100) and typically sold through banks. They are designed to allow the person purchasing and signing it to make a payment to someone else. Use of these has declined over the last 20 years as credit cards, debit cards and automated teller machines have become wide spread.
The Internet has had a large impact on how people travel, where they choose to stay overnight and where they eat.

Customers/guests can visit company websites to make these decisions.
The PMS computer software and hardware are used to run lodging properties. It keeps all the information for all departments in one computer system.

Guest check-in information used to be recorded by hand and kept in log books before this system.
PMS Systems

- Creates a guest folio
- Keeps track of guest purchases
- Generates a bill
- Produces electronic key cards

Can handle:
- Accounting
- Inventory
- Purchasing
- Receiving

Guest folio – a record of all transactions of both cash and credit incurred by a hotel guest.

Electronic key systems – a card with a magnetic strip that contains the room combination.
The POS system is a computerized system for recording an order at the place where the order is taken.

It has improved the accuracy of the menu orders.
The POS system has increased employee efficiency and overall company productivity.
Exchange rate - number that is used to calculate the difference in value between money from one country and money from another country.
How do you pay for things when you travel to a different country?

There are actually 4 options.
1. U.S. cash – The U.S. dollar is well respected and most countries will take U.S. currency. When others travel to the U.S., most places other than banks and the Exchange Bureau will NOT take foreign currency.
   • Foreign currency – This can be confusing at first because of the varying exchange rate and the exchange rate offered is different depending on when and where you convert your money. There are six options for converting money.
     • convert before you leave – either from banks or travel agencies
     • convert with a country’s bank – most foreign banks will exchange U.S. dollars
     • convert with a country’s ATM – use your debit or credit card on an ATM machine when you arrive – usually the best exchange rate but will have a fee – best to know the exchange rate so you don’t exchange too much money
     • convert at your hotel – large hotels catering to foreign travelers often will exchange U.S. dollars if they have enough currency but the exchange rate might not be very favorable
     • convert with the Currency Exchange Bureau – either in the U.S. airport prior to leaving or when you arrive – currency exchange bureaus are more common in other countries
     • convert on the street – this is the worst idea – the exchange rate will most likely be the poorest and you could be converting to counterfeit currency
   • Debit or credit cards – this is becoming the preferred method of payment for travelers as the exchange rate is usually favorable but the card issuer may charge a fee for conversion
   • Traveler’s check – can be used and can be issued in either U.S. dollars or in foreign currency
Currency

Travelers to foreign countries should be mindful of:

- Exchange rates change daily
- Fees may be charged to convert
- Some currencies have the same name

Exchange rates

A traveler to foreign countries need to be mindful of a few things:

- Exchange rates will change daily and can change by a large percent. For example, a meal might cost the equivalent of $35 U.S. dollars one day and can change to $45 the next day. It can also go in the other direction as well. So it might be wise to watch how much money is converted at one time.
- Fees are charged to convert. At the end of your travels, if you have left over money you can convert it back to U.S. dollars, but keep in mind you will be paying fees to convert in both directions.
- Currency names can have the same name. For example, the U.S., Canada, Singapore, New Zealand, and Australia all call their currency “dollars” but will have a different value than the U.S. dollar. This can be confusing when communicating in the price and purchasing of items.
Exchange rates may change daily.

Be sure to check the current exchange rate before calculating.
Click on hyperlink to view video:

**Currency Tips for Traveling in Europe**

Learn these currency trips for traveling in Europe so that you never have the wrong currency while traveling in Europe. Here are important currency tips for traveling in Europe, including what countries use the Euro and where to exchange money.

What does this quote mean to you?
Answers to the questions are found within the slide presentation or may vary with class discussion.
Questions?
Presentation Notes
Payment Options and Exchange Rates

References and Resources

Images:
- Microsoft Office Clip Art. Used with permission from Microsoft™. (Slides 3)
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Textbooks:

Website:
- Business Insider
  - MAP: The Most Popular Countries In The World To Visit
- U.S. Department of the Treasury, Bureau of the Fiscal Service
  - Treasury Reporting Rates of Exchange
    https://www.fiscal.treasury.gov/reports/rpt/treasRptRateExch/currentRates.htm

Video:
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  http://video.about.com/goeurope/Currency-Tips-For-Traveling-In-Europe.htm