Operator

Good morning, and welcome to CLEAR's fiscal third quarter 2026 conference call. We have with us today Caryn Seidman Becker, Founder, Chair, and Chief Executive Officer, and Jen Hsu, Chief Financial Officer. As a reminder before we begin, today's discussion contains forward-looking statements about the company's future business and financial performance. These are based on management's current expectations and are subject to risks and uncertainties.

Factors that could cause actual results to differ materially from these statements are included in the documents the company has filed and furnished with SEC, including today's press release. The company disclaims any obligation to update any forward-looking statements that may be discussed during this call. During this call, unless otherwise stated, all comparisons will be against the comparable period of fiscal year 2025. Additionally, the company will discuss both GAAP and non-GAAP financial measures.

A reconciliation of GAAP to non-GAAP financial measures is provided in today's press release and the most recently filed Form 10-Q. These items can be found on the Investors Relations section of CLEAR's website. With that, I'll turn the call over to Caryn.

Caryn Seidman Becker *Founder, Chair, and CEO*

Good morning, and thank you for joining us. Identity is security, and CLEAR secure identity platform is extending from homeland security to cybersecurity, on the ground and in the cloud. For 16 years, CLEAR has helped secure one of America's most critical checkpoints, the airport. Working alongside the Department of Homeland Security, we've proven hundreds of millions of times that you are exactly who you say you are.

Today, that question has left the airport, extending to hospital portals, bank and crypto accounts, government programs, corporate networks, and increasingly, an AI agent is accessing those checkpoints on someone's behalf. Our mission has always been about strengthening security and establishing trust, and in this world, both are more critical than ever. AI is industrializing fraud. Deepfakes impersonate employees, synthetic identities infiltrate institutions, and AI agents are creating an entirely new frontier of identity risk.

The world has evolved, and the need for trusted identity has never been greater. CLEAR is built for this moment. Identity is the absolute foundation of security, and CLEAR starts with extraordinary advantages. Security is at our core, with nearly 50 million Members on the platform and a network of use cases across travel, workforce, healthcare, and GovTech.

Our long-held vision of enroll once and use everywhere is rolling. This quarter, we saw revenue of $292.9 million, up 27.8% year-over-year, Bookings of $323.5 million, up 24.4% year-over-year, and we delivered Adjusted EBITDA margins of 35.5%. This quarter's results reflect our growing Member base and expanding network of use cases and nodes.

In travel, we continue to expand the Home-to-Gate experience and welcome Tampa Airport to the CLEAR network this week. Almost 80% of our network is now covered by eGates, and Concierge is in almost 70% of our airports. Together, these assets help travelers win the day of travel consistently

and predictably, with over 96% of travelers through the Lane in less than five minutes. That certainty in a highly uncertain travel world is transformative, and all-time high Lane experience scores are evidence that the Home-to-Gate promise is really resonating with Members and driving enrollments, ARPU, and retention.

The CLEAR mobile app is the backbone of this journey, turning insights into action and giving Members control of their travel day with personalized experience. Starting today, the app automatically adapts to each Member's trip. Planning mode tells you when to leave and books your ride. Travel mode takes over at the airport, helping book a Concierge, find CLEAR Lanes, and measure gate walk times, all while Live Activities provides real-time updates.

Coffee is waiting near your gate at 56 storefronts across 13 airports, with more coming. Moving from homeland security to cybersecurity, our platform continues to expand aggressively beyond travel, and the TAM is enormous. A data compromise is reported every two and a half hours in the U.S., and one in four breaches are AI-enabled, each averaging a cost of $6 million. I've said it before, cyber criminals are not breaking in, they're logging in.

If information can be researched, bought on the dark web, or generated by a model, it is not proof of identity. CLEAR proves the real person behind the interaction. Cybersecurity is national security. The threats have emerged at the federal, state, and local level, all places that CLEAR is active, from the public sector to the private sector.

CrowdStrike has integrated CLEAR's verified identity into its Falcon platform for person-based verification when risks emerge, reducing threats without unnecessary friction. The continued focus on reducing fraud, waste, and abuse creates significant opportunities for CLEAR1. When cyber criminals are hacking water systems and power grids, there's a sense of urgency for federal, state, and local governments to get identity right.

CMS is a powerful example of where fraud reduction is a mandate and identity is crucial. This quarter, we expanded to a multi-year contract with CMS, building on the secure, seamless sign-on we power for Medicare.gov. Companies are facing enormous challenges securing their workers from hiring to document signing to getting on a Zoom, and now agents are creating exponential workforce growth. This urgent need to secure the workforce is driving our pipeline and our close rate.

Healthcare systems and businesses are using CLEAR1 to secure access to their people, systems, and data. We are integrated into almost 10% of U.S. healthcare systems and directly into leading electronic health record platforms, which makes the integration into clinical workflows and patient portals far easier for doctors and nurses. The power of the platform is creating cross-sell and upsell opportunities as current customers that start by verifying employees expand to patients, consumers, and vendors.

This growth builds on our leading position in the market, security at our core, a trusted brand, a scaling network, and an absolute obsession with our Member experience. We are taking CLEAR from the physical airport checkpoint to digital and physical entry points across so many industries. What began as secure identity is now essential security infrastructure. With that, I'll turn it over to Jen.

Jen Hsu *Chief Financial Officer*

Thank you, Caryn. Our third quarter performance is a direct reflection of the accelerating demand for CLEAR secure identity offerings. We reported strong results across the board, maintaining significant year-over-year top-line growth while delivering over 35% Adjusted EBITDA margins and strong flow-through to the bottom line. We are increasing our full-year Free Cash Flow expectations to nearly half a billion dollars and over 40% year-over-year growth. Q3 Revenue of $292.9 million was up 27.8%, and total Bookings reached $323.5 million, up 24.4%.

In CLEAR Travel, ongoing improvements in Member experience supported by our Home-to-Gate strategy are translating into robust customer acquisition and retention. Active CLEAR+ Members grew 14.5% year-over-year to 8.5 million. Network expansion, a frictionless experience driven by innovative technology, hospitality, and premium offerings like Concierge give us multiple levers to drive both Member and ARPU growth in CLEAR Travel.

Q3 was a milestone quarter for CLEAR1. Total CLEAR Members grew 30.7% year-over-year to 46.7 million. Demand is broadening across our verticals, and GovTech is a great example. We renewed and expanded a multi-year partnership with CMS, the federal agency that oversees Medicare and Medicaid.

We also announced a pilot with the VA, and we are off to a strong start. The VA supports a community of approximately 17 million Veterans and operates the largest integrated healthcare system in the United States. Only about half of veterans are enrolled in the Veterans Health Administration to access the benefits they have earned. We believe CLEAR1 has a meaningful opportunity to modernize and improve the Veteran experience.

This administration reported an estimated $186 billion of fraud in fiscal 2025 across 64 federal programs. Our partnerships with CMS and the VA highlight the power of CLEAR's network and the opportunity we have in front of us. CLEAR1 is an increasingly important contributor to our Bookings, and we are still in the early innings of addressing a vast and expanding market.

The third quarter underscored our ability to deliver both strong top-line growth and strong profitability while investing in product and experience. Operating income was $82.9 million, and Adjusted EBITDA reached $103.9 million, representing a 35.5% Adjusted EBITDA margin and nearly five percentage points of margin expansion year-over-year. For the full year, we remain on track to deliver significant year-over-year Adjusted EBITDA margin expansion, supported by the scalability of our model and continued operating rigor.

Third-quarter cash flows followed our historical cadence due to the annual settlement of our accrued partnership liabilities. Net cash used in operating activities was $98.6 million and Free Cash Flow was negative $103.8 million. Both reflect the approximately $315 million settlement of our accrued partnership liabilities, which primarily relate to merchant credit card benefits. We do not expect any further payments related to our accrued partnership liabilities in fiscal 2026.

Under our renewed agreement with our credit card partner, beginning with the first quarter of 2027, we will make quarterly payments on our partnership liability. This means that on a go-forward basis, we will no longer have a large cash outflow in our third quarter and expect to be Free Cash Flow positive and more evenly distributed on a quarterly basis.

We ended Q3 with $633 million of cash and marketable securities on our balance sheet. We repurchased 3.7 million shares for $171 million at an average price of $46.19. This quarter reflects the largest quantum of share purchases within a quarter in our history, reflecting our confidence in CLEAR's trajectory and the opportunity we have to drive growth and Free Cash Flow on both sides of our business. We have proven to be disciplined stewards of capital, having repurchased close to $650 million of shares at an average price of approximately $25 per share, resulting in a net share count reduction of approximately 11% since our IPO.

Turning to guidance, for Q4, we expect revenue of $299–$302 million and total Bookings of $335–$340 million, representing 24.8% and 17.6% year-over-year growth at the midpoint, respectively. This guidance excludes potential large CLEAR1 contracts, given the timing of those deals is difficult to predict.

We are also increasing our 2026 full-year Free Cash Flow guidance from at least $480 million to at least $490 million, which would represent an increase of at least 42.8% year-over-year. The efficiency of our business model is reflected in our results. We are delivering margin expansion as we scale while investing to drive long-term returns. The CLEAR platform is expanding from homeland security to cybersecurity, and we are well-positioned to capitalize on our opportunity set as we close out the year and enter 2027. We will now open the call for Q&A.

Operator

Thank you. We will now be conducting a question-and-answer session. If you would like to ask a question, please press star, one, on your telephone keypad. A confirmation tone will indicate that your line is in the question queue. You may press star, two, if you would like to remove your question from the queue. For participants using speaker equipment, it may be necessary to pick up your handset before pressing the star keys.

We ask that analysts limit themselves to one question and a follow-up so that others have an opportunity to do so as well. One moment, please, while we poll for questions. Our first question comes from Eric Sheridan with Goldman Sachs. Please proceed with your question.

Eric Sheridan *Goldman Sachs*

Thank you so much for taking the questions. Um, uh, wanted to start on CLEAR+. How are you thinking about some of the learnings about the scaling of CLEAR+ and what, uh, it sort of translates into in terms of a long-term view of what the scope of the opportunity is, whether measured by gross additions, churn, or pricing power around CLEAR+ over the medium to long term? Thanks so much.

Caryn Seidman Becker *Founder, Chair, and CEO*

Hi, Eric. Thank you. So, yes and yes. Look, we've been at this now for CLEAR+ for 16 years, and I think there's a lot of lessons because we've seen a lot of cycles. And so today, as we cover almost 80% of the U.S., as we have more products to both bundle and sell separately, as we have a record high Lane

experience score from Members, as we have 3,500 Ambassadors out there, and I think when you're bringing technology together with hospitality, that is actually the really powerful solution. And as we're focused from home to gate and can deliver a -- as we said, 96% of Members are getting through in less than five minutes, that is a predictability and a consistency, that which has moved us from a line to an experience.

Because whether or not there's a line, it's like, you know, we did a study with WHOOP, and you sleep better, um, when you have CLEAR because you can be more planful and in control of your travel day. And so I think there are a lot of learnings. Number one, it starts with the experience, and we have to continue to deliver greater value to Members from home to gate. I think that's a lesson that we've all learned from great companies over time.

And so, whether it be the mobile app or whether it be Concierge or whether it be the coffee waiting, it is -- we've moved far from the security checkpoint because that's table stakes, right? That's always like the wall that you have to get through in order to drive the experience to this absolute experience -- you know, from beginning to end, um, wherever you are.

And so, for us, that learning, and I think now with better data analytics and better -- better cohorts to study, we really understand or we're getting a better understanding of who our customers want, how we can communicate with them. We used to only, quite frankly, have emails. Now whether it's text or in the app or social media, there's all different ways to communicate with our Members, and I still don't think we're great at this.

We have a ways to go, and understanding what traveler wants what. A family, you know, group in Orlando wants something different than an author who's on a 10-city road trip, you know, over 12 days. And so understanding the customers and the personas and being able to deliver different packages and pricing to them, the calendar sync, we've had over a million Members sync their calendars. We never knew, early days yet, but we never knew when you were coming. Now we can know who's coming and when and how to serve them better. And so that's really game-changing.

And again, when we look at travel, either you have people or you have technology, and just having a kiosk there does not serve a customer. So it's the hospitality and the technology continuing to push on innovation. And I also think working hand-in-glove with our federal, state, and local partners who are very aligned to drive customer experience, who are very aligned to continue to drive travel no matter shutdowns or no shutdowns. There's so much more we can be doing on the technology front. And so it is about retention, but retention is about customer experience, and it is about driving Member growth in ARPU, all of which come from both customer experience and innovation and continuing to grow our network, so I think it's a really exciting time.

Eric Sheridan *Goldman Sachs*

Great. Thank you.

Jen Hsu *Chief Financial Officer*

And Eric, maybe if I could just add to that a bit. Um, in terms of the components of our CLEAR+ growth, you -- you hear from Caryn, this really comes down to our CLEAR+, uh, Member outlook as well as our pricing opportunity going forward. Um, we feel our product and -- and experience have never been better. You can see that reflected in our NPS, as -- as Caryn shared.

And ultimately, the underlying drivers of active CLEAR+ growth, which are Member retention and net new acquisition, are both strong. Um, year-to-date, you've seen us grow that metric, call it somewhere between 13% and 15% year-on-year, and we expect healthy trends, um, in that metric going forward. And then on, on, pricing opportunity, we've talked about in the past, I think we've multiple levers to drive pricing over time. Um, the first is just measured, uh, annual price increases to our standard pricing.

Um, the second is we believe we have adjustments to our discounted price points for certain Member cohorts. And then, finally, Caryn spoke a bit about, um, how we're testing our way into new pricing structures and -- and pricing packages. And so just to elaborate on that a bit, you know, I think we are, um, learning our way into different methods of pricing, whether that be a la carte or premium or bundled packages, and we expect to, um, continue refining that over time.

Eric Sheridan *Goldman Sachs*

Great. Thank you.

Operator

Our next question comes from Joshua Reilly with Needham & Co. Please proceed with your question.

Joshua Reilly *Needham & Company*

Uh, great. Thanks for taking my questions, and nice job on the quarter here. Uh, if we look at the CLEAR1 pipeline for Q4, last year in Q4, the CLEAR1 business really accelerated, including the CMS deal, and you had a very strong quarter, which we presume sets up a difficult comparison for Q4. How are you thinking about that dynamic as you set Bookings guidance for Q4? Can you still grow, uh, at scale on CLEAR1 in the near term against that tough comp? Thanks.

Caryn Seidman Becker *Founder, Chair, and CEO*

Thanks, Josh. So we're still dealing with the law of smaller numbers for CLEAR1 and have a lot of exciting opportunities in front of us. And so, uh, you know, last year, you didn't have cyber criminals, uh, you know, taking money out of crypto, uh, companies. You didn't have North Koreans infiltrating critical infrastructure and having The Wall Street Journal do 30-minute documentaries on it. Uh, you didn’t have a country that was focused on healthcare interoperability and building out that network, and you also didn’t have a fraud task force focused on, uh, reducing fraud, waste, and abuse.

And so these are such early days at CLEAR1, and we have a more robust product portfolio than ever before and a bigger customer base, which creates that opportunity for, you know, net revenue retention, right? And upselling and cross-selling our current customers, as well as selling new customers. I would also tell you that we have a bigger sales force on CLEAR1, and then there's the power of technology to help you sell. So we couldn't be more excited about our opportunities there.

Jen Hsu *Chief Financial Officer*

And Josh, I will provide a bit more of a quantitative overlay. So our Q3 CLEAR1 Bookings this quarter were, uh, close to three times that of what they were in Q3 of 2025 last year. And underneath that, um, we are continuing to see strong new partners signing at a -- a healthy rate. Um, as an example, in healthcare, we added nine new health systems, um, in this -- in this quarter, and we're also seeing a large, um -- we, we saw our largest quarter, actually, of partner expansions in our history. We define that as incremental ARR from existing partners. Um, CMS is one example of that, but that's an important metric for us as we think about our ability to grow our use cases with partners over time.

Joshua Reilly *Needham & Company*

Got it. That's super -- super helpful color there, appreciate that. Uh, if we look at the trends around the CLEAR+ business, um, Eric's question touched on this a bit, since the TSA surge earlier in the year. One of the questions I get quite a bit is, how do you think about what is a normalized and sustainable growth rate for CLEAR+ moving forward as we kind of revert following that -- that TSA surge earlier in the year? Do you think it is a little bit higher going forward in terms of the sustainable growth rate relative to prior to the surge? Did that -- something fundamentally change there, or should we expect more reversion downward on CLEAR+? Thank you, guys.

Jen Hsu *Chief Financial Officer*

Yeah. Josh, I won't probably perfectly satisfy that answer, but I'll -- I'll come back to, I think, the levers that we have to drive both active CLEAR+ Members and our pricing opportunities. Um, again, I think our retention rates, um, are incredibly strong at the moment. I think that is representative of the work that we've done around innovation and our -- our product. Um, and we also believe that we have significant net new, um, active CLEAR+ Member growth in front of us.

Um, our traveler awareness for CLEAR+ is much lower than we think it should be. Um, we have network growth. We're currently about 80%, um, covered in the U.S. network, and so there is opportunity there as well as internationally, um, as well as just market penetration in our, um, existing MSAs. So again, retention and -- and net new acquisition, I think, are both opportunities for us on the Member front. Um, and pricing, we -- you know, I spoke to this earlier on the call, but I -- I think there are multiple levers for us to, um, continue growing, um, on -- on the pricing front as well.

Caryn Seidman Becker *Founder, Chair, and CEO*

And the one thing I would add there is that still a disproportionate amount of our Member growth comes from in-airport, and we think that there's a lot of ways to continue to grow that piece of the business. But where I think we also have significant opportunity that we have not penetrated as well as I would like us to is on the digital adds and the mobile adds. If you told us three years ago that you could enroll on your couch with your mobile phone and your passport, both as a U.S. citizen and -- and 42 visa waiver countries, that really expands the TAM, and I think that there's a lot of opportunity there. It's still really early days there.

Operator

Our next question comes from Wyatt Swanson with D.A. Davidson. Please proceed with your question.

Wyatt Swanson *D.A. Davidson*

Hey, guys. Uh, thanks for the question. Appreciate it. Uh, with the new distribution channels for CLEAR+ that you've announced over the past few months, uh, corporate, Expedia, stuff of that sort, could you provide any color on, you know, what early trends look like and whether this is maybe capturing incremental CLEAR+ subscribers that may have otherwise not subscribed?

Caryn Seidman Becker *Founder, Chair, and CEO*

Uh, sure. The power of partnership has been an important hallmark for CLEAR since the early days. That's partners with airports, that's partnerships with airlines, that is the partnership with our credit card partner, and expanding those partnerships into other parts of travel, OTAs being one, is a big and very early opportunity for us. And I do think, look, we -- we sell point to point, right, customer to customer. We have not done both sides. And so whether it be, uh, you know, for CLEAR+, whether it be for Concierge, whether it be for CLEAR+ plus PreCheck, like, I think we have a lot of opportunities to continue to expand our distribution network. I would tell you it's just very early.

Wyatt Swanson *D.A. Davidson*

Got it. Yeah, that's fair. And -- and maybe a follow-up on Josh's question related to -- uh, related to the digital and mobile adds. Could you -- could you maybe give some color on what your strategy might be to expand additions there? Like -- like, how do you approach that instead of, uh, you know, just adding Members in-airport?

Caryn Seidman Becker *Founder, Chair, and CEO*

Sure. Um, well, as we talked about, we have almost 50 million Members on our platform today, and what I said is that we have -- and, right, I think we gave you our, you know, new sub number for the quarter,

so I think you see that not a large percentage of them have synced their calendar so far. Right? So getting people to engage in the mobile app, you will find soon that it's easier than ever to send Guest Passes from the mobile app.

And so raising awareness of the mobile app for our Member base, not to mention we have big real estate in airports to let non-Members know about it, not to mention, again, we have a large database of Members, uh, who have joined us in different ways, to raise awareness with them. We have partners. I think that it really is a new day in digital marketing when you look at video and things of that nature. You really don't find us there. We are just starting.

And so I think the good news is that the Members who have joined haven't come from those channels, and we think that there's a lot of ways to share the CLEAR story, the Home-to-Gate experience, the customer testimonials, uh, as well as with our partners. So, um, you know, untapped opportunity.

Wyatt Swanson *D.A. Davidson*

Got it. Thank you very much.

Operator

Our next question comes from Bryan Smilek with J.P. Morgan. Please proceed with your question.

Bryan Smilek *J.P. Morgan*

Great. Thanks for taking the questions. Uh, Caryn, could you just elaborate a bit more around potential pricing tests? I think you mentioned in response to Eric's question, um, ability to do, you know, some discounted pricing adjustments and test into new pricing structures. Um, and then just for Jen as well, can you just help us think about overall LTV to CAC curves across cohorts here, just given you are approaching, right, obviously, the 35%+ Adjusted EBITDA margins? Thank you.

Jen Hsu *Chief Financial Officer*

Sure. Maybe, Bryan, I'll -- I'll take that, and Caryn may add. Um, on your pricing question, I think, you know, we -- we have more assets and a better understanding of who our Members and our potential Members are than we ever had in -- in our -- our history. So for example, a family traveler has very different needs than those of a business travel -- traveler.

And so our Home-to-Gate strategy is all about expanding our set of services, um, whether it be Concierge or concessions, to really serve different types of Members in a personalized and -- and relevant way. So we are learning our way into that. Right now, Concierge is a transactional a la carte pricing model. Um, you know, what -- what would a premium bundled package look like for our Members? Those are the types of things that we are, uh, again, early days, but exploring, I think, as we look ahead.

Caryn Seidman Becker *Founder, Chair, and CEO*

If I can just add to that --

Bryan Smilek *J.P. Morgan*

Great. Thank you.

Caryn Seidman Becker *Founder, Chair, and CEO*

-- which is we have, going back to, I think, the first question, we have a lot of Member insights from a 16-year history. We know our Members very well and our -- have more assets today to serve them in a more personalized way. And what -- I mean, we're all travelers, right? What we want on a business trip or a road show is different than what we want when we show up at the airport with all of our luggage and our children.

And so understanding what people want and being able to do a la carte or all you can eat and think through those to drive that frictionless experience, to drive that predictability and consistency no matter where you are or how you're traveling, it's just opportunities that we never had. And there's certainly great ways to test pricing today that, again, you didn't have a few years ago. So we -- we are going to be testing and learning.

Jen Hsu *Chief Financial Officer*

And Bryan, I'm sorry, the -- could you repeat your second question? Was it around, um, the EBITDA margin profile over time?

Bryan Smilek *J.P. Morgan*

Yeah. Um, just curious in terms of right now at 35%+ Adjusted EBITDA margins, um, curious, you know, as you think about harvesting margins versus redeploying it into the business going forward. And I guess, like, really curious just given the continued scale of the business more broadly, um, what does the LTV to CAC curve look like across some of the more like recent cohorts that you're onboarding? Thank you.

Jen Hsu *Chief Financial Officer*

Sure. Yes, yes, of course. Um, so this is the second quarter. Um, we're at 35.5% this quarter, second quarter. We have exceeded our -- our target. I think the short answer is that we do see, um, long-term upside in our margin profile over time as our business scales. Um, our top-line growth rate has significantly outpaced the rate of our growth of our cost base, um, even as we have been making, I would say, judicious but quite meaningful investments behind, um, demand in our identity

platform and also scaling some of our newer businesses. So I think that just highlights both, um, visibility and the recurring nature of our model, both in B2C CLEAR Travel as well as B2B CLEAR+ -- um, B2B [inaudible].

Bryan Smilek *J.P. Morgan*

Thank you both.

Operator

Our next question comes from Michael Turrin with Wells Fargo. Please proceed with your question.

Rachel Chang *Wells Fargo*

OK. Great. Uh, this is Rachel Chang on for Michael. Uh, thanks for taking our question. I just wanted to ask one on your 4Q Bookings guide, um, kind of what are the assumptions factored in there? Um, and then if you could walk through the different growth drivers, uh, maybe how the Amex partnership, um, and price increases work into that, and then how all of this, um, informs your visibility into 2027, uh, revenue growth at this stage. Thanks.

Jen Hsu *Chief Financial Officer*

Sure. Um, so I guess I would start, I think our Q4 guidance, um, reflects continued momentum in both our travel business and our CLEAR1 business. Um, I -- I would call out -- re-call out the note we made in -- in -- of the earlier portion of our call, which is that our guidance does not include, um, potential large CLEAR1 contracts.

As we think about CLEAR1, um, our average deal sizes are increasing. You can see that from partners like CMS. And as we scale the CLEAR1 business, um, our Bookings realization there could be lumpy, just depending on the timing of when certain deals get signed. So large contracts will have smaller impact over time as we grow that business, but we are obviously, um, running and building that business for the long term.

Um, I think your question on Amex, I -- I guess I would just confirm that we, um, uh, we are into the renewed, uh, partnership with our credit card partner at this point. Um, nothing kind of additional there to highlight or call out at this point.

Operator

Our next question comes from Dana Telsey with Telsey Group. Please proceed with your questions.

Dana Telsey *Telsey Advisory Group*

Hi. Good morning, everyone, and nice to see the progress. As you think about the macro environment out there, Caryn and Jen, anything you would note as we head into 2027 in terms of what you're seeing with levels of demand? And then on the pricing component, given the new, um, business lines that you're getting in, new categories or whatever, is it a -- do you think of at all, is it a one-fits-all pricing structure, or do different industries that become customers capture different pricing? How do you see the pricing metrics moving forward? Thank you.

Caryn Seidman Becker *Founder, Chair, and CEO*

Dana, I assume that when you're talking about pricing metrics, you're talking about CLEAR Travel?

Dana Telsey *Telsey Advisory Group*

Correct.

Caryn Seidman Becker *Founder, Chair, and CEO*

OK. Um, so let me start with the -- with the macro travel trends, just some data. So nationally, TSA volume was down 2% year-over-year in September, but airports like Chicago, uh, O'Hare and Atlanta were up 5% and 4%. And so net-net, we've talked about the fact that up or down a few percent, because we still have low penetration, doesn't impact us, and we separate ourselves from that and see a lot of opportunities nationwide and then in any specific market.

So you know, that is the, the first piece and just interestingly, what you're seeing when you listen to the airlines is perhaps less flights, but bigger planes, right, different times of day. So if you're banking them early in the morning for efficiency or route purpose, planning purposes, you're seeing airports that have, you know, chunkier, um, crowds than ever, right? So 5:00 A.M. to 8:00 A.M. can be crazy, 9:00 A.M. to 11:00 A.M could be like soft and so you actually have to divide it down into all of those things across the country.

With over 170 Lanes, um, you know, I really think about each one of them as a store. And -- and so how we create opportunities in each one of those, I still think, um, is really separate from travel trends up or down a few percent. I remain bullish on travel. We remain bullish on travel. I think you are seeing corporate travel continue to pick up. I think you're seeing the experience economy continue to push forward. People love traveling. Uh, and so we still see a lot of opportunities there, and I think you saw that in this quarter.

Um, and in terms of pricing, and then, I can, I'll let Jen talk more about it, we -- we do think for a long time, like for 16 years, we took the peanut butter approach. We just offer everybody the same thing. And again, different travelers for different times for different purposes who want different packages. And so we don't think that everyone wants the same thing, and we do think we have a lot of opportunities to better personalize the experience, the package, and the pricing.

Jen Hsu *Chief Financial Officer*

And just to add on that, I -- I think what you're hearing from us is we are just -- we are experimenting into pricing elasticity. I think the macro point is that we will always pair pricing actions with continued investment in Member experience, um, but we do think that there is a big opportunity to better serve our Members, um, depending on their priorities. But our -- I think our first and foremost focus will always be around building the value proposition, because ultimately, that drives loyalty retention, um, in our business for the long term.

Dana Telsey *Telsey Advisory Group*

Thank you.

Operator

We have reached the end of our question-and-answer session. I would now like to turn the floor back over to Caryn Seidman Becker for closing comments.

Caryn Seidman Becker *Founder, Chair, and CEO*

Thank you for joining our call, and a big thank you to the CLEAR team that is working tirelessly to make the CLEAR vision all of our reality every day. Thank you.

Operator

This concludes today's teleconference. You may disconnect your lines at this time. Thank you for your participation.