

Travel Tip: When a Bargain Isn't a Bargain

Who doesn't like a bargain, right? I love to save money. So does Janet. She thinks saving money means she can spend more. After more than 30 years of marriage I'm still working on that. I've

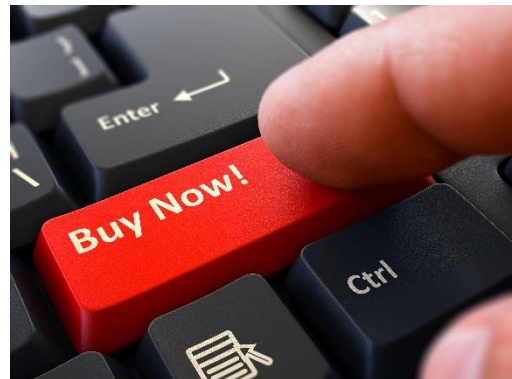


made the argument before that when it comes to travel, paying the lowest price doesn't equate to getting the best value. Most online travel services offer prices that seem too good to be true, and it is tempting to hit the purchase button without really understanding

what you are purchasing. Of course that's what those online services are counting on. Oh sure...the savings they offer may occasionally be real, though often enough they aren't. But even when they are, at what cost? Taking advantage of the savings offered by booking through an online service presents a number of risks that can ruin your vacation, but how many times do you see those risks highlighted before you hit the purchase button? That's a rhetorical question because having made purchases through online booking engines, I already know the answer...you don't. Whether you are booking basic economy air without knowing all the restrictions, or a cruise with a hefty non-refundable deposit that you lose when you subsequently have to cancel, there are a great many traps that can turn your dream vacation bargain into a nightmare.

Without talking with you as a client, I have no way of knowing what your risk tolerance is. Guess what? Neither do the online booking services. Knowing your risk tolerance is key to understanding when a low price offer is a good deal or just a low price with strings attached that will quickly catch up to you. There are two main risks associated with bargain shopping for your vacation: getting trapped into paying more than you expect without the service you get from booking with a travel agent, and getting a vacation experience that is inferior to what you thought you were buying.

Online services set you up from the outset to fall for the risks booking with them present. They do a very good job of creating a false sense of urgency to convince you to give into the emotional side of your brain and grab that "bargain" without looking at the fine print to discover what strings may be attached. When you shop for air online and look at a display of available seats for the flight you want to book, often you will see only a couple of open seats available. That is to compel you to hit the "buy now" button. What you may not know is that when the online services display those seat maps, they don't always show you all of the available seats...just some. In fact if you book directly through the airline's website, which is our recommended way to purchase air whenever possible, many of them use the same tactic. The online services take a similar approach with hotels and vacation packages. Do you find that little window on the margin that tells you only 3 rooms remain available at that



price to be helpful? I find it annoying. Those prompts reflect availability of inventory that in many cases can be replenished at the same price. So while they are technically true, in reality they are not there to be helpful. They are there to create that false sense of urgency that will get you to buy without reading all the fine print. Those marketing people are clever, and the thing is...it works. It plays on our human instinct of FOMO (fear of missing out). It is certainly true that travel pricing is dynamic, prices are subject to increase until booked, and in many cases prices are tied to available inventory. But if you buy travel online, resist the temptation to fall for that false sense of urgency until you've read all the fine print. Seek out the terms and conditions section before you confirm the purchase and read through carefully. If you can't find it, steer clear of that site.

By far the most common risk you face in booking online is that your vacation experience ends up a far cry from what you thought you were booking, and in a bad way. Online booking services negotiate a lower price with the travel suppliers, but that lower price means they may get the worst rooms the property has to offer. It can mean a room at an all-inclusive resort in Mexico or the Caribbean with a nice view of the parking lot and trash bins. Or it can mean that the gourmet food the online site advertised actually consists of average quality buffet style meals in an overcrowded dining room that would be more accurately described as a mess hall. You may be willing to accept those trade-offs, but you should know about them up front, before you spend your money on a non-refundable trip.

Another common risk associated with booking a bargain vacation deal, particularly if you book online, is something known as being "walked." Hotels and resorts have taken a page from the



airlines...they overbook. When a resort or hotel can't accommodate all of their bookings, some vacationers get walked to another property. When this happens, and it happens more often than you might expect, you show up ready to begin your vacation only to be told you have been transferred to a different property. That new property is supposed to be of comparable quality and you should be given the same level of accommodation as you paid for in the original property, but it doesn't

always work out like that. There is a reason the property you booked is full and the property they want to walk you to isn't. And when it doesn't work out, will that online service you booked through be there to help you work things out? Probably not.

There is actually a third common risk you face if you book your vacation through one of the smaller online ticketing services that offer deeply discounted travel...it is significant financial risk. Rather than using your credit card to pay the travel supplier directly, these smaller discount services take your money in the form of a non-refundable payment in full up front. With the exception of air, most travel suppliers don't require payment in full...they take a deposit and then you make final payment usually 3 months or so prior to departure. When a small online booking service takes full payment in advance and then holds onto your money, you have to trust

that they will make the final payment prior to the due date. Believe it or not, they occasionally don't and when that happens, your trip is gone, along with your money.

These are just some of the risks you face when you seek out discount travel. The issue isn't if one of these problems will crop up...it is when. If your specific travel arrangements are flexible, then perhaps you can tolerate some of these risks. If you do opt to book online, use one of the better known online services. When it comes to your hard earned vacation dollars, be sure to find out what those risks are before you hit that "Buy Now" button with an online booking service. Better yet...give us a call. We'll make sure you know what you are getting. You should be the one making the risk decisions, not some online booking engine.