



## **Learning To Compete In A Very Competitive Industry: Travel**

Over the years, many of us have heard about the opportunities available in wholesale travel. As a consumer, we can recognize that if these wholesale travel packages are legitimate, then we will have access to vacation packages that would make the average traveler drool over their possibilities in travel destinations. When we slide the shoe to the other foot and consider wholesale travel as a business opportunity, we question whether we have the knowledge or fortitude to succeed in this type of business.

Read on as we examine wholesale travel from the perspective of the consumer and the online businessperson seeking new opportunities in profit.

### **Beware of The Discount Travel Scams**

While the wholesale travel industry is a legitimate industry offering legitimate travel packages, there are a few people out there offering deals that are less than favorable to consumers.

The most common travel scam is the kind used to sell timeshare packages in real estate. The real estate agent will give you a free three-day package to an attractive destination, IF your yearly salary meets certain minimums AND you agree to sit down and listen to a sales pitch for timeshare properties.

Now, there is nothing wrong with timeshares per se, but the methods that some unscrupulous agents employ to sell timeshares are shameful to say the least. Timeshare supported vacations are well known for their hard-sell approach to the sales process.

As a result, when most people speak of discount travel or wholesale travel, the first thought that comes to the mind of most consumers is the timeshare sales pitch. As a

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result, consumers generally have a poor opinion of discount travel or wholesale travel, based only on their fears of timeshare selling scams.

### **Be Aware Of Travel Restrictions With Some Packages**

There are three types of restrictions that may accompany some discount travel packages:

\* **Expiration Dates:** Many packages come with defined expiration dates that make them difficult-to-use by the stated due-date. Not all of us can gear up to take our vacation within the next 90 days. So, be certain to read the fine print of any offer that is made available to you.

\* **Blackout Dates:** Blackout dates were made famous by David Spade's representation of Capital One Credit Cards. Some travel rewards carry blackout dates to limit the expense of those rewards. They don't want you using your travel rewards over the Thanksgiving weekend, since that is the busiest travel weekend of the year, and prices are generally higher for that peak period.

Travel rewards aside, some travel packages employ blackout dates as well. Check the fine print to make sure that any blackout dates offered with a package do not interfere with how you want to use the travel package.

\* **Non-Transferable Vouchers:** In theory, if you buy a hotel room and an airline ticket to Jamaica for the weekend and if something were to happen in your life that prevented you from using your purchased services, you could give the tickets and reservations to your best friend, so your money would not be wasted. Some travel vouchers may prevent you from transferring your vacation to another party. As always, read the fine print to know what restrictions might limit your vacation plans.

In a lot of cases, even if these restrictions exist, they will not interfere with your vacation plans. But, it is far better to be aware of a limitation before you buy your vacation, than it is to find out about those restrictions when you are ready to plan your trip.

### **How Do Service Providers Profit From Vacation Packages?**

Where the value of discount travel or wholesale travel packages distracts many people, is this underlying question of how companies can offer these types of packages. The consumer is confused by the whole concept of free vacations, so we will look into the profit motive here.

When people are looking at an offer of a free vacation that consists of three days in a hotel room, many people are dumbfounded that such a thing could exist. If we use Las Vegas hotels and Orlando Florida hotels as examples, it is a much easier concept to understand.

When a Las Vegas hotel offers a free three-day stay, they do so with the expectation that you may spend several hundred or thousand dollars in their casino. If you did not take the



