

Cheap Tricks: Buying Direct Isn't Always The Answer 25/JUN/2009

A common misconception among travelers is that buying "direct from the manufacturer" is cheaper. It's not always true when it comes to hard goods, and it's definitely not always the case in the travel business.

Shoppers should recognize – and often don't – that for the vast majority of travel product sold in Canada, it is the supplier that sets the pricing, not travel agents, and in most cases you'll find they offer identical rates. Agents don't mark up prices and consumers get the benefit of agent expertise.



When it comes to escorted tours, vacation packages and cruises, the travel agent advantage is most apparent. Tour operators and cruise lines rely on agents for the majority of their sales, so while they may offer direct-to-consumer bookings, you won't necessarily save money. The travel suppliers can't afford to compete with what is essentially their own outsourced sales force.

For detailed or somewhat complicated travel packages, agent knowledge can be a real bonus. Some cruise lines, for example, don't distinguish between 'ocean-view' and 'obstructed ocean-view' cabins, but a good agent will know. They talk to their suppliers, their clients and to other agents too, and usually have a good idea about which places are in need of refurbishing, who may be sneaking in a little construction or tends to attract riotous college students. Agents are also the first to know about price reductions and value-added incentives, and in these times there are more of these perks than ever.



Airlines have pushed hard to cut distribution costs and get consumers to book direct. Most of them slashed or eliminated commission payments to travel agents about 10 years ago, forcing agencies to charge a service fee which made direct bookings more attractive. But even when charging a fee, agents can often save consumers money through their understanding of labyrinthine airline pricing and routing disadvantages. This is especially true since airlines have started 'unbundling' fares, which essentially means charging for services once included in the price. The practice makes it harder for consumers to compare airfares, giving agents the advantage again.

In Canada, we have a lot of charter flights that head south in winter and across Canada or to Europe in summer. If the dates work, this option can provide a good bargain and a direct routing. But, they don't always show up on Internet searches. Expensive international flights can be tricky too. If you're not finding an acceptable fare or routing, it may be worth a call to an agent with access to "consolidator" fares. You can sometimes save hundreds compared to published airline fares.



Many people are adamant that the best travel deals can only be found on the Internet. Sometimes that's true, but it's a jungle out there. You can spend hour after hour searching for that elusive best price. If you value your time, this may not be the best use of it. Besides, if the price is the same, why not let an expert handle the details and offer some guidance?

When you're very familiar with a product and its pricing, self-booking may be the quick and convenient way to go. But when buying direct takes up valuable time, presents possible pitfalls and doesn't save you any money, the services of a travel professional start to look pretty good.