

Transcript - Avoiding Vacation Scams Podcast

This is Carol Kando-Pineda. I'm an attorney at the Federal Trade Commission, the nation's consumer protection agency. One focus of my work is outreach to the military community, giving you tips and tools to avoid scams, watch your wallet, and protect yourself in the marketplace.

The summer travel season is almost here. But before you start making plans to get away, let's talk about avoiding travel scams, especially telemarketers and travel scams. So when it comes from these kinds of scams, you really want to watch out for oral misrepresentations. A telemarketer calls you up and says they've got a particular deal, it sounds terrific, generally they can't possibly deliver. It just sounds too good to be true.

The schemes will vary, but you just want to listen to exactly what it is that they're promising you in their call. You also want to avoid high-pressure sales tactics or time-pressure tactics. Any time somebody says they need your commitment to buy immediately, or the offer won't be available much longer, you really want to pause, take a deep breath, and step back. They usually brush aside your questions or concerns with vague assurances that everything's going to be okay. Don't settle for that.

They'll often try to entice you with affordable offers. So, now scammers will try to pitch you club memberships or vacation offers in a lower price range. They sound more reasonable. They're designed to appeal to anyone who's looking for a getaway. And it gives you that sense that perhaps there's a lower risk involved. You should definitely scrutinize these very closely. You know, we always advise folks to get things in writing and to look at the details in the deal. If you ask for follow-up information and you get contradictory material, that's a big warning sign. They may agree to send you written confirmation of the deal, a written contract or something like that, but it usually bears little resemblance to the offer that you accepted over the phone, and that's a big no-no. You want everything that you agreed to in writing. The written material, often in very fine print, will disclose additional terms, conditions, and costs. That's a big warning sign. You'll be held to what's in writing, not what somebody promised you on the telephone.

So, what should you do? Well first, for service members, a good and safe option is MWR and also the Information Ticket and Tours office on your installation. They can tell you about different vacation options as well as military discounts.

Another good tip is to buy your vacation package from a business you have confidence in. Ask family and friends to recommend a company with a good track record that they've done business with before or that they're familiar with.

Think twice if you can't get a person on the phone to answer your questions or if the ad for this particular company doesn't give the company's street address. And then also, contact the state attorney general, local consumer protection agency and the Better Business Bureau where you live, and see if there is a history of complaints on file. You may also want to go to your favorite search engine, type in the name of the company and the word complaints, and see what comes up. You'll want to scroll through several pages to make sure that you're getting a true picture of what's out there. That definitely will give you some sort of a flavor for how they do business.

You want to be on the alert for the telltale signs of a scam. Generally, if somebody sends you an unsolicited fax or unsolicited email for a deeply discounted travel packages that promises the world and sounds like it's a very good deal, very often it's probably a scam and that's a big warning sign. If it just doesn't make sense, you want to back off.

If you're making arrangements with a company, you want to make sure you verify and clarify. Call to verify your reservations and arrangements. And then get all the details behind whatever promises they make. If they say you'll be staying at a five-star resort or sailing on a luxury cruise ship, then get the names, addresses and telephone numbers of the airlines, car rental companies, the hotel, the cruise line, anybody, and then confirm all arrangements yourself just to be sure there is a reservation in your name, and it's for the appropriate dates and times and for the cost you were quoted.

Like we say to most folks when they're doing any kind of business transaction, get it on paper. Get all the details of your vacation in writing. And then get a copy of the company's cancellation and refund policies. You want to know, "What if...?" What if I get sick? What if there's bad weather? What if something else happens. What are the contingency plans? Do I get my money back? Do I get a total refund? A partial refund? Do I just get a credit toward another trip? And then you want to think, is there some form of travel cancellation insurance that might be appropriate for your situation? You may not need it, but it's something that you may want to think about.

Use a credit card to make your purchase. If you don't get what you paid for, you may be able to dispute the charges with your credit card company. But be very, very careful. Just a word of warning, you don't want give your account number to any business until you've verified that it they're reputable and you feel comfortable doing business with them, and perhaps have had a chance to do research about them. Then it will be safe to give them your credit card number.

Avoid a flub with a travel club. Ask questions before you join a travel club. You're making a commitment that could be long term. You want to know exactly what you're getting into. Sometimes, a "free trial" membership can result in unauthorized charges on your credit card. You want to find out what you'll get for your money, how you can cancel, and again, you want to make sure they're reputable and they're not going to start putting charges on your credit card without your knowing about it.

You may get a phone call, a postcard, an email that said you won a free vacation. This is a tried and true scam technique. They'll tell you that you won something for free. Vacations are a very popular item to call people up and say, you've won this free vacation, but then they claim that they need you credit card number to verify and settle the arrangements. If that happens, tell them to take a hike. You should never have to pay for a prize, whether it's a product or vacation or any other kind of service. If somebody calls you and says you won a prize, fine. You don't need to pay for it and you don't need to give them any kind of personal information to claim it.

So, if you think you've been ripped off by one of these travel scams, you can always file a complaint with the Federal Trade Commission at ftc.gov/complaint. And always, you can go to Military OneSource for help.

This free 24-hour service is available to all active duty, Guard, and Reserve members (regardless of activation status) and their families. Consultants provide information and make referrals on a wide range of issues. Call 1-800-342-9647 or go to www.MilitaryOneSource.com to learn more.