



5 Tips for a Foolish Trip

The Motley Fool

By *Tim Beyers*

Doesn't everybody dream of something? Maybe it's a new car or a bigger house. In the Beyers household, we dream of world travel. But we're in the minority in 2006. According to the United States Travel Data Center, Americans are planning to take shorter trips and stay closer to home this summer.

I can understand why. AAA says that a family of four requires an average of \$518 a day to bunk up and grab a bite at **McDonald's** in Hawaii. That's \$3,600 a week before you get to Hilo Hattie's for chocolate-covered macadamias and a few printed silk shirts. Even Vegas — once the home of the \$1 lobster — has raised the cost of a night's sleep by 23% over the past two years.

Maybe you're one of the few Americans with \$3,600 lying around. Great. Stop reading and sign up for one of our [investing newsletters](#) to put that excess moola to work. But if you're like me, an average Fool with some disposable income, manageable debt, and big vacation ideas, then follow along. Here are my five steps to vacationing Foolishly.

Tip 1: Treat miles and points as income

Just as dividends allow you to get paid to invest, credit cards and special vendor deals allow you to [get paid to spend](#). There's just one hitch: You need to pay them off monthly. But, if you do, certain cards can give you just about everything you need to vacation in style.

That's how it was for our 12-day trip to Europe and Africa a couple of years ago. As we planned, we learned that we'd be spending roughly five days of our trip on trans-Atlantic flights. At first, I thought that spending that much time in coach would be fine. But my wife — and my back — argued for first class. (Guess who won?)

The next step was to figure out how to use miles to cover the various legs of the trip. We couldn't do it all on one carrier. Fortunately, we had Membership Rewards points, which we pile up monthly through our **American Express** card. We participate in Membership Rewards because, like **Citigroup**'s Diner's Club and MBNA's [Motley Fool Rewards American Express card](#), it features a huge number of airline and hotel options. That would become crucial as we booked the trip for what I estimate to be at least one-fifth of the full fare.

Tip 2: Learn the transfer game

The best way to get the most from your miles is to learn to benefit from transfers. For example, nearly all of the major hotel chains, from **Hilton** ([NYSE: HLT](#)) to **Marriott** ([NYSE: MAR](#)) to **Starwood** ([NYSE: HOT](#)), allow you to move points earned through them to airline or rental car partners. Let's return to our trip for an example.



With nowhere near enough **United** miles to get from the United States to Europe, we had to go shopping for other airlines to haul us overseas. Thankfully, both Hilton and Membership Rewards have transfer deals with **Virgin Atlantic Airways**. A combination of points dumped into a newly minted Virgin account got us a first-class ride to Africa and back to the States, even though we had never stepped foot on a Virgin airliner before.

Of course, we'd have to spend some moola to get to Europe, but here United was helpful. We booked lower fare seats on Lufthansa from Africa to the Continent and then upgraded them using United miles, due to Lufthansa's participation in United's Star Alliance. Mix in a pair of affordable one-way short plane rides and some time on the train, and we were well on our way. Now if only we could find a place to stay.

Tip 3: Book and pay in advance

Can you get free first-class accommodations overseas? Absolutely. Travel-themed cards like our Fool Rewards card can help here: You book the hotel and use your points to get a break on the bill. For us, Hilton's HHonors program was key, allowing us to use points to sleep free of charge overnight in London. And, where we couldn't get a free room, we found that paying in advance provided big savings.

Tip 4: Track everything

If you're going to be serious about bulking up on points to fund vacations, then you need to track your miles like you track your cash. There are two ways to do this. You could set up a spreadsheet and keep your program statements in a folder and update your totals every six months or so. Or, if you're a committed couch potato, there are online services that can track every program you're in and sniff the Web for deals. I prefer the former because it's free. If you want help, [MileageManager](#) is \$14.95 per year, and [MaxMiles](#) is \$29.95 per year. Both appear to be good services.

Tip 5: Start early It's worth noting that we didn't accumulate a couple hundred thousand points in a matter of months. We take big trips rarely. And with three small children, there's no telling when we'll do it again. That lag time allows us to treat vacation planning the way we Fools often suggest you treat retirement planning: We envision what we want, determine the price tag, and save up the points needed by piling the majority of our expenses onto the cards that pay us best. The savings we've experienced on some amazing trips over the years has made for ample rewards.

We've also opened frequent-flier accounts for our kids to go with their 529 plans. Why, you ask? Simple: I'd prefer to have United or some other airline fund the European backpacking trips my children will want to take 15 years from now.

Where are the deals?

Ready to start treating miles like cash and dig for deals? Great! Your favorite airline's website is probably the place to start, followed closely by a site called [WebFlyer](#), which records bonus mile deals for just about everything under the sun. Of course, there's always [Priceline.com](#) ([Nasdaq: PCLN](#)) and [Expedia](#) ([Nasdaq: EXPE](#)), offering travel deals to procrastinators.



Finally, I feel compelled to offer a warning: Using credit cards to boost your mileage-earning efforts is risky and not for everyone. Credit has a sharp edge to it, and interest payments can cut deep. A big vacation that plunges you into debt is anything but Foolish.

Need more cash to make your vacation dreams come true? Make the most of your investments with an [exclusive teleseminar](#) with Motley Fool co-founders David and Tom Gardner. They'll tell you when to [buy and sell](#) stocks in this uncertain market.

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Fool contributor [Tim Beyers](#) is a vacation junkie. Tim didn't own shares in any of the companies mentioned in this story at the time of publication. You can find out what is in his portfolio by checking [Tim's Fool profile](#). [Priceline](#) is a Motley Fool Stock Advisor recommendation. The Motley Fool has an [ironclad disclosure policy](#).

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