



FTC Consumer Alert

Telemarketing Travel Fraud

Hello...you have been specially selected to receive our SPECTACULAR LUXURY DREAM VACATION offer!

Have you ever been tempted to sign up to win a "free" trip at a fair, trade show or restaurant? If so, you may get a phone call, letter, unsolicited fax, email or postcard telling you that you've won a vacation. Be careful. It may be a "trip trap." The vacation that you've "won" likely isn't free. And the "bargain-priced" travel package you're offered over the telephone or Internet may not fit your idea of luxury.

While some travel opportunities sold over the phone or offered through the mail, Internet or by fax are legitimate, many are scams that defraud consumers out of millions of dollars each month. The word "offer" can be a clue to hidden charges. When you get the phone call, or place the call in response to a postcard, letter, fax or Internet ad, you also get a sales pitch for a supposedly luxurious trip - one that you could pay dearly for.

The salesperson may ask for your credit card number to bill your account for the travel package. Once you pay, you receive the details of the "package," which usually include instructions for making trip reservation requests. Your request often must be accompanied by yet another fee. In addition, many offers require you to pay upgrade costs to receive the actual destinations, accommodations, cruises or dates you were promised. Some offers may require you to pay more for port charges, hotel taxes or service fees.

See a pattern developing? New charges are being added every step of the way. You may never get your "bargain" trip because your reservations may not be confirmed or because you must comply with hard-to-meet hidden or expensive "conditions."

Telemarketing travel scams usually originate out of "boiler rooms." Skilled salespeople, often with years of experience selling dubious products and services over the phone, pitch travel packages that may sound legitimate, but often are not. These pitches usually include:

Oral Misrepresentations. Particular schemes vary, but all fraudulent telemarketers promise you a "deal" they can't possibly deliver. Unfortunately, you won't know it until your money's gone.

High Pressure/Time Pressure Tactics. Scam operators often say they need your commitment to buy immediately or that the offer won't be available much longer. They typically brush aside questions or concerns with vague answers or assurances.

"Affordable" Offers. Unlike fraudulent telemarketers who try to persuade people to spend thousands of dollars on an investment scheme, fraudulent travel telemarketers usually pitch club membership or vacation offers in a lower price range. The offers sound reasonable and are designed to appeal to anyone who is looking for a getaway.





Contradictory Follow-up Material. Some companies may agree to send you written confirmation of your deal. However, it usually bears little resemblance to the offer you accepted over the phone. The written materials often disclose additional terms, conditions and costs.

How To Protect Yourself

Unpleasant surprises can ruin a vacation, especially when they cost money. That's why it pays to investigate a travel package before you buy. But it can be difficult to tell a legitimate sales pitch from a fraudulent one. Consider these travelers' advisories:

Be wary of "great deals" and low-priced offers. Few legitimate businesses can afford to give away products and services of real value or substantially undercut other companies' prices.

Don't be pressured into buying. A good offer today usually will be a good offer tomorrow. Legitimate businesses don't expect you to make snap decisions.

Ask detailed questions. Find out exactly what the price covers and what it doesn't. Ask about additional charges. Get the names of the hotel, airports, airlines and restaurants included in your package. Consider contacting these businesses directly to verify arrangements. Ask about cancellation policies and refunds. If the salesperson can't give you detailed answers, hang up.

If you decide to buy, find out the name of the travel provider - the company that is getting your reservations and tickets. This company usually is not the telemarketer.

Get all information in writing before you agree to buy. Once you receive the written information, make sure it reflects what you were told over the phone and the terms you agreed to.

Don't buy part of the package - the air fare or hotel stay - separately from the rest. If the deal is not what you expected, it may be difficult to get your money back for the part of the package you purchased.

Don't give your credit card number or bank information over the phone unless you know the company. One easy way for a scam operator to close a deal is to get your credit card number and charge your account. Sometimes fraudulent telemarketers say they need the number for verification purposes only. Don't believe them.

Don't send money by messenger or overnight mail. Some scam artists may ask you to send them a check or money order immediately. Others may offer to send a messenger to pick up your payment. If you pay with cash or a check, rather than a credit card, you lose your right to dispute fraudulent charges under the Fair Credit Billing Act. If you charged your trip to a credit card, you may dispute the charges by writing to your credit card issuer at the address provided for billing disputes. If possible, do this as soon as you receive your statement. In any case, the law gives you up to 60 days after the bill's statement date to dispute the charge.

Check out the company before you buy. Contact the Attorney General in your state or where the company is



located to see if any complaints have been lodged against the travel firm or the travel provider. Be aware that fraudulent businesses often change their names to avoid detection.

If in doubt, say "no." Trust your instincts. It's less risky to turn down the offer and hang up the phone.

Where to Complain

Several organizations can provide additional information and help you with complaints.

Your state Attorney General or the Attorney General in the state where the company is located probably has a division that deals with consumer protection issues.

The American Society of Travel Agents, Consumer Affairs, at 1101 King Street, Alexandria, VA 22314, may be able to mediate your dispute with an ASTA member.

The FTC works for the consumer to prevent fraudulent, deceptive, and unfair business practices in the marketplace and to provide information to help consumers spot, stop, and avoid them. To file a [complaint](#) or to get [free information on consumer issues](#), visit [ftc.gov](http://www.ftc.gov) or call toll-free, 1-877-FTC-HELP (1-877-382-4357); TTY: 1-866-653-4261. The FTC enters Internet, telemarketing, identity theft, and other fraud-related complaints into [Consumer Sentinel](#), a secure online database available to hundreds of civil and criminal law enforcement agencies in the U.S. and abroad.

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