
The Tricky Math Behind Using A Credit Card's Travel Portal --- The price you see on an airline's website isn't always the same as the one on..... 2

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The Tricky Math Behind Using A Credit Card's Travel Portal --- The price you see on an airline's website isn't always the same as the one on your credit card's booking tool

By Jacob Passy

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Chase, American Express and Capital One tout their travel-booking tools for cardholders as a way to maximize rewards and make dream vacations a reality. But are those sites a good deal?

The answer, travelers find, can take some math.

Travelers say differences in price make it tough to determine the best deal. And some grouse that they are already paying steep annual fees for certain cards.

Will Biesel, a Dallas attorney who pays \$550 for his Chase Sapphire Reserve card, said he has found high prices on Chase's travel portal, such as a \$456 American Airlines round-trip to North Carolina that the airline was offering for nearly \$100 less. Another trip, on Southwest, cost 65% more on the portal than from the carrier directly, Biesel said.

Credit-card companies' booking tools often turn up higher fares and room rates than travelers might find on airlines' and hotels' own sites, fliers say. Part of the reason is the desire of airlines and hotels to get more travelers booking directly, rather than via third parties such as Expedia or Chase's travel portal.

With many trips booked for this year, Biesel had hoped to use his credit-card points to offset the travel costs. But often he felt like he wasn't getting his rewards' worth on the portal.

"You hope to get value out of that credit card by spending the points wisely," said Biesel, 28 years old. "It's harder to justify the total price if you're not using all the perks."

Premium credit cards such as the Chase Sapphire and American Express Platinum are geared to the jet-set crowd, and the portals are critical to their appeal. Many of these cards offer cardholders hundreds of dollars in travel credits that can be used only in their dedicated portals. They also entice people to spend their own money, versus their rewards, by offering significantly more points or miles for booking with them.

About 14% of U.S. cardholders typically went to their credit card's travel portal to research and book trips, according to a 2022 study from the Futurist Group, a payments-industry consulting firm. More than a third of those travelers said they weren't pleased with the experience.

"The No. 1 barrier to growth of these portals is the perception that the price is not necessarily the best deal," Futurist Group founder and Chief Executive Demitry Estrin said.

A Chase spokeswoman said the company is "committed to providing cardmembers with competitive pricing whether they're booking with points or cash."

Credit-card companies don't set prices for hotel rooms or plane tickets. Most don't even operate the travel-booking features connected to their cards -- major online travel agencies do. Hopper manages Capital One's website, and Expedia powers American Express's consumer-travel site.

Cardholders often find different prices based on where they check.

In some cases, these travelers might not be comparing apples to apples. With airfares, it is important to check which fare class is advertised when you search. Some websites advertise basic economy -- a type of fare with extra restrictions in exchange for a lower price -- as the default option. Others display regular economy-ticket prices.

Flight and hotel prices also fluctuate based on demand.

Not all websites update their pricing at the same time, said Cory Garner, an independent consultant who led sales and distribution strategy at American Airlines until 2020. If an airline lowers its fares from Chicago to Dallas, that change might not show up immediately for online booking sites.

Separately, airlines have started implementing new **technology** to distribute their seats to third parties such as online travel agencies, Garner said. That **technology** lets carriers more easily offer travelers extra options, including additional categories for seat selection.

As they push travel agencies and corporate-travel managers to adopt the **technology**, some carriers have limited which fares remain available on the old distribution systems. They are typically higher fares, Garner said.

"Credit-card travel portals who are using older distribution **technology** do not have the same access, despite American's best efforts to make these fares available to them," an American Airlines spokeswoman said.

Hotels generally don't reward points in their own loyalty programs and may not offer other benefits to people who booked anywhere but through the hotel itself, said Adam Morvitz, founder and CEO of point.me, a points and miles search aggregator and booking service.

And when travel snags occur, rebooking can become tougher. In many cases, airlines require travelers to hash out any problems via the site they booked on.

The Chase spokeswoman noted that the company can rebook cardmembers with multiple airline partners when service disruptions arise.

Using a credit card's travel site to book a vacation can sometimes provide enough advantages to outweigh potential price differences.

Joshua Gellers of Jacksonville, Fla., starts his travel research with Google Flights to get a read on prices. He then checks his credit card's travel site, factoring in additional rewards he would earn going that route. Credit-card companies sometimes have offers that can boost the rewards rate even higher for customers.

When booking a Sydney hotel last summer, he found booking directly with the hotel was cheaper than his credit-card company's site. But the rewards offered by the card site swayed him, since their value was greater than what he would save by cutting out the middleman.

Gellers, a professor at the University of North Florida, notes that his tactics aren't for everyone: "Think about how much extra effort that is for the average traveler."

Sometimes, credit cards will advertise special discounts on flights or vacation packages only for their cardholders.

Capital One Travel offers price-matching if lower prices are available at the time of booking and free price-drop protection for flights. The site monitors flight prices up to 10 days after customers book. If that itinerary's price falls, Capital One issues a travel credit of up to \$50, with some limitations.

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