



For Immediate Release

**PACKAGED TRAVEL SAVES 30% OVER DO-IT-YOURSELF
Despite Rising Costs Tour Operators Hold the Line on Savings
Savings virtually unchanged from 2005**

Selling tip: your clients may be paying 20 – 30% more by planning their vacation on their own, says the U.S. Tour Operators Association, whose members provide vacations for 11 million travelers yearly. According to an informal member survey, travelers can save an average 20-30% during high season by buying a vacation package or tour, over making the same arrangements on their own.

The survey found that travelers can save an average 30% on land/sea vacations, and 20% on air-inclusive packages versus planning the same trip on their own. Depending on the destination, travel in low season nets an additional 20% savings, with savings sometimes up to 40% for areas like Mexico and the Caribbean.

Depending on destination and complexity of the trip, overall savings on land packages and tours can range anywhere from 5% to 50% and from 10% - 35% on air-inclusive trips. Savings are based on a typical one week package during high season at rack rates.

Savings remain constant over last three years

USTOA reports that savings have remained constant over the past three years, when the association last surveyed its members. “In 2005 we reported an average 30% savings across the board. While savings on land and cruise packages and tours have remained constant, given the increase in fuel prices and air fares, savings on air-inclusive tours and packages today are slightly less, averaging 20%,” says Bob Whitley, USTOA president. “The previous survey, conducted in 1998, revealed a savings of 15% - 20% by buying a package or tour, so tour operators have been able to hold the line,” he notes.

Time Savings Factored

The survey also revealed that for travelers with limited time, booking a one-week air-inclusive, escorted tour saves an average 9 hours of planning time and an average of 16 transactions. Booking a vacation package, rather than an actual tour, saves an average of 5 different transactions. Transactions are defined as booking air fare, transfers, hotel accommodations, sightseeing, and other events and meals.

Tour Operators Fight to Maintain Savings

“Despite rising costs, tour operators have fought to maintain savings for travelers,” says Whitley. Tour operators hedge the dollar by contracting for rooms and other services in bulk, and by buying currency futures. “Through longstanding relationships with hotels and other suppliers, tour operators are able to negotiate group or net rates and bulk air fares, or even to join individual bookings into groups for purposes of blocking rooms at better prices. Many companies price their trips a year in advance of the travel date, buying Euro and other currency futures, so that passengers are protected against currency surcharges. In other words, a passenger traveling in 2008 will actually be paying 2007 prices,” says Whitley.

Navigating the Dollar Dilemma

To navigate your way through the dollar dilemma USTOA suggests travelers look for:

- Price guarantees – Some tour operators guarantee their prices, meaning they will not be raised.
- Value-added offers – additional free nights, and other free attractions such as meals or sightseeing added to packages.
- Discounts- Some companies offer loyalty plans and discounts for repeat customers, for Frequent Travelers and for groups of friends or family. Early booking and buying a Second Tour will sometimes garner a discount.
- Specials and promotions allowing for per person discounts, two-for-the price of one, and hotel and air fare promotions.

The USTOA survey was based on a sampling of 12 representative companies representing a wide range of tours and vacations to all parts of the world. Participating companies were:

Brendan Worldwide Vacations
Classic Vacations
General Tours World Traveler
Go Ahead tours
Image Tours, Inc.
Insight Vacations
Monograms
Royal Celebrity Tours
SITA World Tours
Sunny Land Tours
Trafalgar Tours
Travel Impressions

For More Information

USTOA members have met the travel industry's highest standards, including participating in the USTOA Travelers Assistance Program, which, among other things, requires each member to set aside up to \$1 Million security to reimburse travelers in case of bankruptcy or default.

For more information, visit www.ustoa.com.

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Media Note: Actual breakdowns of do-it-yourself costs for representative vacation packages and tours are available upon request.

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