

Consolidators Can Save You Money -- Sometimes

By Alfred Borcover

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Here's the scenario: You have to make a last-minute trip to Tel Aviv, but you don't want to pay a sky-high fare. What do you do?

This is how a Chicagoan who had to make an emergency trip to Israel handled the problem. This person called his travel agent, who, in turn, called a consolidator.

The consolidator in this case was Ajay Gidwaney, executive vice president of Intra World Travel and Tours in Evanston, Ill., a firm that's been in business for more than 20 years.

Within hours, Gidwaney said, he had the man on a flight from Chicago's Midway Airport to Newark, where he connected with a nonstop Continental Airlines flight to Tel Aviv. The round-trip fare, according to Gidwaney: about \$1,100 -- nearly \$200 less than if the man had purchased a full-fare ticket direct from an airline or through a dot-com.

As is the case with most travelers who need to fly someplace the same day, or the next day, a one-call solution is less stress-producing than calling the airlines or searching Web sites. A good travel agent can figure out the best ticket for you.

But be aware that it's not always the consolidator ticket that offers the lowest price. Airline fare sales often are cheaper if you don't have to fly at the last minute.

So what are consolidators and what can they do for you?

Consolidators are another type of airline ticket vendor that's been around for decades. They help the airlines with their inventory (seat) management. Consolidator agencies sign contracts with airlines to sell the carrier's tickets to travel agents and to the public at fares not published on airline Web sites and not quoted by airlines' reservation agents. It's one way the airlines fill their seats. Airlines set these confidential rates high enough to make a profit and add to their bottom line.

Consolidators must produce a certain volume of sales to maintain their favorable status with the airline.

Consolidators, in turn, mark up the price of these tickets when they sell them to travel agents and to the public. In the profit pecking order, the ticket a consolidator sells to the public will always be more expensive than one sold to a travel agent. Consolidators must make a profit, and so must their travel agent clients. The easiest and quickest way to buy a consolidator

ticket, as the Chicagoan did for his Tel Aviv flight, is through a travel agent. Most travel agents have their own preferred consolidators just as they have other travel suppliers.

"The trick with consolidators is this: Unless you're looking for a last-minute ticket or a premium [business/first]-class ticket, consolidators are no longer a bargain because the airlines have basically put their cheapest fares on the Web," said Joe Brancatelli, an airline/travel expert who primarily reports on business travel on his joesentme.com Web site. "How do you consolidate a N.Y.-London fare that you can sometimes buy at retail for \$99? So that's the first thing.

"Secondly, the very best consolidators often choose not to work with customers direct," Brancatelli said in an e-mail response to questions. "Even the consolidators now urge travelers to buy through a travel agent. The reason? Consolidator fares have special rules that need careful explanation. The key one is that [the ticket] is never transferrable to another airline."

What "never transferrable" means is that if your flight is canceled, you cannot switch your ticket to another carrier going to the same destination. You are stuck.

There are, however, advantages to buying a consolidator ticket.

- You can save money on a last-minute purchase. Airlines generally require an advance purchase of seven, 14, 21 or 30 days for their lowest economy-class fares.
- If you need to be away for 30 days or more, consolidator tickets are often good for a year. Advance-purchase economy-class tickets usually require that travel be completed within 30 days.
- You can save money on a business-class ticket.

On the other hand, travelers also must weigh the other disadvantages of a consolidator ticket, besides the restriction that it is not transferrable.

- You may have to pay a stiff price to reschedule your flight.
- While a consolidator ticket can be refundable, you pay a penalty on average of \$200-\$300 a ticket.
- You may not get frequent-flier miles.
- You may not know which airline you'll be flying on at the time of booking.
- And, if you're not careful, it's possible that you could choose a consolidator who gives you a fare run-around, advertising a low fare that's simply not available when you want to travel.

Airlines today deal with consolidators who they know are pretty reputable, said airline expert

Terry Tripler of cheapseats.com. There are, of course, fewer consolidators to deal with because many small ones have gone belly up or quit. Besides, Tripler added, airlines are only going to work with consolidators who will generate a certain volume of business to make the arrangement profitable for the carrier.

"The thing to remember with consolidators," Tripler reminded, "is that you have much less flexibility than you have with a published fare. The rules are different. Some of the consolidator tickets are `this is what it is, take it or leave it, no changes, no refunds.' So if you are dealing with a consolidator you have to be very, very sure you know exactly what you are getting on a consolidator ticket."

If you choose not to deal with a travel agent, and book a ticket directly with a consolidator, by all means do your homework.

- Ask how long the consolidator has been in business.
- Ask if the consolidator is a member of Airline Reporting Corp., the clearinghouse for all airline ticket transactions, something airlines require.
- Ask what carrier you'll be flying.
- Ask if you'll get frequent-flier miles.
- Ask if the fare being quoted includes taxes or other fees.
- And finally, pay with a credit card, never with cash or check. If the consolidator refuses to accept a credit card for payment, say thanks but no thanks.