

David Bach The Automatic Millionaire



Eight Ways to Slash Travel Costs

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Summer travel season is approaching, and it's potentially the most challenging one in years. With the average price of gas climbing toward \$4 a gallon, you might be rethinking the family road trip.

Add to that recent airline shutdowns of Aloha, Skybus, and ATA, and the mergers of Delta and Northwest, and you have fewer choices and higher fares. Then add in the devaluing of the American dollar against the Euro and rising hotel and food costs, and you may think that going on vacation this summer just won't work for you and your family.

Before You Hit the Road

Don't give up hope, though. You deserve a vacation, so let's see how you can get one at a reasonable price.

There are always ways that smart travelers can save money by looking at cost-cutting alternatives to the usual way of getting from point A to point B. You might worry that this means having less fun or depriving yourself, but look at it another way: If you're worried about the debt you're racking up for that family vacation, you're not going to truly enjoy yourself even if you're in paradise.

So get creative with these eight tips, travel off the beaten path a little, and save some of your cash for when you get home. Peace of mind is a fantastic travel souvenir.

1. Try the next generation of travel websites.

Surely you're familiar with the big three travel sites -- Expedia, Travelocity, and Orbitz. But more often than not they don't provide the best prices. Instead, I recommend checking out sites like [SideStep](#), [Kayak](#), and [Mobissimo](#).

Rather than serving as online travel agents, these free sites search all of the other travel sites, dozens or even hundreds of airlines, discount websites, car rental companies, hotels

2. Try the train.

If you're thinking about a car trip but balking at the skyrocketing cost of fuel, consider Amtrak as an alternative. Especially on the coasts, where the cost of gasoline is always higher than in the interior of the country, this can make a lot of financial sense.

For example, let's say you're thinking about driving from Los Angeles to Seattle with your spouse and two kids in the only car that makes sense for a long trip: your SUV. That's 2,270 miles round trip. If you presume that the average cost of fuel for your trip is going to be about \$3.80 per gallon, and your SUV averages 18 miles per gallon on the highway, you're going to spend about \$480 on gasoline just getting there and back, and that's without considering side trips and the cost of lodging.

Taking the same trip on Amtrak would cost about \$700, but since you're also sleeping on the train and getting there in less than two days instead of the four or five it might take you to drive, you'll save big on lodging costs. You also don't have to worry about the hassles and fatigue of long-distance driving, and you're putting less carbon into the atmosphere.

3. Choose pedestrian-friendly destinations.

This one goes hand-in-hand with taking the train. Save hundreds on a rental car by traveling to a destination that's ideal for walking and has good public transit.

My own town, New York City, is an obvious choice for walkers because of the extensive subway system, but cities like San Francisco with its BART line; Portland, Ore., with its MAX light rail; Boston with its "T" lines; and Chicago with its El are also easily cities to navigate without ever stepping into a car.

Of course, European destinations like London and Paris have incredible subway systems, and you can always rely on taxis if you need to get somewhere by car. Or simply visit more compact cities like Portland, Maine; Madison, Wis.; or Santa Fe, N.M., where everything is within an easy walk. Avoiding car rental could save you \$500 on a weeklong trip.

4. Travel where the dollar stretches.

Because of the weak dollar, most of the major destinations in Europe are ruinously expensive for Americans right now. London, Paris, Rome -- they're all budget-breakers because the Euro and the pound are pummeling the greenback. However, there are still many great destinations where the dollar packs a punch and you can get an incredible experience for a reasonable amount of money.

Nicaragua is much cheaper than its formerly inexpensive neighbor, Costa Rica, but along with \$2 beers and \$5 dinners you get the same gorgeous scenery, crystalline water, and the relaxed Central American pace. Vietnam can cost 30 to 40 percent less than a comparable Thai resort, the people are incredibly friendly, and the street cuisine is some of the best in the world.

Hungary is one of the great European countries, with the Danube, the divided city of Budapest, and a wonderful wine region; since it's not yet on the Euro, however, dollars can still buy a lot of paprika beef and local beer. Morocco is yet another exotic destination where cheap local currency translates to rich travel, and you can save even more by discovering the amazing ancient markets in cities like Marrakech and Casablanca.

5. Get creative with lodging.

Rather than staying at a major chain hotel like Hilton, Hyatt, or Marriott, why not consider more innovative options? For example, bed and breakfasts throughout the country offer great rates that often beat the major chains, along with other money-saving promotions. Visit BedandBreakfast.com for a list of locations offering the "tanks a lot" program, where visitors get free gasoline with their stay.

If you're adventurous and don't care about amenities, try youth hostels. These backpacker-friendly lodgings are clean, safe, and usually full of interesting folks from all over the world. Many offer private rooms for four or more people for as little as \$25 a night. Try Hostels.com to find hostels anywhere.

Finally, consider a house exchange, where you and another family in a place you'd like to stay swap homes for an agreed-upon period. You stay in theirs, they make themselves at home in yours. You'll have to list your home on a website like HomeExchange.com for \$100 or so, but that will be your only lodging cost other than food. Other sites to check out are HomeLink International and INTERVac.

6. Pay for a kitchen.

If you're staying in a hotel, pay a little extra to get one with a full kitchen, especially if you're going to be at your destination for a while and you have kids.

Being able to buy food from local stores or farmer's markets and prepare fresh meals in your hotel room kitchen can be a huge money saver. It also keeps you from constantly pulling out the credit card at expensive local restaurants.

7. Find someone to take you on a tour.

Tours of a destination from a local tour company can get expensive, as the tour operators sell you on extras or hit you with "surprise" fees. So if you're staying at a bed and breakfast, why not ask the innkeeper to take you on a tour of the town in exchange for a fine dinner? Or in a bigger city, offer a local merchant \$25 to guide you around the great local neighborhoods after he or she closes her store.

This has so many advantages beyond saving money I can barely list them all: meeting local people, getting a taste of the area from a local's perspective, making new friends, avoiding the hard-sell from tour guides, and being surprised by sights you'd never have seen on a package tour.

8. Stay close to home.

When the cost of gas, the rigor of air travel, and the hassle of packing up the kids is just too daunting, consider staying home and discovering nearby attractions you may never have seen.

Tape a map of your metro area to a dartboard. Once a month, throw a dart at the map. Wherever the dart lands, that's where you go that weekend to explore, even if you've been there before (the obvious exception is areas that might be dangerous). You can still make some amazing discoveries in your own backyard, spend quality time with family, and recharge your batteries -- not to mention save a bundle of cash.

Now get out there, travel smart and creatively, and if you come up with more great "travel

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