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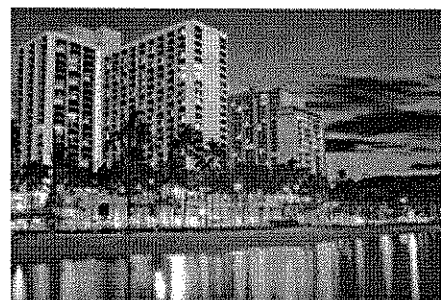
Online travel 'discounts' not always cheaper

By [Celeste Correll Anstiss](#)

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When discount travel website [expedia.co.nz](#) advertised savings of "up to 55 per cent" on hotel rates, father-of-two Kenneth Barnett expected to get some great deals for his family on their once-in-a-lifetime world trip.

The deals looked better still if he opted for the "Secret Saver" option, so Barnett took the plunge and booked two rooms for four nights at a mystery four-star resort in Honolulu, breakfast included.



The Marriot Hotel Waikiki Beach, Honolulu.
Photo / Supplied

"The super saver seemed like a good idea. I paid \$300 a night, so I was thinking we'd be getting \$600 rooms," he said.

Barnett also booked non-mystery rooms for him, his wife and their teenage daughters in Rome, Madrid and Washington, and paid Expedia \$5840.

But when they reached Honolulu, the family discovered they were not staying in the suites at the Marriot they had been promised, and breakfast was not included.

Barnett claimed the rooms his family stayed in would cost only \$215 a night direct through the hotel, \$75 more than he paid to Expedia.

"Expedia seduced me into this deal, then when we showed up at the hotel, to my surprise, it didn't include breakfast and it was just a standard room, not the queen suite," he said.

"I spent four hours checking in. Since we had pre-paid, there shouldn't have been any hassle. It stressed us out for days."

Expedia acknowledged the mistake and offered a \$200 voucher to use on his next booking. But this barely covered the cost of the breakfasts that were meant to be part of the package.

"It didn't justify it. I paid 100 per cent upfront weeks in advance, only to pay more than the going rate."

The *Herald on Sunday* compared prices on discount travel websites [expedia.co.nz](#), [wotif.co.nz](#) and [ratestogo.co.nz](#).

In most cases, the rate offered was similar or the same as the one quoted on hotels' websites.

[Wotif.co.nz](#) said a night at Auckland's SkyCity Grand would cost \$619 full price and offered rates around \$259. But the hotel's website quoted \$259 for the same room on the same night.

Commerce Commission enforcement manager Greg Allan said highlighting the full rate could be misleading because it made the discount seem better than it was. "They are at risk of breaching the Fair Trading Act," he said. "If you are going to use comparative advertising the comparison needs to be accurate."

Allan said while the "full rate" listed on discount websites may be considered the hotel's "rack rate" (full price), it would still be a breach if this was not the price usually charged.

"A rack rate is very rarely charged, so the actual savings are not true."

He said the hotel and the website would be liable for fines of up to \$200,000 if found to be breaching the Fair Trading Act.

Allan said the commission would keep a close eye on these issues coming up to the Rugby World Cup.

Expedia spokesman Rod Jago said hotels loaded rates on to the site and decided the level of discount.

"It is at the hotel's discretion whether they reduce their rate on their website at the same time to this rate," Jago said.

He said Expedia would have another look at Barnett's complaint and "may be in touch with the customer directly to follow up".

And Wotif.co.nz spokeswoman Megan Magill said hotels controlled the prices and content on the site.

"We keep an eye on what they are doing, but as far as the deals go they control the information."

Magill defended the price listed as the "full rate" on the site. "Full rate is the rack rate. The standard high rate."

By [Celeste Gorrell Anstiss](#)

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