

# FLY FREE IN FIRST

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BY: SCOTT GRIMMER



# EDITOR'S NOTE

As CEO of Ideal Me Publishing, I am incredibly excited to bring you the Fly Free In First E-book that we've collaborated on with travel expert Scott Grimmer. If you love traversing the globe, or if you've always dreamed of traveling but haven't been able to make it happen quite yet, I think you'll love what we have put together for you in this guide.

At Ideal Me we're always on the lookout for lifestyle topics that we know will resonate with our readers and enrich their lives. Traveling is something that many of our readers fantasize about, yet they believe that they can't afford their dream trip – plane tickets are too expensive, hotels are outrageous, and engineering the trip takes too much effort. I love the idea that with travel hacking, anyone can travel in style, without breaking the bank.

What really struck me about Scott's blog was the level of detail he went into when discussing every aspect of travel hacking. He wasn't just tossing out fluff; he got to the heart of the matter, and what came across was his passion for travel and the fact that he wanted to help people get out there and see the world, no matter what their bank statement says. There are a lot of travel bloggers out there, but Scott's blog (which is ambitious and growing by the day) truly stood out.

We made this guide easy to follow and accessible to everyone, whether you're a beginning travel hacker or a bit more advanced. It's broken down into nine chapters, with worksheets, quizzes, and checklists to help you master the topics. It's important that you get as much value and knowledge out of this guide as possible, and we hope you love it as much as we do.

*Brittany*

C.E.O of Ideal Me

## GET PUBLISHED

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# INTRODUCTION

For most people, flying business class to Bali might seem like a faraway dream, like something that wealthy moguls who own yachts and eat caviar for breakfast do. If you're not yet part of the yacht set, your version of travel probably equals an overpriced ticket and two layovers. It means your tiny seat in coach doesn't recline, there's no in-flight movie, and they don't even hand out free water or a measly bag of peanuts. But it doesn't have to be that way. Believe it or not, with a little effort, you can travel the world in luxury, practically *for free*.

# TRAVEL HACKING: THE BASICS

My name is Scott Grimmer. I'm 28 and I started traveling, like most people in their twenties, as a backpacker. I'd save up to take short trips on a shoestring budget, which meant staying at hostels and eating on a dime. But figuring out how to use airline miles and points has allowed me to travel more often, better, and cheaper.

I'm not a mogul, and I don't own a yacht, but I have managed to travel to 66 countries (and counting) over the last few years. I've flown first class or business class to every inhabited continent, on planes with onboard bars, private suites, and onboard shower spas.

Never heard of an onboard shower spa? I hadn't either, until I learned about travel hacking. I've gotten a free hour-long Thai massage at an airport, I've been driven in a Porsche to the boarding gate of my plane, and I've puffed away in the Cigar Lounge of a First Class Terminal—all because of my first class award tickets.

In 2012 I started my own blog and award booking service to share what I've learned over the years. In the process, I've earned and redeemed millions of miles for myself, and hundreds of millions of miles for clients of my Award Booking Service.

Now I've traded in the busted-up backpack for the Cigar Lounge, and you can too. This guide will take you step-by-step through the process so you can learn the basics of travel hacking and see the world in style, without breaking the bank.

# THE GOAL

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My goal with this book is to show beginners that you don't have to be an expert to travel like the rich and famous. With a little effort, you'll be traveling more often, better, and cheaper within the next 60 days.

We will work backwards, first explaining the types of miles and how they are redeemed, then how to get them. This order is crucial because if you don't know how miles are redeemed, you won't know their strengths, so you won't know the right ones to collect for your travel goals.

In this guide, we'll start by outlining the basics of frequent flyer miles, alliances, and points. We'll use a real-world example of flying business class from JFK airport in New York to Bali, Indonesia, to help you figure out how travel hacking works. Before you know it, you'll be packing for that trip to Australia or Ecuador or Paris. So sit back, relax, and get ready to see the world.

# CHAPTER 1



## THE BASICS OF TRAVEL HACKING AND THE MOST IMPORTANT TOOL: FREQUENT FLYER MILES

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When you first begin to read up on travel hacking, you might start to feel a little overwhelmed. Don't worry; you're not alone. It can be overwhelming, but once you get the basics down it's very simple.



# THE FIVE TYPES OF MILES

There are five types of miles that are important for you to understand in order to master travel hacking. I'll present them from the simplest to the most complex.



# **CREDIT CARD POINTS PRETENDING TO BE MILES**

The first of the five is Credit Card Points Pretending To Be Miles. The reason I gave them such an unwieldy name is that these miles are marketed in a pretty unwieldy way.

*Whenever you see an ad that promises miles you can use on any airline with no blackout, the card does not earn true miles.*

It earns points worth a fixed amount toward the purchase of any cash ticket. Because you can redeem the Credit Card Points for any cash ticket at a fixed rate, they can legitimately market the card as having no blackouts.

Cards that earn points that can be used at a fixed rate toward any flight are great for people who know how to find cheap tickets (which we

will discuss in detail in Chapter 7), people who don't mind flying low-cost carriers, people who need to travel on completely fixed dates, and families who travel in economy.

This is the simplest rewards program to understand: one point or mile = one cent or 1.25 cents or whatever the bank says they're worth.

Some Credit Card Points are redeemed directly for a flight. For instance:

ThankYou Points are redeemed on [thankyou.com](http://thankyou.com) at a rate of 1.25 to 1.6 cents per ThankYou Point toward any flight.

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<small>FRONTIER</small> Frontier Airlines	CHICAGO, IL (ORD) WED, DEC 9, 09:00 PM	LOS ANGELES, CA (LAX) WED, DEC 9, 11:35 PM	Non-stop	4 hr 35 min
<input checked="" type="checkbox"/> Air Reward		Points + Cash 5,187 + \$0.00	1 Ticket(s)	Points + Cash 5,187 Points



Others, like Arrival “miles” and Capital One “miles,” are redeemed retroactively for flights. First you book the flight through the airline or an online travel agency, then you sign in to your credit card account and redeem Credit Card Points to erase the charge.

TRANSACTION DATE	DESCRIPTION	PURCHASES	CREDITS	REWARDS EARNED
03/24/14	Travel Credit		-50.00	
03/24/14	Travel Credit		-200.00	
03/24/14	Travel Credit		-89.00	
03/24/14	Travel Credit		-109.00	
03/21/14	USAIRWAY 03723510718200	157.50		316

How erasing charges inside you



Ask a phone rep or consult your credit card's website for exact details on how to redeem the points toward flights.

## CREDIT CARD POINTS PRETENDING TO BE MILES YOU SHOULD KNOW:

- Capital One miles
- Arrival miles
- Discover miles
- BankAmericard Travel Rewards Points

# PROS

You can use them on any flight with no blackouts.

# CONS

You'll always get a fixed value value per mile. There's no way to hack these awards and get outsized value, like you can with some other types of programs.

# BEST USES

Domestic economy, other cheap tickets

# WORST USES

International business and first class

# 2

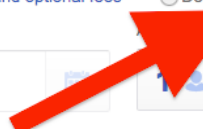
## AIRLINE POINTS

Airline points are points that have a fixed value or close to a fixed value and can be redeemed on any flight that airline operates with no blackouts. The number of points you need is based on the ticket price.

These are conceptually very similar to Credit Card Points Pretending To Be Miles, except that Airline Points can only be used on one airline. Because of their fixed value, redeeming Airline Points is very easy. Look for a way to search for flights with Points instead of Dollars on the main search screen. Southwest uses Airline Points, and here is what its home page looks like.

☐ Round trip ☒ One-way

DEPART **MDW** Chicago (Midway), IL - MDW
 ARRIVE **LAX** Los Angeles, CA - LAX
 DEPART DATE **10/07** Wed, Oct 7 2015
 RETURN DATE 
Baggage and optional fees
☐ Dollars ☒ Points
  SENIORS



The search results will display the flights' prices in points. Southwest charges 70 points for each dollar of the base fare for Wanna Get Away fares, meaning this ticket had a base fare of \$212.

Depart	Arrive	Flight #	Routing	Travel Time	Business Select 59,933 Pts	Anytime 47,340 Pts	Wanna Get Away from 14,840 Pts
5:30 AM	8:05 AM	2028	Nonstop	4h 35m	<input type="radio"/> 59,933	<input type="radio"/> 47,340	<input checked="" type="radio"/> 14,840

Unlike Credit Card Points awards which have \$0 out of pocket because you are redeeming points for the base fare, taxes, and fuel surcharges, Airline Points awards do have taxes that you have to pay with cash.

Shopping Cart

Air

Modify | Remove

OCT 7

WED

Depart Flt 2028

MDW → LAX

5:30 AM 8:05 AM

Adult Air fare per person

Wanna Get Away fare

14,840 pts

Cost Breakdown

Adult 14,840 x 1

14,840 pts

Govt. Taxes & Fees

\$5.60

We'll reserve the flight upon purchase completion.

Trip Total

\$5.60

Not ready to book yet? Save this trip and book later.

Save Flight

Checkout

Luckily, taxes within the United States are just \$5.60 one way. Airline Points programs are much easier to understand than traditional airline miles that require award searching and amounts of miles based on an award chart and award availability, all of which is explained below.

## AIRLINE POINTS PROGRAMS YOU SHOULD KNOW:

- Southwest Rapid Rewards
- JetBlue TrueBlue Points
- Virgin America Elevate Points (when you redeem for Virgin America flights)

# PROS

You can redeem them for any flight on the airline whose points you're using, any time, with no blackouts.

# CONS

You can't get any outsized value because your points are only worth a fixed amount.

# BEST USES

All uses on the airline whose miles you're redeeming are equally good.

# WORST USES

These points usually have zero or limited partners on which they can be redeemed.



# **REGION BASED MILES**

These are the original miles, and they will be the main focus of this book, so everything in the next few paragraphs will be expanded upon in Chapter 3. You don't need to understand all of it right now; you just need to understand how these miles differ from Credit Card Points Pretending To Be Miles and Airline Points.

All three of the legacy carriers in the United States (American, Delta, and United) plus a host of foreign carriers (like Singapore and Air France) use Region Based miles. Each of these airlines is a member of an alliance that has a few dozen airline partners. *You can use your miles on any of the partners.*

On every flight in every cabin, each airline with Region Based miles decides how many Saver award seats to open up. Saver award seats are the best because they cost the fewest miles, and they are the only award seats that airline partners can book. A corollary is that all partner award space books at the Saver price level.

Saver award seats are not available on every flight in every cabin. When there is no Saver award space, the airline often releases Standard award space. We will never book Standard award space because it usually costs double the number of miles that Saver award space costs, and Standard award space is not even bookable at all with miles from a partner. (By the way, Saver and Standard are what United calls their two levels of award space. American calls theirs “MileSAAver” and “AAnytime.” Delta calls their five levels Level 1, Level 2, Level 3, Level 4, and Level 5. Names don’t matter. We always want the cheapest, most capacity-controlled level.)

Cabin	Award Miles	Type
Economy Class	30,000	One-way Award <b>Saver</b>
	60,000	Roundtrip Saver Award
	65,000	One-way <b>Standard</b> Award
	130,000	Roundtrip Standard Award

Part of United's Award Chart from the United States to Europe



And sometimes an airline with Region Based miles releases no award space at all in a cabin.

## THAT IS THE DREADED BLACKOUT.

Region Based miles are a way for the airlines to reward your loyalty by giving you nearly free tickets. The catch is that the seats they're releasing at the Saver level are seats that the airline doesn't expect to sell. Once you understand that, you'll better understand when you can redeem your Region Based miles. It's probably not going to be on that packed flight the Saturday before Christmas, or the Wednesday before Thanksgiving. If you're more flexible with your dates and times, you'll get much better use out of your miles.



## THE NUMBER OF MILES YOU NEED FOR A REGION BASED AWARD IS DETERMINED BY THREE THINGS:

1. The cabin you want to fly: economy, business, or first
2. Whether you found Saver award space or not
3. The departure region and arrival region. The cities you fly into/out of don't matter. Just the regions. In the case of our JFK to Bali example, North America to Southeast Asia

You'll notice that the price of an equivalent cash ticket doesn't matter at all for the price of a Region Based miles award. That's one huge difference between Region Based miles and the first two types of miles discussed.

Once you have those three pieces of information, you read off the price of your award from the award chart of the airline whose miles you're using.

Region Based award tickets are not 100% free. You'll always have to pay taxes associated with the ticket and sometimes have to pay fuel surcharges or ticketing fees.

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Taxes are imposed by governments or, in some cases, airports.

*They are a part of every ticket, whether you book with cash or frequent flyer miles.*

Fuel surcharges are fees that an airline sometimes breaks out separately from its base fare, so the total price is broken down into the base fare and the fuel surcharge. Let's take a look at an example of a current roundtrip fare from New York to London on Delta that is \$986 total to elucidate the concepts of base fare, fuel surcharge, and taxes.





The red box shows a base fare of \$290. The green box shows a fuel surcharge of \$458. The purple box shows all the taxes of \$237.80. On a *cash ticket*, you don't care about the breakdown; you just care that the total is \$985.80.

<b>Fare 1: Carrier DL VHP65US NYC to LON (<a href="#">rules</a>)</b>	
Passenger type ADT, round trip fare, booking code V Covers JFK-LHR (Economy)	\$145.00
<b>Fare 2: Carrier DL VHP65US LON to NYC (<a href="#">rules</a>)</b>	
Passenger type ADT, round trip fare, booking code V Covers LHR-JFK (Economy)	\$145.00
DL YR surcharge (YR)	\$458.00
US International Departure Tax (US)	\$17.70
US September 11th Security Fee (AY)	\$5.60
US Passenger Facility Charge (XF)	\$4.50
USDA APHIS Fee (XA)	\$5.00
US Immigration Fee (XY)	\$7.00
US Customs Fee (YC)	\$5.50
United Kingdom Air Passengers Duty (GB)	\$110.90
United Kingdom Passenger Service Charge (UB)	\$63.90
US International Arrival Tax (US)	\$17.70
Subtotal per passenger	\$985.80
Number of passengers	x1
Subtotal For 1 adult	\$985.80

On an *award ticket*, this breakdown matters though. On a Region Based award, you never pay the base fare, so that's at least \$290 saved with miles. When you use Region Based miles to book an award, you always pay the taxes. So in this case, you'd be paying miles + \$237.80. (This is unusually high, and we will talk about minimizing taxes in the next chapter.) On a Region Based award, you sometimes pay the fuel surcharges on a ticket, depending on what miles you use and what airline you fly. (When we talk more about avoiding fuel surcharges in the next chapter, there is a chart breaking down exactly when you pay fuel surcharges.) If you have to pay fuel surcharges, that's another \$458 out of pocket. Finally on a Region Based award, you might pay some fee for booking the award. We will talk about avoiding those in the next chapter also.

Region Based miles are complicated because you have to be proficient at searching for Saver and partner award space, or you have to hire an Award Booking Service like mine in order to maximize the value of your miles. But if you can handle the complexity, these miles are more valuable than any other type of miles.

As an example of how Region Based miles can be so valuable, if you find Saver award space, you can fly one way from Los Angeles to Paris in business class for 50,000 American Airlines miles. That's probably a \$2,000 ticket, which means it would cost about 200,000 Credit Card Points Pretending To Be Miles that are worth one cent each toward any ticket. How do you actually book Region Based awards? Either on the website of the airline whose miles you're using or by calling the airline whose miles you're using. That airline deducts the miles from your account; collects the taxes, fees, and fuel surcharges; and issues your tickets.

## REGION BASED MILES PROGRAMS YOU SHOULD KNOW:

- United MileagePlus
- Delta SkyMiles
- American AAdvantage
- Air Canada Aeroplan
- Singapore KrisFlyer
- Air France Flying Blue
- Lufthansa Miles & More

# PROS

The major advantage of Region Based miles is that you can get enormous outsized value. For example, maybe it's a \$6,000 business class roundtrip ticket, and you can book it for 110,000 miles. You can easily get 110,000 miles by signing up for two credit cards and be on your way to your dream vacation in the next 60 days.

# CONS

The disadvantage is that you need to search for Saver award space. Not every seat on every flight is available for booking with miles at the Saver price—only the ones that the airline says are available. With Credit Card Points Pretending To Be Miles and Airline Points, you can book any seat, any time.

# BEST USES

International business and first class, Hawaii from anywhere other than the west coast

# WORST USES

Domestic economy, awards at peak times when no Saver award space is available

# 4

## DISTANCE BASED MILES

Next up are Distance Based miles, which are kind of like Region Based miles' distant cousin. British Airways has by far the most important Distance Based program.

The miles needed for each award flight booked with British Airways Avios are calculated by only two things:

- ① The distance of the flight
- ② The cabin of the flight

Flights are grouped within a certain band. For example, zero to 650 miles flown cost 4,500 British Airway Avios, and flights from 651 to 1151 miles cost 7,500 Avios, and so on.

Other than the miles price of the award, everything else about Distance Based miles is the same as Region Based miles. You have to search for Saver award space, you have to pay taxes on the award, and you may have to pay fuel surcharges on an award.

How do you actually book Distance Based awards? Either on the website of the airline whose miles you're using or by calling the airline whose miles you're using. That airline deducts the miles from your account; collects the taxes, fees, and fuel surcharges; and issues your tickets.

## **DISTANCE BASED MILES PROGRAMS YOU SHOULD KNOW:**

- British Airways Avios
- Iberia Avios
- Cathay Pacific Asia Miles



# PROS

The big advantage is that sometimes there's an expensive flight (in cash) that would also be pricey on a Region Based chart, because it's going from one region to another, but it is not actually that far of a flight. If you're flying from the east coast of the U.S. to Europe, or from the west coast of the U.S. to Hawaii, it might be better to go with Distance Based miles, since the award will be cheaper than using Region Based miles or Credit Card Points

# CONS

This type of miles has the same downside as Region Based miles in that you have to seek out Saver award space on the flight (which may not exist), rather than just booking any flight you want

# BEST USES

Short, direct, economy flights, especially between regions

# WORST USES

Connecting itineraries in premium cabins

# 5 TRANSFERABLE POINTS

Last but not least, the fifth type is Transferable Points. The four main transferable points programs are:

- Chase Ultimate Rewards
- American Express Membership Rewards
- Citi ThankYou Points
- Starwood SPG Points

These points are all transferable in the sense that they can be transferred to between six (Chase) and 30 (SPG) types of Airline Points, Region Based miles, and Distance Based miles. Or they can be used as Credit Card Points Pretending To Be Miles to buy any flight on any airline.

Transferable Points are the most valuable of the five types of miles because they can be any of the other four types of miles when the situation calls for it.

Example: Chase Ultimate Rewards can be transferred to United Miles (Region Based) or British Airways Avios (Distance Based) or Southwest Points (Airline Points), or they can be used like cash to book any flight (Credit Card Points Pretending To Be Miles). Chase Ultimate Rewards could become any one of the other four types of miles. The value is in their versatility.

If you have transferable points, you can transfer to the type of miles or points that are best for your exact goal trip. Another huge advantage is that if you're just a few miles short for a trip in one of your airline accounts, you can use Transferable Points and top up to the exact level you need, which eliminates having too many or too few miles in any one account, which can be a costly mistake.

Example: The only Saver award space on an American Airlines award from Chicago to Paris is in Business Class, which is 50,000 miles one way. You have 43,650 American Airlines miles. Instead of buying 7,000 American Airlines miles for \$252 or cancelling the trip, you can transfer 6,350 SPG Starpoints to American Airlines miles and book the award.

## THE FOUR TRANSFERRABLE POINTS PROGRAMS YOU SHOULD KNOW:

- Chase Ultimate Rewards
- American Express Membership Rewards
- Citi ThankYou Points
- SPG Starpoints

# PROS

Flexibility

# CONS

None

# BEST USES

Whatever your travel goal is, there is a way to use Transferable Points efficiently.

# WORST USES

None

# THE BEST TYPE OF MILES FOR YOUR DREAM TRIP DEPENDS ON SEVERAL FACTORS:

- The price of a cash ticket,
- The number of Distance Based miles it would cost,
- The number of Region Based miles it would cost,
- Which airlines fly there (which determines the miles you can use and the fuel surcharges such an award would have), and more. But there are some general patterns of which miles are best for certain trips, so I've made this chart.

	Within USA/Canada	Hawaii	Mexico, Caribbean	Latin America	Europe	Asia	Africa	Australia/NZ
Economy	Distance Based Miles for Direct, Expensive Flights. Credit Card Points Otherwise	Credit Card Points for Very Cheap Flights. Distance Based Miles for Direct Flights. Region Based Miles Otherwise	Credit Card Points for Very Cheap Flights. Distance Based Miles for Direct Flights. Region Based Miles Otherwise	Distance Based Miles for Direct Flights. Otherwise Region Based Miles	Distance Based Miles for Direct Flights. Otherwise Region Based Miles	Region Based Miles	Region Based Miles	Region Based Miles
Business/First	Region Based Miles	Region Based Miles	Distance Based Miles for Direct Flights. Otherwise Region Based Miles	Region Based Miles	Region Based Miles	Region Based Miles	Region Based Miles	Region Based Miles



Transferable Points aren't on the chart; you should transfer them to the best of the other four types of miles for your goal trip.

# LET'S ANALYZE OUR GOAL TRIP OF NEW YORK TO BALI IN BUSINESS CLASS, AND SEE IF OUR ANALYSIS AGREES WITH THE CHART.

## Credit Card Points Pretending To Be Miles

Each point is worth one cent each. If you want to go during high season, the most reasonable one-stop itinerary in business class to Bali is over five thousand dollars. At one cent per credit card point, that's going to be over 500,000 credit card points for the roundtrip flight for one person. So scratch credit card points off your list. These are out.

## Airline Points

Airline points are usually used by the newer domestic airlines like JetBlue and Southwest, and they don't partner with anyone who flies to Bali. These are out.

## Distance Based Miles

These types of miles are better for short, direct, economy flights, and that doesn't work for New York to Bali in business class. These are out.

## Region Based Miles

The only type of mile that you should use for this specific trip would be Region Based miles. They're perfect because they only charge you a fixed price based on your origin region, destination region, and cabin. In this case, we could fly a roundtrip to Bali for only 110,000 American Airlines miles.



Region Based miles are clearly the best for a business class award to Bali, which is exactly what the chart says.

# TO SUM UP:

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It's smart to have all five types of miles, so that you can use each type for its strengths and avoid using it for its weakness. Don't just load up on one of the categories. Play a mixed strategy to get the best results. We'll talk about how to earn these five types of miles in future Chapters.

Also remember to work backwards to reach your travel goals. If you work forwards and just start collecting miles without an end plan, you might realize that you don't have enough miles or you don't have the right miles when you sit down to book that trip.

Working backwards will save you time and money in the long run. You'll learn more about how to determine which type of miles to collect for your goal trip in the next few chapters.

# CHAPTER 1 QUIZ:

---

1. THE NUMBER OF AIRLINE POINTS YOU NEED FOR AN AWARD IS BASED ON
  - a. Distance
  - b. Price of the ticket
  - c. Region
  - d. None of the above
  - e. All of the above
2. IF YOU'RE JUST A FEW MILES SHORT FOR A TRIP, YOU CAN USE \_\_\_\_\_ AND GET TO THE EXACT LEVEL YOU NEED
  - a. Region Based miles
  - b. Distance Based miles
  - c. Transferrable Points
3. THE NUMBER OF MILES YOU NEED FOR A REGION-BASED AWARD IS DETERMINED BY
  - a. The cabin you want to fly
  - b. Whether or not you found Saver award space
  - c. The departure and arrival region
  - d. All of the above
4. IF YOU'RE FLYING FROM NEW YORK TO DUBLIN, IT WILL LIKELY BE BEST TO USE:
  - a. Distance Based miles
  - b. Credit Card Points
  - c. Region Based miles
  - d. None of the above



# CHAPTER 1 WORKSHEET:

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1. Figure out your dream trip and make the destination your travel goal.

Where do you want to fly?

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2. Review the five types of miles and decide which of the five types of miles is the best for your trip.

Which type of miles will you focus on collecting?

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3. Sign up for Delta SkyMiles, United MileagePlus, American AAdvantage mileage programs. They're free to sign up.

# CHAPTER 2



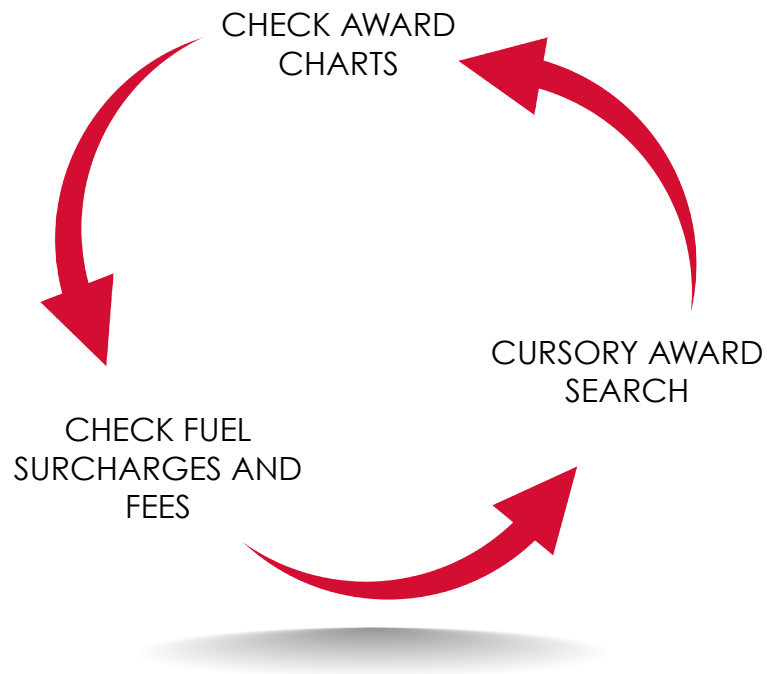
## THE BASICS OF REDEEMING REGION BASED MILES

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To get the right miles for your dream trip, you need to understand the end of the process—how miles are redeemed—first. For big international trips—especially in business or first class—the right type of miles will usually be Region Based miles. These miles are by far the trickiest of the five types to redeem, and also by far the most valuable (other than Transferable Points), so let's spend an entire chapter explaining how to redeem Region Based miles.

*To explain how to redeem Region Based Miles, let's use our example of New York to Bali roundtrip in business class.*

The Best Region Based Miles For Your Trip



Determining the best miles for your trip is a circular process of trial and error.

## LET ME EXPLAIN WHAT I MEAN

The first step in redeeming Region Based miles is figuring out which miles offer the best value for redemptions, you do this by looking at the mileage programs award charts. Every airline loyalty program has their own award chart, and they don't price each route the same. Next you'd move on to conducting a cursory award search to check availability for the dates you're traveling, and finally you'd move on

to checking to see if fuel surcharges are added for awards flying this airline and route. The reason I mentioned that this was a circular process is because it's likely that at some point during this process you'll reach a roadblock. Maybe the route that has the cheapest miles doesn't have availability, or maybe the airline that has availability charges a hefty fuel surcharge. Let's look at this in detail.

As mentioned, the first thing we want to do is start by looking at which type of Region Based miles offers awards in business class to Bali for the fewest miles.

Here's a comparison of United, Delta, and American Airlines' award prices in business class (in thousands of miles) from the mainland United States and Canada to the regions listed:

<b>USA 48 + Canada to:</b>	<b>United</b>	<b>United Partner</b>	<b>Delta</b>	<b>American</b>
US 48 + Canada	25		25/32.5	25
Alaska	30		25	25
Hawaii	40		40/45	37.5
Caribbean & Mexico	30		30	30
Central America	30		30	30
Northern S. America	35		40	30
Southern S. America	55		62.5	50
Europe	57.5	70	62.5	50
Africa	70	80	70	75
South Africa	70	80	80	75
Middle East	70	80	70	67.5
Japan	65	75	70	50
Korea, Mongolia	70	80	70	50
China, Taiwan	70	80	70	55
SE Asia (incl. HKG)	70	80	70	55
Indian Subcontinent	70	80	70	67.5
Australia/NZ	70	80	80	62.5
Pacific Islands	65	75	80	62.5

The United and United Partner columns are because United charges extra miles to book awards on partners in business and first class. They are one of the few airlines to do this.



Note that airlines do define their regions slightly differently, so you should always check what region the country you are flying to is in on every award chart.

# AMERICAN

If you look at the American Airlines award chart, you see that if you're flying from North America, which is New York's region, to Asia Region 2, which is Bali's region, it's only 55,000 miles one way in business class at the Saver level. That's 110,000 miles round trip in business class, which is a lot better than the 500,000-plus Credit Card Points Pretending To Be Miles it would cost.

# UNITED

Next check United's chart. On this chart, New York is in the Mainland U.S., Alaska, and Canada region, and Bali is in the South Asia region. This chart is a bit more complicated, because United charges more miles to fly a partner than it charges to fly its own planes.

Since United doesn't fly to Bali, you would have to book a partner award. You'll notice on the United chart that there isn't a Standard price for partner awards. There's only a Saver award price. That's because airlines always charge the Saver price to book awards on their partners (and they only have access to Saver award space their partners release). So with United you need 80,000 miles to book the one way in business class to Bali, or 160,000 miles roundtrip. That's quite a bit more than the 110,000 miles charged by American.

# DELTA

Delta removed its award charts from its website, so finding information is a little trickier. You can find screenshots of the Delta chart online, which have been uploaded by people who saved them, so we will use those as our guide. For a business class ticket from the United States to Southeast Asia, it's 70,000 miles one way at the Saver level.

# RECAP

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Delta versus United versus American one way to Southeast Asia in business class:

- American: 55,000 miles
- Delta: 70,000 miles
- United: 80,000 miles

Since we want to fly roundtrip to Bali, we need to double those numbers.

We've only checked three award charts. In practice, you might want to check more because every airline has its own award charts. Even members of the same alliance will charge different numbers of miles for the exact same flights.

For our purposes, American offers the lowest miles price, so we'll move on to the next part of the circular process.

# CURSORY AWARD SEARCH

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Now that you have identified the airline that offers the cheapest miles price, you need to check and see if there will be award space. An award chart can show the cheapest miles price on your route, but if the airline or its partners don't release any Saver award space, those aren't the miles you want to collect.

Since we identified American Airlines miles as the cheapest way to get to Bali in business class, let's search for award space with American Airlines miles.

The first thing we need to figure out is which American Airlines partners fly from New York to Bali. Most major airlines are part of one of the three airline alliances. If an airline is a member, its miles can be used to book flights on all the other members of its alliance.

Star Alliance	Sky Team	One World
Adria Airways	Aeroflot	Air Berlin
Aegean Airlines	Aerolineas Argentinas	American Airlines
Air Canada	Aeromexico	British Airways
Air China	Air Europa	Cathay Pacific
Air India	Air France	Finnair
Air New Zealand	Alitalia	Iberia Airlines
All Nippon Airways	China Airlines	Japan Airlines
Asiana Airlines	China Eastern Airlines	LAN Airlines
Austrian Airlines	China Southern Airlines	Malaysia Airlines
Avianca	Czech Airlines	Qantas
Brussels Airlines	Delta Airlines	Qatar Airways
Copa Airlines	Garuda Indonesia	Royal Jordanian
Croatia Airlines	Kenya Airways	StriLankan Airlines
EgyptAir	KLM	S7 Airlines
Ethiopian Airlines	Korean Air	TAM Airlines
EVA Air	Middle East Airlines	
LOT Polish Airlines	Saudia	
Lufthansa	TAROM	
Scandinavian Airlines	Vietnam Airlines	
Shenzhen Airlines	Xiamen Airlines	
Singapore Airlines		
South African Airways		
Swiss International Airlines		
TAP Portugal		
Thai Airways International		
Turkish Airlines		
United Airlines		

In addition, airlines usually have other non-alliance partners. The easiest way to find them is to search “American Airlines airline partners,” or the name of the airline whose partners you want to find plus the words “airline partners.”

### oneworld airline partners

<a href="#">airberlin »</a>	<a href="#">Finnair »</a>	<a href="#">Malaysia Airlines »</a>	<a href="#">S7 Airlines »</a>
<a href="#">American Airlines »</a>	<a href="#">Iberia »</a>	<a href="#">Qantas Airways »</a>	<a href="#">SriLankan Airlines »</a>
<a href="#">British Airways »</a>	<a href="#">Japan Airlines »</a>	<a href="#">Qatar Airways »</a>	<a href="#">TAM Airlines »</a>
<a href="#">Cathay Pacific »</a>	<a href="#">LAN Airlines »</a>	<a href="#">Royal Jordanian Airlines »</a>	<a href="#">US Airways »</a>

### Additional airline partners

<a href="#">Air Tahiti Nui »</a>	<a href="#">EL AL »</a>	<a href="#">Gulf Air »</a>	<a href="#">Seaborne Airlines »</a>
<a href="#">Alaska Airlines/Horizon Air »</a>	<a href="#">Etihad Airways »</a>	<a href="#">Hawaiian Airlines »</a>	<a href="#">WestJet »</a>
<a href="#">Cape Air »</a>	<a href="#">Fiji Airways »</a>	<a href="#">Jet Airways »</a>	

AA's oneworld and non-alliance partners, the top Google search result

Once I know the partners, I cross-reference them with airlines that fly to the destination (for our purposes, Bali). There are two methods that I use to determine which airlines fly into a destination.

The first method is the Wikipedia Method.






# THE WIKIPEDIA METHOD

Every airport has a Wikipedia page with a section titled Airlines and Destinations.

In addition, airlines usually have other non-alliance partners. The easiest way to find them is to search “American Airlines airline partners,” or the name of the airline whose partners you want to find plus the words “airline partners.”

Airlines and destinations [ edit ]

Airlines	Destinations	Terminal
Aeroflot	<b>Seasonal:</b> Moscow–Sheremetyevo	International
Aeroflot operated by Rossiya	Saint Petersburg <sup>[26]</sup>	International
Air New Zealand	<b>Seasonal:</b> Auckland	International
AirAsia	Kuala Lumpur	International
Asiana Airlines	Seoul–Incheon	International
Asia Atlantic Airlines	Bangkok-Suvarnabhumi <sup>[27]</sup>	International
Air Niugini	Port Moresby <sup>[28]</sup>	International
Air Timor	Dili <sup>[29]</sup>	International
Batik Air	Balikpapan, Bandung, Jakarta-Soekarno-Hatta	Domestic
Cathay Pacific	Hong Kong 	International
Cebu Pacific	Manila	International
China Airlines	Taipei–Taoyuan <b>Seasonal:</b> Kaohsiung	International
China Eastern Airlines	Shanghai–Pudong <b>Seasonal:</b> Beijing–Capital	International
China Southern Airlines	Guangzhou, Shenzhen	International
Citilink	Bandung, Balikpapan, Jakarta–Soekarno–Hatta, Surabaya	Domestic
Citilink	Dili <sup>[30]</sup> <b>Charter:</b> Chongqing	International
Dragonair	Hong Kong <sup>[31]</sup>	International
Emirates	Dubai-International <sup>[32]</sup>	International
EVA Air	Taipei–Taoyuan <b>Seasonal:</b> Kaohsiung	International
Garuda Indonesia	Bandung, Jakarta–Soekarno–Hatta, Jayapura, Kupang, Makassar, Manado, Mataram–Lombok, Palembang, Samarang, Surabaya, Timika, Yogyakarta	Domestic

Denpasar Airport Wikipedia page.

American Airlines is not listed on the Bali airport Wikipedia page, but Cathay Pacific, one of its alliance partners, flies from Hong Kong to Bali.

If we go to the Hong Kong airport Wikipedia page, we can see in the Airlines and Destinations section that Cathay Pacific also flies from New York to Hong Kong.

**Airlines and destinations** [\[ edit \]](#)

Airlines	Destinations
<a href="#">Aer Lingus</a>	<a href="#">Dublin</a>
<a href="#">Cathay Pacific</a>	<a href="#">Hong Kong, V</a>

JKF Wikipedia Airport Page Shows Cathay Flies From Hong Kong To JKF

# PERFECT!

American's partner Cathay Pacific flies from New York to Hong Kong to Bali.

On the Bali page, we also would see that American's oneworld partner Malaysia Airlines flies from Kuala Lumpur to Bali.

On the Kuala Lumpur page, we see that Malaysia Airlines doesn't fly from there to New York, but that Cathay Pacific does fly to Kuala Lumpur. So there's a two-stop option: New York to Hong Kong to Kuala Lumpur to Bali on Cathay Pacific and

Malaysia Airlines (mixing partners is fine in most cases). In fact, there are many two-stop options between New York and Bali that you could discover by working through Wikipedia pages.

A quicker method for determining which airlines fly from your origin to your destination (which also has the advantage of showing you the shortest itineraries after taking into account layovers) is the Kayak Search Method.

2

## THE KAYAK SEARCH METHOD

Head over to [kayak.com](https://kayak.com) and enter in your flight origin and destination, and enter dates you're interested in traveling. Hit search. You can also filter by the cabin you want to take: economy, business, or first class.

## Flights

Round-trip One-way Multi-city

New York (JFK) ↔ Denpasar (DPS) Wed 3/16 Mon 4/4 1 adult, Business Search

☐ Include nearby ☐ Include nearby Show flexible dates ▼

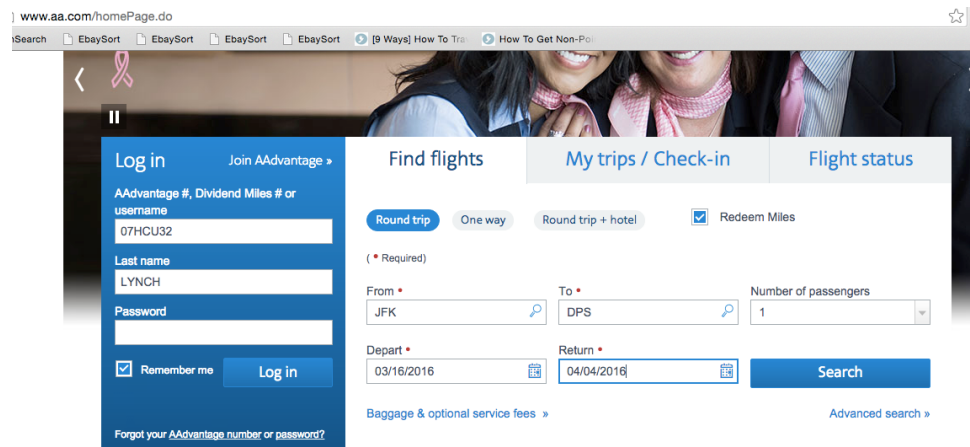
Kayak will return a list of results with prices. Disregard the prices, as we will be paying with miles. We're just looking to figure out which American Airline partners fly the route from New York to Bali.

In this case, the Kayak method confirms that Cathay Pacific is the only one-stop option on an American Airlines partner and has one of the shortest itineraries overall. But is there going to be Saver award space on Cathay Pacific that we can book with American Airlines miles or is this a dead end?

# CHECKING FOR *AVAILABILITY* IN THE RIGHT PLACE

Knowing how to find Saver award availability is the name of the game. Seventy-five percent of the problem is that beginners are looking in the wrong place. The other 25% is having unrealistic expectations when it comes to award availability.

Oftentimes beginners will start and end their award search on the website of the airline whose miles they're using—in this case aa.com since we're using American Airlines miles. That's often completely wrong.



AA.com Select Redeem Miles

If you search aa.com for New York to Bali, you're met with a message that states that there is currently no award space available on aa.com for the origin and destination city.

If this is your first time redeeming miles, you may stop there and feel frustrated that you can't accomplish your dream vacation with the points you've worked so hard to collect. But really that search told you nothing because it was the wrong place to search.

Most airline websites show only some of their partners' award space. *For instance, only eight of the 23 airlines you can book with American Airlines miles are searchable on aa.com.*

For the other 15 airlines, you need to search on other websites.

*The good news is that airlines almost always release Saver award space equally to members of their own frequent flyer programs and members of partner frequent flyer programs.*

So if you find Saver award space for American Airlines partner Fiji Airways on alaskaair.com, you know you can book that same space with American Airlines miles.

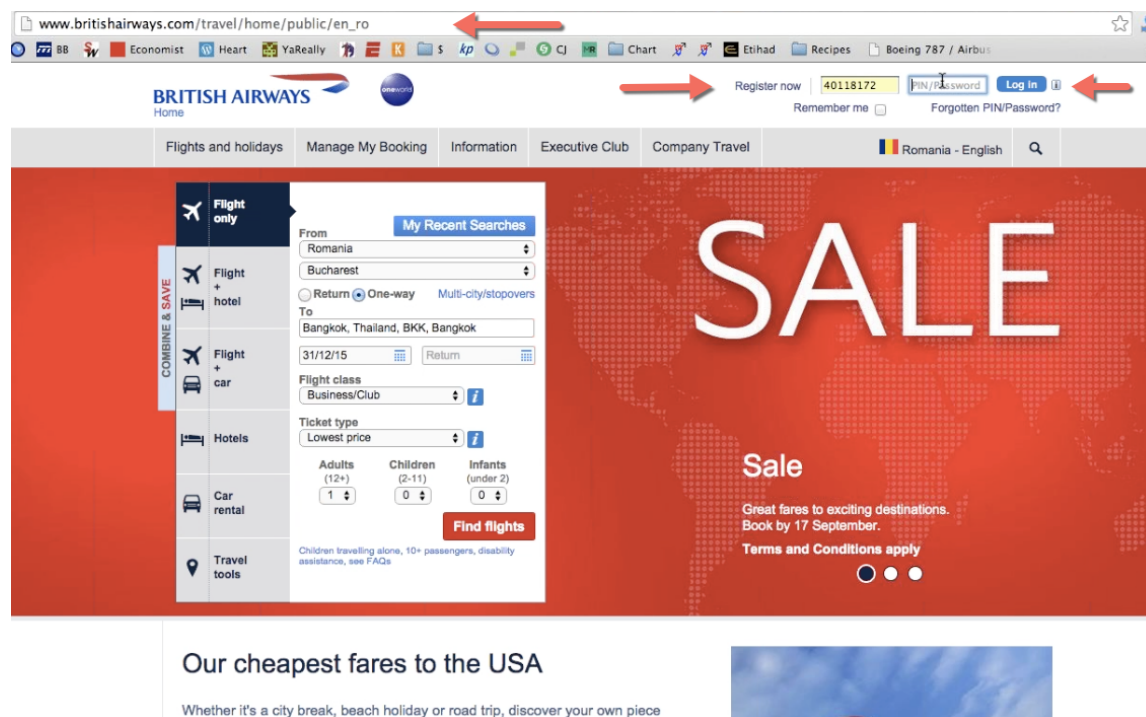
Take a look at the following chart to see which website you should be searching in order to discover award space availability on dozens of airlines. If you need to find award space on an airline that isn't listed, call the airline whose miles you want to use to book that award space (not the airline you want to fly) and ask if there is award space.

The chart says ba.com is the best place to look for Cathay Pacific award space.

# LET'S HEAD OVER TO BA.COM

WHERE TO SEARCH AWARD SPACE ON FLIGHTS	WHERE TO SEARCH AWARD SPACE ON FLIGHTS
Adria	united.com
Aegean	united.com
Aer Lingus	united.com for availability open to United, Expert Flyer for availability open to British Airways
Aeroflot	delta.com
AeroMexico	delta.com
Air Canada	united.com
Air China	united.com
Air Europa	airfrance.us
Air France	delta.com
Air India	united.com
Air New Zealand	united.com
Air Tahiti Nui	Expert Flyer
airberlin	aa.com
Alaska Airlines	aa.com
Alitalia	delta.com
American Airlines	aa.com
ANA	united.com
Asiana	united.com
Austrian	united.com
Avianca	united.com
Azul Brazilian	united.com
British Airways	aa.com
Brussels	united.com
Cathay Pacific	ba.com
China Airlines	delta.com
China Eastern	delta.com
China Southern	delta.com
Copa	united.com
Croatia	united.com
Czech Airlines	airfrance.us
Delta	delta.com
EgyptAir	united.com
Emirates	alaskaair.com
Ethiopian	united.com
Etihad Airways	etihad.com
EVA Air	united.com
Fiji Airways	alaskaair.com
Finnair	aa.com
Garuda Indonesia	delta.com
GOL	delta.com
Gulf Air	Expert Flyer
Hawaiian Airlines	aa.com
Iberia	ba.com
Japan Airlines	ba.com
Kenya Airways	airfrance.us
KLM	delta.com
Korean	delta.com
LAN Airlines	ba.com
LOT Polish	united.com
Lufthansa	united.com
Malaysia Airlines	ba.com
Qantas	aa.com
Qatar Airways	ba.com
Royal Jordanian	aa.com
S7 Airlines	ba.com
Scandinavian (SAS)	united.com
Shenzhen	aeroplan.com
Singapore	singaporeair.com
South African	united.com
SriLankan Airlines	ba.com
Swiss	united.com
TAM Airlines	ba.com
TAP	united.com
TAROM	airfrance.us
Thai	united.com
Turkish	united.com
Vietnam Airlines	airfrance.us
Virgin Atlantic	delta.com
Virgin Australia	delta.com



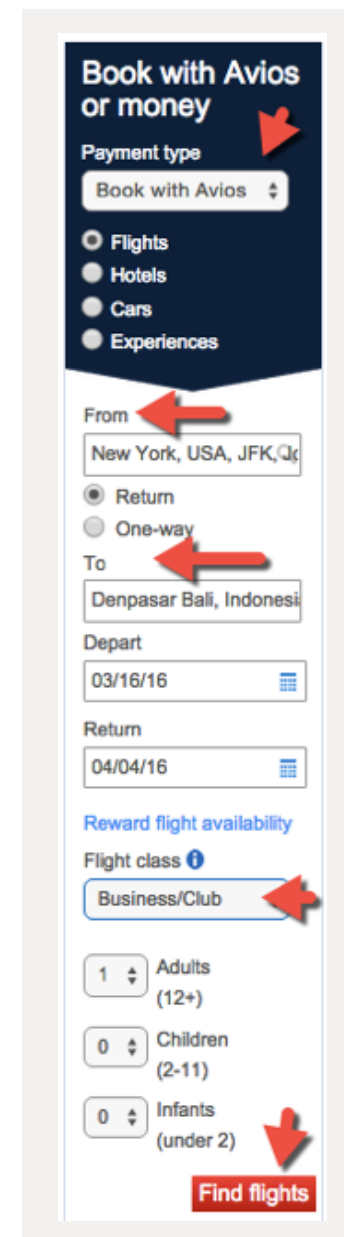


### BA.COM Member Login Top Right

The first thing you're going to need to do is sign up for a British Airways Avios Mileage account as BA.com does not let you search award space without first logging in.

You can do that here: [https://www.britishairways.com/travel/register-now/public/en\\_us](https://www.britishairways.com/travel/register-now/public/en_us)





Once logged in on the left hand side of your screen you should see "Book with Avios or Money." Select Book With Avios from the drop down menu, and enter in your origin city, destination and the dates you're looking for and hit "find flight."



### BA.COM Mileage Search

Next you'll be taken to a screen that will present you with the available route options. The first option does not have business class award space, but the itinerary underneath is a Cathay Pacific/Dragonair itinerary from JFK through Hong Kong to Denpasar. (Dragonair is a subsidiary of Cathay Pacific that is bookable with American Airlines miles). Perfect!

I'd do the same for the return, and again I easily find business class award space on Cathay Pacific.

Departs	Arrives	Flight Operator	Premium Economy	Business Class	First
<b>Outbound direct flights</b> >Hide <span style="float:right">Sort By Airline</span>					
Sorry, there are no direct flights available. Flights with connections are shown below					
<b>Outbound connecting flight options</b> >Hide <span style="float:right">Sort By Airline</span>					
<b>British Airways flights</b>					
Sorry, there are no connecting flights with British Airways available on part or all of this route. Connecting flights involving partner airlines are shown below					
<b>Flights with partner airlines</b>					
<b>01:25</b> 16 Mar <a href="#">JFK</a>	<b>05:20</b> 17 Mar <a href="#">HKG</a>	 <a href="#">Cathay Pacific Airways</a> <a href="#">JFK - HKG</a> <a href="#">CX0845</a>	<input type="radio"/> Available	Not Available	Not Available
<b>10:05</b> 17 Mar <a href="#">HKG</a>	<b>14:55</b> 17 Mar <a href="#">DPS</a>	 <a href="#">Cathay Pacific Airways</a> <a href="#">HKG - DPS</a> <a href="#">CX0785</a>	<input type="radio"/> Available <small>&gt; Only 2 reward seat(s) left</small>	Not Available	Not Available
<b>1 Connection; Total journey time: 25 hours 30 minutes</b> <a href="#">Hide journey details -</a>					
<b>01:25</b> 16 Mar <a href="#">JFK</a>	<b>05:20</b> 17 Mar <a href="#">HKG</a>	 <a href="#">Cathay Pacific Airways</a> <a href="#">JFK - HKG</a> <a href="#">CX0845</a>	<input type="radio"/> Available	<input type="radio"/> Available	Not Available
<b>12:35</b> 17 Mar <a href="#">HKG</a>	<b>17:35</b> 17 Mar <a href="#">DPS</a>	 <a href="#">Dragonair</a> <a href="#">HKG - DPS</a> <a href="#">KA0360</a>	<input type="radio"/> Available <small>left</small>	<small>&gt; Only 1 reward seat(s) left</small>	Not Available

**Journey summary** ^

With this information I can now call American Airlines and book my flight

Fri  
1 Apr  
Check  
availability

Sat  
2 Apr  
Check  
availability

Sun  
3 Apr  
Check  
availability

Mon  
4 Apr  
Flights  
available

Tue  
5 Apr  
Check  
availability

Wed  
6 Apr  
Check  
availability

Thu  
7 Apr  
Check  
availability

Departs

Arrives

Flight Operator

Premium Economy

Business Class

First

Outbound direct flights

Sort By

Airline

Sorry, there are no direct flights available. Flights with connections are shown below

Outbound connecting flight options



Sort By

Airline

British Airways flights

Sorry, there are no connecting flights with British Airways available on part or all of this route. Connecting flights involving partner airlines are shown below

Flights with partner airlines

<div>16:10 4 Apr DPS</div>	<div>21:00 4 Apr HKG</div>	<div><div>Cathay Pacific Airways DPS - HKG CX0784</div></div>	Not Available	<div><input type="radio"/> Available</div>	Not Available
<div>00:30 5 Apr HKG</div>	<div>07:00 5 Apr JFK</div>	<div><div>Cathay Pacific Airways HKG - JFK CX0888</div></div>		<div>Only 2 reward seat(s) left</div>	

1 Connection; Total journey time: 26 hours 50 minutes

Hide journey details

53 | MILE VALUE EBOOK | 2015

Curious how much this flight would cost in cash? A quick search on kayak.com shows it would be

**\$7,580**

The screenshot displays two identical flight search results from Kayak for a Cathay Pacific Business class flight from JFK to DPS. Each result shows a price of \$7580 and \$7590 respectively. The flight details include a 25h 30m duration with 1 stop (HKG) and a 26h 50m duration with 2 stops (HKG, YVR). The results are presented in a clean, modern interface with a white background and orange accents.

Price	Airline	Class	Origin	Destination	Duration	Stops	Notes
\$7580	Cathay Pacific	Business	JFK	DPS	25h 30m	1 stop (HKG)	Cathay Pacific operates flight 645, 755, 754, 655, 555.
\$7590	Cathay Pacific	Business	JFK	DPS	26h 50m	2 stops (HKG, YVR)	Cathay Pacific operates flight 645, 754, 655, 555. Dragonair operates flight 5355.

Kayak Results For Same Flight

Now luckily, a simple search in the right place found that Cathay Pacific award space to Bali is plentiful, so we would move on to the third part of the puzzle: making sure that the taxes and fuel surcharges with American Airlines miles flying Cathay Pacific to Bali are manageable.

# MINIMIZING TAXES, FUEL SURCHARGES, AND FEES

You pay taxes on every Region Based award. Generally taxes are about \$50 to \$150 per roundtrip, and the biggest factor that influences them is the country where your return starts. In this case, taxes on an American Airlines award from New York to Bali would be about \$108. You can get the amount of the taxes online if an award is bookable online or by calling the airline whose miles you'll be using if, as in this case, the award is not bookable online.

The biggest rule of thumb to keep award taxes low is never to start an award (or its return) in Great Britain. Taxes from London to the United States are \$200 one way in economy and \$300 in business class or first class. Returning from anywhere else in Europe will save you a lot of money, maybe over \$200 per person.

Fuel surcharges are collected on some Region Based awards. Here is a chart showing whether fuel surcharges are collected based on the miles you're using and the airline or route you're flying.

PROGRAM	PARTNERS ON WHICH FUEL CHARGES ARE COLLECTED	PARTNERS ON WHICH FUEL CHARGES ARE NOT COLLECTED	ROUTES WITHOUT FUEL SURCHARGES	AWARDS WITH FUELS SURCHARGES
American AAdvantage	British Airways, Iberia	All Other Partners	Awards originating in Brazil	
Delta SkyMiles	Delta, Alaska, KLM, AirFrance, Alitalia, Aerolineas, AeroMexico, Korean, Virgin Australia	Aeroflot, Air Europa, China Airlines, China Southern, Air Tahiti Nui	Awards originating in Brazil	One way or roundtrip awards originating in Europe (even on carriers listed in the no fuel surcharges sections)
United Mileage Plus	None			
British Airways Avios			Routes within United States, Canada, the Americas, and the Caribbean. Routes originating in Brazil	All awards when the equivalent cash ticket has a fuel surcharge
Singapore KrisFlyer		United	Routes within United States, Canada, the Americas, and the Caribbean. Routes originating in Brazil	All awards when the equivalent cash ticket has a fuel surcharge, except United flights
Air Canada Aeroplan	Air Canda, Air New Zealand, ANA, Asiana, Austrian, LOT, Lufthansa, TAP, Thai	Air China, Air India, Avianca Brussels, EgyptAir, Ethiopian, Scandinavian, Singapore, South		
Lufthansa Miles & More			Routes within United States, Canada, the Americas, and the Caribbean. Routes originating in Brazil	All awards when the equivalent cash ticket has a fuel surcharge
Avianca LifeMiles	None			
Alaksa Mileage Plan	British Airways	All Other Partners	Awards originating in Brazil	

Avoiding fuel surcharges is one of the main goals when redeeming miles. As you can see from the chart, American Airlines only collects fuel surcharges on Iberia and British Airways flights, so we are in the clear when heading to Bali.

You pay fees on some award bookings. Common fees include:

- a \$25 roundtrip fee just for booking the award (Alaska and LifeMiles)
- a \$75 fee for booking the award within 21 days of departure (American, United)
- a \$30 - \$200 fee for cancelling an award (all)
- a \$30 - \$150 fee for changing an award (most though some free changes are allowed)

In this case, there will be no fee on an American Airlines award flying Cathay Pacific to Bali. We are booking more than 21 days before departure.

Everything looks good on the taxes, fuel surcharges, and fees front for American Airlines miles. And everything looks good overall for American Airlines miles. Here's what we learned from the circular process of picking out the best miles:

- American Airlines miles are the cheapest to Bali, at 110,000 miles roundtrip in business class
- American Airlines' partner Cathay Pacific has good business class award space to Bali over the dates we want to go
- The award will only have about \$100 in taxes and no fees or fuel surcharges

So American Airlines miles are the right choice to collect. If American Airlines miles had not had award space on our dates, we would have checked another type of miles. If there were fuel surcharges on the award, we would have checked another type of miles. And we would have kept checking different types of miles until we found the right type.

### EARNING THE MILES

After the circular steps of figuring out the right miles, we are on to step two of the process, earning the miles we have chosen. Chapters 4 and 5 deal with this.

For now, I'll just say that in this case, we could earn 110,000 American Airlines miles from two credit card sign-up bonuses.

### BOOKING THE AWARD

Once you have the miles, you actually have to book the award. You have a pretty good idea of what award space you will want from the cursory search

performed in the first step when determining what type of miles to earn.

Go back and perform an award search to see if the space that was there a few months ago when you were picking which miles to get is still there.

- If the award space is there, and you can book it on the site of the airline whose miles you're using, book it online.
- If the award space is there, but you cannot book it on the site of the airline whose miles you're using, book it by calling the airline whose miles you're using. Feed the agent the date, flight number, and cabin for each flight you want to book.
- If the award space is not found through a simple search, move on to segment-by-segment searching, which is the backbone of all award-searching skills.



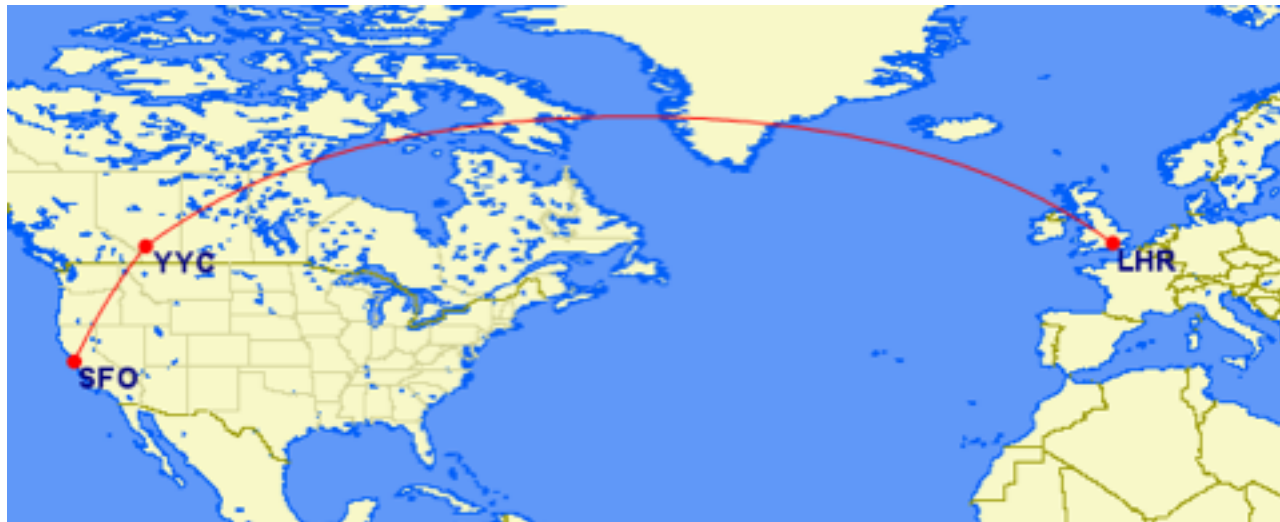
# SEGMENT-BY- SEGMENT SEARCHING

In an ideal world, you collect the right frequent flyer miles for the trip you want, go straight to the correct website for award searching, search for award space, and your dream trip pops up. Unfortunately this isn't always the case. If you're searching a popular time on a popular route, no itineraries with Saver award space may show up on your search.

Just because nothing shows up on an airline search engine doesn't mean no award itinerary is available. One reason may simply be because partner space isn't displayed on that website and you're looking in the wrong place (as we talked about earlier) BUT it could also be because you need to move on to segment-by-segment searching.

The idea is that just typing where you live and where you want to go into an airline's award search engine may not reveal award space even when there is a legal, possible award. Searching segment-by-segment—starting with the hardest segment—can yield itineraries that the search engine missed.

Let's go over a step-by-step example of how I used segment-by-segment searching to find award space between San Francisco and London when united.com didn't show any award space.



# SIX STEPS TO SEGMENT-BY-SEGMENT SEARCHING

There are six steps to an effective segment-by-segment search:

1. Simple search
2. Wikipedia
3. Hardest segment search
4. Home-to-gateway search
5. Gateway-to-destination search
6. Call in to book

# 1 SIMPLE SEARCH

There's no need to start by searching segment-by-segment. Maybe a simple home-to-destination search will bring up award space. I searched [united.com](http://united.com) for two passengers from San Francisco to London and found no Saver economy award space on July 10.

# 2 USING WIKIPEDIA

I use Wikipedia to research possible routings. In this case, I pulled up the London-Heathrow page and looked for Star Alliance flights between Heathrow and North America since United miles can book flights on all 27 Star Alliance airlines. Here are some flights to consider:

<a href="#">Air Canada</a>	<a href="#">Calgary</a> , <a href="#">Halifax</a> , <a href="#">Montréal-Trudeau</a> , <a href="#">Ottawa</a> , <a href="#">Toronto-Pearson</a> , <a href="#">Vancouver</a> <b>Seasonal:</b> <a href="#">Edmonton</a> , <sup>[55]</sup> <a href="#">St. John's</a>
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<a href="#">United Airlines</a>	<a href="#">Chicago-O'Hare</a> , <a href="#">Los Angeles</a> , <a href="#">San Francisco</a> , <a href="#">Washington-Dulles</a>
<a href="#">United Airlines</a>	<a href="#">Houston-Intercontinental</a> , <a href="#">Newark</a>

# SEARCH THE HARDEST SEGMENT

Search for the hardest-to-find segment first. This is usually going to be the long-haul flight. In this case, I need to find transatlantic award space first and then award space to and from that flight later.

It turns out that both Vancouver and Calgary had award space almost every day that summer in economy for two passengers to London.

**One Way** ([Start New Search](#))  
 Depart **Calgary, AB Canada (YYC)**  
 Arrive **London, England (LHR - Heathrow)**  
 Date **Wed., Jul. 9, 2014** Time **Anytime**  
 Travelers **2**

> MileagePlus Premier members may receive better search results by [signing in](#).

Award Availability Calendar		July 2014							August 2014						
Departure		S	M	T	W	T	F	S	S	M	T	W	T	F	S
July 2014				1	2	3	4	5						1	2
		6	7	8	9	10	11	12	3	4	5	6	7	8	9
		13	14	15	16	17	18	19	10	11	12	13	14	15	16
		20	21	22	23	24	25	26	17	18	19	20	21	22	23
		27	28	29	30	31			24	25	26	27	28	29	30
									31						

☐ Saver Award Economy  
☒ Saver Award United First/ United Business  
☐ Saver Award Economy & United First/ United Business  
☐ Standard Award may be available

The Calgary flight leaves at 6:30 PM. I need to note this to figure out what the best flight to get to Calgary from San Francisco is.

Nonstop flights							
<b>Select</b>	<b>Cancel</b>	Not Available	Not Available	Depart: <b>6:30 p.m.</b> Thu., Jul. 10, 2014 Calgary, AB Canada (YYC)	Arrive: <b>10:00 a.m. +1 Day</b> Fri., Jul. 11, 2014 London, England (LHR - Heathrow)	Travel Time: <b>8 hr 30 min</b>	Flight: <b>AC850</b> Operated by Air Canada. Aircraft: <b>Boeing 777-300ER</b> Meal: <b>Meal</b> No Special Meal Offered. <a href="#">See Airline Website</a>
30,000 Miles and \$11.75	65,000 Miles and \$15.75						

# HOME-TO-GATEWAY SEARCH

In this case, the home-to-gateway search is very easy. The transatlantic flight left Calgary every day in July at 6:30 PM with award space, so I just needed to find a day with a flight from San Francisco to Calgary that lands before 6:30 PM and had economy award space. Here was the award calendar for direct flights from San Francisco to Calgary in July 2014.

**One Way** ([Start New Search](#))  
Depart: **San Francisco, CA (SFO)**  
Arrive: **Calgary, AB Canada (YYC)**  
Date: **Thu., Jul. 10, 2014** Time: **Anytime**  
Travelers: **2**

> MileagePlus Premier members may receive better search results by [signing in](#).

**Award Availability Calendar**  
Departure  
July 2014

☐ Saver Award Economy  
☒ Saver Award United First/ United Business  
☐ Saver Award Economy & United First/ United Business  
☐ Standard Award may be available

July 2014							August 2014						
S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4	5						
6	7	8	9	10	11	12	13	14	15	16	17	18	19
20	21	22	23	24	25	26	27	28	29	30	31		
27	28	29	30	31									

There was economy award space on July 10 that landed in Calgary at 11:53 AM, six-and-a-half hours before the transatlantic flight.

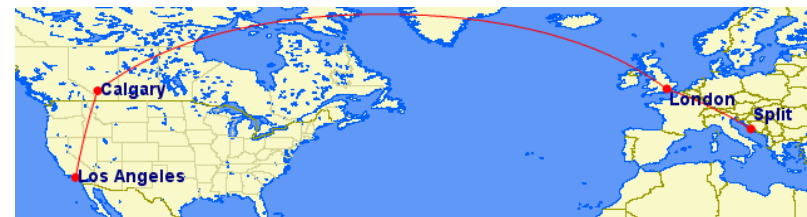
<b>Search</b> 12,000 Miles and \$1.00	<b>Search</b> 20,000 Miles and \$1.00	<b>Not Available</b>	<b>Search</b> 50,000 Miles and \$1.00	<b>Depart:</b> 8:10 a.m. Thu., Jul. 10, 2014 San Francisco, CA (SFO)	<b>Arrive:</b> 11:53 a.m. Thu., Jul. 10, 2014 Calgary, AB Canada (YYC)	<b>Travel Time:</b> 2 hr 43 min	<b>Flight:</b> UA6348 Operated by: SWIRE DRA UNITED EXPRESS <b>Aircraft:</b> Canadair Regional Jet 700 <b>Meal:</b> Food and Beverages for Purchase <b>No Special Meal Offered.</b> <a href="#">See Our Terms &amp; Conditions</a> <a href="#">View Seats</a>
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That layover is not ideal, but if it is the only way to get from San Francisco to London for the Saver price of United miles, it might be something to consider.

# 5 GATEWAY-TO- DESTINATION SEARCH

In this case, this step is not necessary because we have already found award space all the way to London, our destination. But imagine if the destination were Split, Croatia, instead.

In that case, we'd need to find economy award space from London to Split that lined up with our first two flights.







# CALL THE AIRLINE TO BOOK

The last step is to book the award by calling the airline whose miles you want to use (United in this example).

# RECAPPING THE STEPS

1. Find out the right miles for your trip, which is a circular process of checking award charts, space, and fuel surcharges.
2. Collect the miles (which we'll go into further detail about in future chapters).
3. Book the ticket.

What if there just is no award space at all after you've collected the miles? You can re-start the process and collect new miles or you can set an award space alert.

# AWARD NEXUS

You can set an alert for almost any award space on Award Nexus, so that you will be the first to know if award space opens up. The catch is that setting the alert costs money.

Imagine you've searched for award space, but there's nothing for your ideal date/flight/cabin. You could give up—or you could hold out hope that space will open up.

If you stay hopeful (and why wouldn't you? You are planning a dream trip, after all) you can search frequently, but that's a time waster, and you might forget to search some days when you're busy. An award alert solves the problem by automating a daily search of the award space and emailing you if space opens up.

Award Nexus is a site that allows you to search the following award search engines from one page:

- Aeroplan
- United
- ANA
- British Airways
- Qantas
- Japan Airlines
- Air France
- Delta
- Virgin Atlantic

On these search engines, you can search for award space on any Star Alliance carrier (Aeroplan search engine), any oneworld carrier (British Airways engine), any SkyTeam carrier (Air France engine), Virgin Atlantic, Emirates (Qantas engine), or Alaska (Qantas engine). Check the chart earlier in this Chapter for where to search every airline's award space.

Award Nexus makes money by charging you points for searches and then selling you those points. To figure out the number of points needed for a search, multiply:

The routes X the search engines X the cabins X number of days you are searching.

The number of seats you are looking for does not affect the number of points needed for a search. An alert runs a search every day, so the number of points an alert will cost you is the number of points a search costs times the number of days the alert runs. Award Nexus gives new users who have a MilePoint or FlyerTalk membership 200 free points. Then every 90 days, you can get 100 free points.

However, if you just get the free points and never buy points, you will not have the "premium account" necessary to set alerts. To get a premium account, you have to buy points. The cheapest amount you can buy is 500 points for \$59.

*From there, you set your alerts*



# MILEVALUE AWARD BOOKING SERVICE

If you have a do-it-yourself attitude or like puzzles, you may enjoy award searching. I know I do.

But if reading this chapter made you want to give up on miles, don't. You can hire an award booking service to search and book awards for you. There are dozens.

Mine, the MileValue Award Booking Service, has been in business since March 2012 and has booked thousands of trips, redeeming billions of miles across all major frequent flyer programs.

We take the clients' goals and miles and book their dream trip. If we succeed, we charge \$125 per person per award. If we fail, we charge nothing.

BOOK: [milevalue.com/abs](http://milevalue.com/abs)

# CHAPTER 2 CHECKLIST

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- ✓ Determine the best miles for your trip via a circular process: Check for availability; perform cursory award search; and check for taxes, fuel surcharges, and fees.
- ✓ Figure out which airlines fly from your origin to your destination using The Wikipedia Method or Kayak Method.
- ✓ If needed, perform a segment-by-segment search. Set an award-space alert if space isn't available on the route dates you'd like.
- ✓ Hire an award booking service if you want to skip all of it.

# CHAPTER 3



## ADVANCED TOPICS IN REDEEMING MILES

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You now know how you can redeem miles to get from New York to Bali. But let's take it a step further. In this chapter we'll talk about advanced topics relating to redeeming Region Based miles, and adding additional cities to your dream trip for free using stopovers, open jaws, and "free one ways." The end goal is to utilize the airline routing rules to your advantage and book a world-class adventure on a budget.

# STOPOVERS

At your destination, you can stop for as long as you'd like - but what about at intermediate points? A stopover is when one of your layovers along the way lasts longer than 24 hours. It's a cool way to see extra cities on the same trip. Some types of miles allow it, and some don't.



Take a look at the following chart to determine which airlines allow you to add stopovers to your journey when booking your trip with miles.

PROGRAM	ONE WAYS	STOPOVERS	OPEN JOBS	FREE ONE WAY	FUEL SURCHARGES	MAX SEGMENTS
American AAdvantage	Y	N	Y	N	Only on British Airways & Iberia flights.	
Delta SkyMiles	Y	N	Y	Y	On many partners	
Unite MileagePlus	Y	Y	Y	Y	Never	4 per one way
British Airways Avios	Y	Y	Y	N	Yes	
Singapore KrisFlyer	Y	Y	Y	Y	Yes, except on United flights	6 per roundtrip
Air Canada Aeroplan	Y	Y	Y	Y	On many partners	10 per roundtrip
Lufthansa Miles & More	Y	Y	Y	N	Yes	6 per roundtrip
Avianca LifeMiles	Y	N	Y	N	Never	
Alaska Mileage Plan	Y	Y	Y	Y	Only on British Airway flights	

# OPEN JAWS

An open jaw is when you fly into one city as your destination, but you return from a different city, like flying from New York to London, but then returning home from Paris to New York, instead of from London to New York. It's also when your origin and final city on a roundtrip don't match. Like flying New York to London, but then returning from London to Chicago. Two open jaws would be New York to London, returning Paris to Chicago.

Again, some airlines allow open jaws and some don't, so check out the chart above to see whether they're allowed with the miles you have.

Any airline that allows one-way awards de facto allows two open jaws on a roundtrip because you can book New York to London one way and Paris to Chicago one way.



## WHY OPEN JAWS

You would book an open jaw if you wanted to see multiple places on the same award without backtracking to the original destination to return home.

### EXAMPLES:

I booked my friend an award from Los Angeles to Honolulu, returning Maui to Los Angeles. We wanted to see both islands on the trip without having him backtrack to Oahu for the return.

In general, the trains in Europe are a great way to travel, and major cities are only a few hours apart. It might be more convenient to fly into London and return from Paris because it's a short train ride, which would probably be better than flying to London, stopping over, flying to Paris, and then returning from Paris. Or maybe you want to see more cities than would be allowed with stopovers. So you could fly into London, take the train to Paris, then to Brussels, on to Amsterdam, and then fly home from Amsterdam. That would be another great reason to add an open jaw to your award. (Notice another benefit of starting an award to

Europe in London instead of ending an award to Europe is that there is a huge tax savings by avoiding flying out of London).

Open jaws and regions: It's zero extra miles to book an open jaw as long as the end points of the open jaw are in the same region.

If you fly from New York to London, returning Paris to New York, the end points of the open jaw are London and Paris, which are in the same region of every award chart.

If, however, you booked an open jaw across regions (like New York to Madrid, returning Casablanca, Morocco to New York), the miles price would be the price of a one-way award between the U.S. and Europe, plus the price of a one-way award between Africa and the U.S.

# FREE ONE WAYS

A free one way is a one-way itinerary to or from your home airport added on to another award for no additional miles. For example, adding Newark to Los Angeles onto a roundtrip United award from Newark to Frankfurt costs zero additional miles, so Newark to Los Angeles would be a free one way.

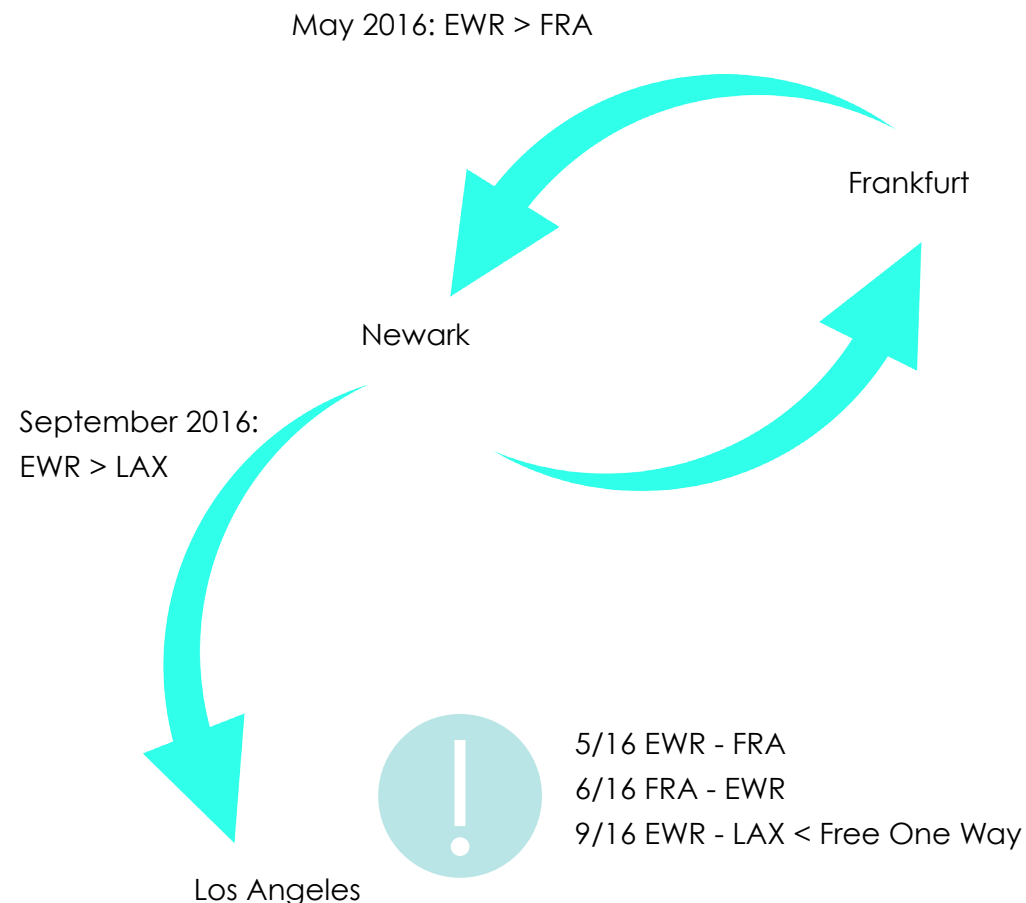
While the rules differ by airline—some form of a free one way is possible on United, Alaska, and many foreign programs' awards—the “trick” that unlocks a free one way is constant: a stopover at your home airport.

Most airlines allow one or more free stopovers on award tickets. If we take that free stopover at our home airport instead of en route, we can unlock a free one way.

For instance, in the example I already gave of Newark to Frankfurt roundtrip with a later free one way to Los Angeles, we are taking the one free stopover per roundtrip United award at our home airport of Newark. Then, months later, we can take a free one way to Los Angeles, effectively cutting our airfare in half for a second vacation.

Stopping over at your home airport is the key. No airline agent will know what a free one way is because “free one way” was a term popularized on my blog [milevalue.com](#). You’ll never read about free one ways on lists of airline award rules. An airline agent—and an airline award-pricing computer program—will see your free one way as a stopover and an open jaw because that’s all it technically is. But we’ll combine that stopover and open jaw into half of our next vacation!

The diagram shows a typical free one way from Newark to Los Angeles after a main award from Newark to Frankfurt roundtrip. This award has one stopover, at Newark on the return. This award also has one open jaw: its final destination (Newark) doesn’t match its origin (Los Angeles).



## DESPITE EACH AIRLINE HAVING ITS OWN FREE ONE-WAY RULES, THERE ARE CERTAIN RULES THAT ARE UNIVERSAL:

1. All award travel must be completed within one year of booking the ticket. This limits the gap between your main award and the free one way. For instance, if you book an award on January 1, 2016, all segments of that award—including any segment that's part of a free one way—must take off by December 31, 2016.

2. Your free one way can be before the main award to your home airport or after your main award from your home airport. To use the Newark-to-Frankfurt main award as an example, you can either add a free one way to Newark before the main award or a free one way from Newark after the main award.

Hopefully, this is intuitive. You can't have an award like:

- Newark to Los Angeles/Newark to Frankfurt/Frankfurt to Newark

Newark to Los Angeles is not attached to the main award at all. To correct this, you would need to change the direction of the first part, so that the award was:

- Los Angeles to Newark
- Newark to Frankfurt
- Frankfurt to Newark

Or change the timing, so the award was:

- Newark to Frankfurt
- Frankfurt to Newark
- Newark to Los Angeles

3. The cabin for your free one way will be the same as the cabin for the rest of its direction. If your free one way is prior to your main award's outbound, your free one way will be in the cabin of your main award's outbound. If your free one way is after your main award's return, your free one way will be in the cabin of your main award's return.

For the purposes of this rule, international business class and two-cabin domestic first class are the "same cabin." For instance, a few years ago I flew Qantas business class from Melbourne to Los Angeles, using American miles. I tacked a free one way from

Los Angeles to Tampa onto the award for a month later in American Airlines domestic first class because domestic first class is allowed on international business awards.

4. The free one way must stay within the same region as your home airport. This is just an extension of the open jaw rule discussed above, that if the open jaw crosses regions, your award may be more expensive.

If your home airport is in the continental United States, that means your free one way usually must be within the continental United States and Canada. If you tack on a one way to somewhere else like Hawaii or South America (both of which might be possible), you will usually not get a free one way. Let me give an example to show why I call these "cheap one ways."

Going back to the same Newark-to-Frankfurt roundtrip, imagine we add a stopover in Newark on the return and a later one way to Hawaii. If this were booked with United miles, the cost would be 65,000 miles in economy—the sum of Newark to Frankfurt (30k) plus Frankfurt to Honolulu (35k). That's only 5,000 more miles than a Newark-to-Frankfurt roundtrip, so Newark to Honolulu is quite a cheap one way, but it isn't quite free.

Finally, I want to answer the number-one question I get about free one ways:

# HOW DO YOU GET BACK AFTER A FREE ONE WAY?

Any way you want! You can book a return from a free one way as a one-way award or a cash ticket. I returned from my free one way to Tampa on a one-way Southwest award. Distance Based miles and Credit Card Points Pretending To Be Miles are also good options for the return from a free one way.

# FOREIGN PROGRAMS AND ROUND-THE- WORLD TRIPS

Once you've grasped the potential of stopovers, open jaws, and free one ways, let's focus on the value of collecting miles in foreign programs, and look at how you would put together a round-the-world trip with a series of underpriced one-way awards.



# FOREIGN PROGRAMS

CONS: Most foreign programs collect fuel surcharges on most awards, whereas the American frequent flyer programs rarely collect fuel surcharges. If you collected all of your miles in a single foreign program in the hopes of traveling the world on a budget, you'd probably be pretty frustrated when you go to book your awards because of all of the fuel surcharges you would be saddled with.

PROS: On the flipside, some of these programs also have awards without fuel surcharges, and they have sweet spots on their award chart that are so cheap that maybe you don't mind paying a small fuel surcharge. Each program has some great values, so if you only use the foreign programs for their specific great value and then focus the majority of your earnings into the American programs (which have mostly great values) then you can get even more out of travel hacking than you would if you only focus on American programs.

Hopefully the idea of not focusing exclusively on a program, but just using its miles occasionally for high-value uses makes you think of Transferable Points. *The main way to be involved with foreign programs is to transfer in the exact number of transferable points you need to book a high value award and then book it, never having a balance of miles with a foreign program for more than a few hours or a few days.*



Here are a few really high-value awards you might be better off booking with foreign programs than with American programs:

- Air Canada Aeroplan: 90,000 miles roundtrip and no fuel surcharges on some partners in business class to Western Europe with two stopovers in addition to your destination (United would charge 140k for the same flights and only allow one stopover)
- Asiana: 100,000 miles roundtrip plus fuel surcharges in first class to Europe (United would charge 220k but with no fuel surcharges); 75,000 miles roundtrip in business class and no fuel surcharges to Southern South America (United would charge 110k)
- Singapore: 60,000 miles roundtrip and no fuel surcharges in first class to Hawaii (United would charge 80k)
- Avianca LifeMiles: 126,000 miles roundtrip in business class to Europe and no fuel surcharges (United would charge 140k)
- Air France Flying Blue: Promo Awards from 25,000 miles roundtrip to Europe or Israel plus \$220 in fuel surcharges (Delta would charge 60k to 80k miles roundtrip for the same flights but no fuel surcharges); 30k miles roundtrip and no fuel surcharges to Hawaii (Delta would charge 45k miles)
- Korean: They can book SkyTeam international first class awards and Delta miles cannot; 25k miles roundtrip and no fuel surcharges to Hawaii (Delta would charge 45k miles)
- British Airways Avios: Awards start at 4,500 miles one way and 12,500 miles to Hawaii one way with no fuel surcharges on awards within the Americas (American Airlines charges at least 12,500 miles within the continental United States and at least 17,500 miles one way to Hawaii)
- Iberia Avios: cheap awards on direct Iberia flights to Europe
- Cathay Pacific Asia Miles: cheap multi-stop awards within South America (detailed in Chapter 9)
- Alaska (not foreign, but still!): cheaper awards on Cathay Pacific, Fiji Airways, and AeroMexico than you can book with those airlines' other partners.



Many foreign programs are transfer partners of Transferable Points, so check the chart detailing transfer partners for how to get these miles.

# ROUND-THE-WORLD TRIPS

This leads us to the topic of round-the-world travel. Maybe you've known someone who took a year off and flew around the globe. You've seen their photos of Africa and Australia and Europe all over Instagram and Facebook and thought, "I'd love to do that but it just seems so expensive..."

Here's how you can recreate their trip with miles.

# ONE ~~WAYS~~

The best way to book a round-the-world trip is not as one around-the-world award anymore, because those have mostly been eliminated or devalued. The best way to book a round-the-world award is as a series of one-way awards and low-cost carrier tickets. Meaning, nearly every time you want to get onto a plane on this round-the-world trip, you book a separate one-way award.

The key is to have a solid, up-to-date list of the cheapest awards between every conceivable region in the world. You want to know the cheapest award from Southeast Asia to Australia, or from the Middle East to Africa, or Africa to South America, for example.

I've scoured dozens of award charts and compiled their sweet spots into one chart that I continually update as award charts change, or as I notice a new sweet spot.

You can check that list out here:  
<http://www.milevalue.com/rtw>

Say you're starting in the U.S. and you want the first stop to be Fiji. Find the cheapest award to Fiji, and then once you're in Fiji figure out the cheapest award to Australia, and from Australia to Southeast Asia, to North Asia, to the Middle East—however you want to plan your actual trip. You can easily find the cheapest awards from region to region with a quick search. Before you know it, you'll be trekking the globe.

# AROUND THE WORLD TICKET EXAMPLE

It took me about half an hour to put this around-the-world (RTW) ticket together using the information that is compiled in the underpriced awards post on my blog and linked above.

The example RTW trip in this section starts and ends in Los Angeles (imagine your home airport instead), takes about a month, and has stops in all the places on the map above:

- Fiji
- Sydney
- Kuala Lumpur
- Delhi
- London
- Madrid

It flies a mix of economy, business, and first class flights. It has logical jumping-off points if you want to really take your time in one region and see a lot of that area before continuing to the next region. *Let's walk through it:*

# LOS ANGELES TO FIJI TO SYDNEY FOR 40,000 ALASKA MILES + \$142 (ECONOMY)

While most programs charge about 40,000 miles one way from the United States to Australia, Alaska lets you fly Fiji Airways and stop for as long as you'd like in Fiji on the way for no extra miles. Search on [alaskaair.com](http://alaskaair.com) for a multi-city award.

I'm imagining that this RTW trip starts January 31, 2016. The stop in Fiji is four days.

Coach

Flight Information

Sort by 

Stops

Lowest Refundable

FIJI

AIRWAYS

811

LAX 10:30 pm

NAN 6:00 am

FIJI

AIRWAYS

911

NAN 9:20 am

SYD 12:50 pm

40k +  
\$142

1 stop

Seats

*Total cost is 40,000 Alaska miles + \$142 of taxes and fees.*

*Business class would be only 55,000 miles if you could find award space, but Fiji Airways releases very little business class award space.*

# SYDNEY TO KUALA LUMPUR FOR 40,000 UNITED MILES + \$60 (THAI FIRST CLASS)

United has underpriced awards between Australia/New Zealand and Southeast Asia. Search for them right on [united.com](http://united.com).  
After five days in Sydney, the trip picks back up.

Sydney, NSW, AU (SYD) → Kuala Lumpur, MY (KUL)  
Thu, Feb 11, 2016 (1 traveler)

The United award flies from Sydney to Bangkok to Kuala Lumpur. The long segment is in Thai first class on its 747, which means you will get first class lounge access and a free hour-long massage in Bangkok. The short hop down to Kuala Lumpur is on a Thai Dreamliner in Business Class.

Expanded view		List view				Economy (lowest)	Business Saver Award	Business Standard Award	First Saver Award
Depart	Arrive	Stops	Duration						
10:00 a.m.	7:50 p.m.	1 stop	12h 50m	▼ Details	► Seats	Saver Award 17.5k miles +\$60	30k miles +\$60	50k miles +\$60	40k miles +\$60
Operated By Thai Airways									
Sydney, NSW, AU (SYD) to Bangkok, TH (BKK)						Economy (X) (lowest)	Business (I)	Business (I)	First (O)
10:00 a.m. - 3:25 p.m. (9h 25m)									
✈ TG 476   Boeing 747						Meal	Meal	Meal	
Operated By Thai Airways.									
----- 1h 15m connection -----									
Bangkok, TH (BKK) to Kuala Lumpur, MY (KUL)						Economy (X) (lowest)	Business (I)	Business (I)	Business (I)
4:40 p.m. - 7:50 p.m. (2h 10m)									
✈ TG 417   Boeing 787 Dreamliner						Meal	Meal	Meal	
Operated By Thai Airways.									


*The total price is 40,000 United miles + \$60.*

*Note that both Sydney and Southeast Asia are great spots to take a longer amount of time to explore the surrounding regions. Particularly in Southeast Asia, the low-cost carrier flights are plentiful and cheap, so you can see a lot of places quickly and cheaply.*



# KUALA LUMPUR TO DELHI FOR \$186 (ECONOMY)

After four days in Malaysia, the trip continues to India. You could fly this segment on Malaysia Airlines, booking the ticket with British Airways Avios, but the taxes and fuel surcharges are over \$130 in addition to the 12,500 miles, so you might as well just buy the ticket with cash on a low-cost carrier and save the miles.

KUALA LUMPUR (KLIA2) (KUL) to DELHI (DEL) Monday, 15 Feb, 2016					
Flight	Depart	Arrive	Promo	Economy	Business
 Malindo Air OD 205	Kuala Lumpur (KLIA2) (KUL) Mon 17:25	Delhi (DEL) Mon 20:30	<input type="radio"/> MYR 819.90	<input type="radio"/> MYR 839.90	<input type="radio"/> MYR 1,406.90

Malindo Air prices the route at about \$186 for most of February 2016

820 Malaysian ringgits =

186.2876 U.S. dollars

*You can of course redeem Credit Card Points Pretending To Be Miles to get the flight for free.*

*This brings up an important point for all awards including those that are part of a RTW trip: Consider cash tickets. Sometimes they are a better value than using miles.*

*Delhi, by the way, is a two-hour train from Agra, site of the Taj Mahal.*

# DELHI TO LONDON FOR 40,000 AMERICAN AIRLINES MILES + \$40 (ETIHAD FIRST CLASS)

After six days in India, keep flying west. American Airlines greatly under prices premium cabin awards between the Middle East or Indian Subcontinent and Europe.  
Search on etihad.com for award space.

## Book redemption flights

**From** New Delhi, Indira Gandhi Airport (DEL) **To** London, Heathrow Airport (LHR), Uni

☐ Return ☒ One way

**Outbound**  
19/02/2016

**Guest travel class**  
☐ Economy ☐ Business ☒ First ☐ The Residence

**Guests**  
Adults (12+) 1 Children (2-11) 0 Infants (0-2) 0

Promotion code

The flights you want need to have space in the Guest Seat (Etihad's name for "Saver") column in order to be bookable with American Airlines miles. Pay special attention to the aircraft. See if you can snag a huge suite with a shower onboard by flying Etihad's A380 in First Class.

						GuestSeat
From	To	Stops Duration	Flight number	Operated by	Aircraft	Guest First
DEL 04:25	LHR 12:05	1 (AUH) 13hr 10min	EY 211 EY 19	Etihad Airways Etihad Airways	77L A380	Miles 124410 + INR 29952 1 seats left

Ignore the price listed on etihad.com. Etihad charges its members way more miles for the exact same flights. American Airlines only charges 40,000 miles in first class from India to Europe. Ignore, also, the out-of-pocket price listed on etihad.com. It includes fuel surcharges that American Airlines doesn't collect on Etihad flights. I called American to price out these flights, and the agent priced them at 40,000 miles + \$39.55.

# LONDON TO MADRID FOR \$36 (ECONOMY)

You don't want to return to the United States from London. Taxes for departing London are outrageous. After five days in London, head to Madrid.

Avios are decent intra-Europe because there are no fuel surcharges on such awards. I searched ba.com to see about award pricing between London and Madrid.

## Book flights with Avios

Book with Avios

Book and upgrade

Book with cash

Reward flight availability

From

London, United Kingdom

To

Madrid, Spain, MAD, Mar

Depart

26/02/2016

One way only

Class

Economy

Passengers

Adults (12+)

Child (2-11)

Infants (0-2)

1

0

0

Children travelling alone, up to age 18?

Disability assistance


Get flights >

- 6500 Avios + € 21.00
- 5200 Avios + € 36.00
- 4600 Avios + € 41.00**
- 3900 Avios + € 46.00
- 3300 Avios + € 51.00
- 2150 Avios + € 61.00

Thu, Feb 25

\$36

Ryanair



Ryanair

3:00p STN → 6:30p MAD 2h 30m nonstop

Select

Show details

Economy

The award on off-peak dates is 6,500 Avios (7,500 on peak dates) + \$24 or 2,150 Avios + \$61.

I checked cash fares, and Ryanair charges only \$36. Iberia had some \$40 fares. I didn't check which is cheaper when you include baggage, which I would always do if I were actually booking this RTW trip.

*You can of course redeem Credit Card Points Pretending To Be Miles to get the flight for free.*

# MADRID TO LOS ANGELES FOR 20,000 AMERICAN AIRLINES MILES + \$54 (ECONOMY)

Finally we have to come home after about a month away.

From October 15 to May 15 each year, American Airlines charges only 20,000 miles between the United States and Europe. Just make sure you avoid booking British Airways flights with your American Airlines miles to avoid huge fuel surcharges.

I searched on aa.com from Madrid to Los Angeles.

Find Flights My Trips / Check-In Flight Status

ROUND-TRIP ONE-WAY ROUND-TRIP + HOTEL

MAD LAX 1 Traveler

03/02/2016 mm/dd/yyyy Search

Baggage & optional service fees Refine your search »

☒ Redeem Miles

A great itinerary on American Airlines flights popped up that costs only 20,000 American Airlines miles + \$54.

20K

37

12:20 PM MAD 4:45 PM DFW

2477

6:15 PM DFW 7:36 PM LAX

[Flight Details](#)

Terminal change

Your Trip Price:  
20,000 miles  
+\$53.60 USD

## Total Cost

- 40,000 Alaska miles
- 40,000 United miles
- 60,000 American Airlines miles
- \$519

*If the \$519 sounds like a lot, you could instead use under 50,000 total Arrival miles to pay for the low-cost-carrier flights and award taxes to make the out-of-pocket cost \$0.*



# HOW TO GET THE MILES

One person (opening only personal cards) could easily get all these miles. He could open the:

- Alaska Airlines personal card
- Chase Sapphire Preferred
- American Airlines Platinum personal card
- SPG personal card
- Barclaycard Arrival Plus

The cards are from five different banks, so you could even open them all on the same day. Combined they have minimum-spending requirements of \$13,000 over the first three months. If that's more than you spend, either stagger your sign ups or manufacture spending.

The cards have combined annual fees the first year of \$75 (on the Alaska card), and you could cancel all of them before the annual fees are due in 12 months. We'll talk more about credit cards, manufactured spend, and earning points in future chapters.

Meeting all of the minimum spending requirements, you'd have:

- 25,000 Alaska miles
- 49,000 Ultimate Rewards
- 53,000 American Airlines miles
- 28,000 Starpoints
- 46,000 Arrival miles

Transfer 40,000 Ultimate Rewards to United miles, 15,000 Starpoints to Alaska miles, and 7,000 Starpoints to American Airlines miles. Then you'd have:

- 40,000 Alaska miles
- 40,000 United miles
- 60,000 American Airlines miles
- 6,000 leftover Starpoints (could be as many as three free hotel nights)
- 9,000 leftover Ultimate Rewards (could transfer to Hyatt points for a free hotel night)
- 46,000 Arrival miles

That's enough to book all the awards and use the Arrival miles for \$460 off of the original \$519 out-of-pocket expenses.

If you've followed all the math, that means you pay \$59 out of pocket for flights/taxes and a \$75 annual fee on the Alaska Airlines card—or \$134 total for a RTW trip with six stops.





# HOW TO BOOK THE AWARDS

Everything discussed in this example can be booked online on the site of the miles you're using or the site of the low-cost carrier you're flying except the Etihad flights you're booking with American Airlines miles. That award needs to be booked by calling American Airlines.

The booking order matters a bit, since award space can change. I'd put the American Airlines awards on free five-day holds online or by phone, then book the United and Alaska awards, then book the low-cost carrier flights.

If for some reason the low-cost carrier flights surge in price or the award space you want to book with United or Alaska miles isn't there, you can let the American Airlines award holds lapse for free, cancel the United award for free within 24 hours of booking for free, and cancel the Alaska Airlines award for free if travel is more than 60 days away.



# CHOOSE YOUR OWN ADVENTURE!

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This was an arbitrary template for a RTW trip. Use the list of all cheap awards between all regions of the world and your own travel preferences and schedule to plan your own RTW trip. If you want to hire my award booking service, we offer large discounts off our normal \$125 per person per award rate when booking RTW trips that consist of several awards.

You can learn more about the award booking service here:  
[milevalue.com/abs](http://milevalue.com/abs)

# CHAPTER 3 QUIZ

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Take a look at the following examples, and guess which example is a free one way, an open jaw, and a stopover to test your knowledge.

1. New York to Paris, Paris to New York, New York to Los Angeles.
2. Chicago to Barcelona, returning Ankara to Chicago.
3. Los Angeles to Hong Kong. Tour Hong Kong for four days. Hong Kong to Bali.

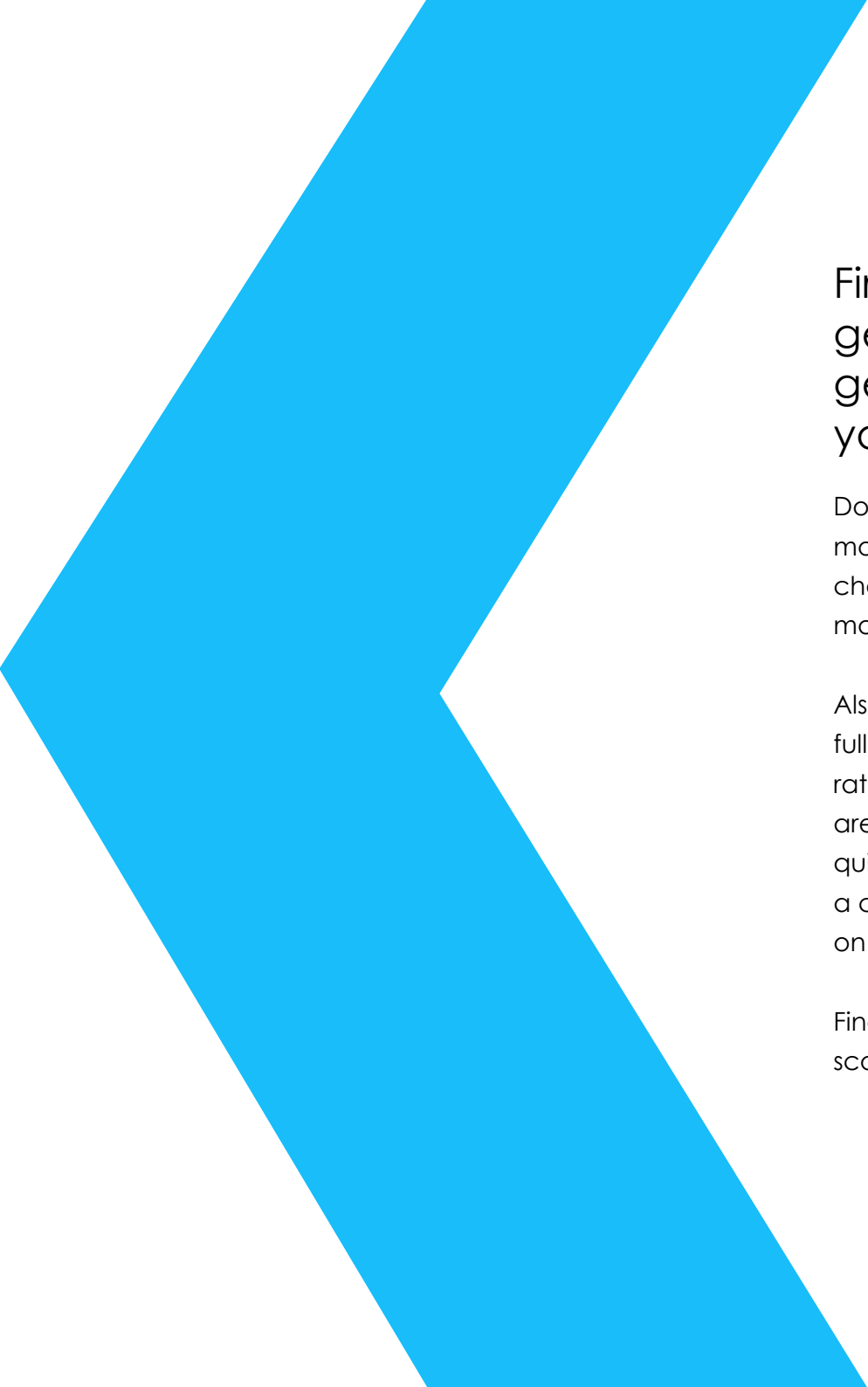


# CHAPTER 4

## USING CREDIT CARDS TO EARN MILES

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Now it's time to get down to the nitty-gritty when it comes to using credit cards to earn miles quickly. Americans can earn huge sign-up bonuses with credit cards. We're talking 50,000 miles per credit card or more. There are at least a dozen credit cards that are offering this type of bonus, so if you only want to travel once a year, you should never really have to pay for travel again, beyond a small amount of award taxes (and even those you can pay with Credit Card Points earned from sign-up bonuses). You could be flying first class with miles on every trip for the rest of your life. Let's take a look at the ins and outs of using credit cards to earn miles.



First of all, not everyone should get credit cards. You shouldn't get them if you will run up debt or you will harm your credit score!

Do not get a single credit card if you spend more money on credit cards than you would with cash, checks, or debit cards. We are in this game to save money, not waste it.

Also, do not get credit cards if you won't pay them in full each month to avoid interest charges. The interest rates on rewards cards are even higher than they are on most credit cards, so interest and late fees will quickly swamp the value of your "free" travel. If you get a card, immediately set up automatic payments in full on the bank's website.

Finally, don't get credit cards if you will harm your credit score!



# HOW CREDIT CARDS AFFECT YOUR CREDIT SCORE

There are three major credit reporting agencies or credit bureaus in the United States: *Equifax*, *Experian*, and *TransUnion*. All of them use the FICO scoring model to determine your credit score, which is a number between 300 and 850. The higher your score, the more likely you are to get credit cards, mortgages, or car loans, for example. The FICO website explains exactly how their scores are calculated. There are five components of a FICO score, and all of them are affected by opening, closing, and using credit cards.

Only you are responsible for maintaining your credit score, so keep an eye on it and keep it high, so you can keep getting more credit cards and more free travel. Many sites offer to sell you a credit score. Most are “FAKO” scores (as in fake FICO scores). You can see and track your real FICO score if you have a Barclaycard, American Express, Citi, or Discover card. All four banks offer good cards that will be discussed in this book, so keep them in mind as a way to track your FICO score.

# FICO SCORE COMPONENTS

New credit is 10% of your FICO score, and that's affected by how many accounts you attempt to open. Every time you apply for a credit card, that negatively affects the new credit component of your credit score. So be aware that if you run out and apply for sixteen credit cards, it will have a negative impact on your score, at least at first.

When you apply for credit cards, check and see what affect it has on your score. For instance, I find my credit score drops two to five points per credit card application.

A much bigger factor—30%—is the total amount you owe divided by how much credit you've been issued. If you open a credit card, this factor improves because you now have more total credit and are using a lower percentage of it. If you close your credit card, it will lower the amount of credit you've been issued because it's going to end that credit line. You can avoid losing the credit line by downgrading a card to a no annual-fee version instead of cancelling.

# EXAMPLE:

If you have 20 credit cards and each one has a \$5,000 credit line, you have \$100,000 of credit extended to you, and your current balance on all of them is only \$1,000 total. Your credit utilization is extremely low, which is going to positively affect your credit score.

The biggest factor (35%) of your FICO score is your payment history. Pay your credit cards on time and your credit score will rise.

And 10% of your credit score is your credit mix. Your score actually goes up the more different types of loans (like credit cards, student loans, and mortgages) that you use.

Finally, the last 15% of your score is the average length of the accounts on your credit history. If you're constantly opening and closing new credit cards, it will hurt this section of your credit score, which is another reason to downgrade a card instead of cancelling it.

As you can see, opening and closing credit cards affects your score positively and negatively in a number of ways. My experience getting dozens of cards over the last several years is that I have maintained a score in the mid-700s, which I am very happy with, since I am 28 years old and don't have any other loans on my credit report at the moment. Your experience may differ, and you should track your credit score and credit report for yourself.

## ONCE YOU DECIDE THAT YOU CAN HANDLE CREDIT CARDS, HOW DO YOU PICK THE RIGHT ONE?

# WHAT TO LOOK FOR IN A CREDIT CARD OFFER

Still want to get a credit card? Now you can focus on which offers are worth your while. The key is adding up the benefits during the first year that you have the card and subtracting any costs the card has in that first year to determine what we call the Absolute Value of the sign-up bonus.

Let's go through an example now of how we would determine the Absolute Value of a credit card. Every credit card has different benefits and some of the perks are easy to value (like a \$250 travel credit is worth \$250) and some are more difficult and subjective (like a free round of golf or lounge access).

Walking through the below example will hopefully help you understand how you should evaluate the Absolute Value of a card sign-up bonus

# STEP-BY-STEP EVALUATION

Let's say that you want to get the Citi Prestige Card. This credit card gives you 50,000 bonus ThankYou points after \$3,000 in purchases made with your card in the first three months that the account is open.

For those who are unfamiliar with how ThankYou points work, they would fall into the fifth category of miles, which is Transferable Points. You can use ThankYou points one of two ways:

1. Use them like cash to purchase any flight on any airline with no blackouts as if they were Credit Card Points Pretending To Be Miles.
2. Transfer them to miles with 12 airlines (including ones that use Region Based miles, Distance Based miles, and Airline Points) or to Hilton points. If you transfer them, they are whatever miles you have chosen, and are now subject to the rules of that airline program. ThankYou points transfer 1:1 to the following airline miles partners:

1. Cathay Pacific Asia Miles
2. EVA Air Infinity MileageLands
3. Etihad Guest
4. Garuda Indonesia Frequent Flyer
5. Qatar Privilege Club
6. Singapore Airlines KrisFlyer
7. Thai Airways Royal Orchard Plus
8. Air France/KLM Flying Blue
9. Malaysia Airlines Enrich
10. Virgin Atlantic Flying Club
11. Qantas Miles
12. Virgin America Elevate

## Getting back to how we would value this credit card, let's look at the benefits that come with the card:

The card comes with many benefits, and here is my value for them. Your value will be different. You should use your value (not mine) when determining what card to get.

Earn 50,000 bonus ThankYou Points after \$3,000 in purchases made with your card in the first three months the account is open:



I value ThankYou Points at 1.8 cents each because I get a lot of value out of transferring them to partner airline programs and booking high-value awards, so the bonus is worth \$900 to me.

### \$250 AIR TRAVEL CREDIT EACH YEAR

This is a statement credit that offsets the first \$250 in airfare, award taxes and fees, and other airline fees per calendar year. Everyone reading this book should run up at least \$250 per year in those categories; I know I certainly do. This benefit is worth \$500 for the first year because it is a calendar year benefit, which means if you get the card in October 2015, you can get a \$250 statement credit in late 2015 and one in early 2016 before the next annual fee is due.

### COMPLIMENTARY 4TH NIGHT FOR ANY HOTEL STAY

As long as you book your hotel through the Citi Prestige travel concierge, you'll receive a rebate for the full cost of your fourth night on paid hotel stays of four or more nights at participating hotels. I value this at zero because I almost never book paid hotel stays, but you could easily value this benefit at thousands of dollars if you travel a lot for business on reimbursed hotel stays.

### ACCESS TO THE AMERICAN AIRLINES ADMIRALS CLUBS AND PRIORITY PASS LOUNGES

Every time you fly American Airlines, you get free access to 90 American Airlines lounges. Every time you fly any airline, you get free access to the 700 lounges in the Priority Pass network. Every time you get free access, you can bring in any two guests or your spouse and all children for free. Most lounges cost \$50 per person per visit, or around \$500 for a yearly membership. I don't value lounges that highly. I value them at about \$20 per visit, and I expect about 10 lounge visits in my first year, for a \$200 valuation.



### \$100 STATEMENT CREDIT FOR GLOBAL ENTRY

Global Entry is a Customs and Border Patrol program that allows you to skip immigrations and customs lines every time you come back to the United States. To join, you pay \$100, fill out a long form, and schedule a 20-minute interview at an airport with an agent. Global Entry is good for five years, and it also gets you into the TSA Pre-check program, which allows for expedited security on all trips through U.S. airports. This might be the best \$100 I've ever spent, so I value this statement credit to offset the application cost at \$100.

### THREE FREE ROUNDS OF GOLF EACH CALENDAR YEAR

You can get free rounds at over 1,000 participating Golf Switch golf courses. Just like the Air Travel Credit, this resets each calendar year, so you can play six free rounds before your next annual fee. Some of these courses retail for \$200, but because I'm uncertain whether or not I'll get all six rounds in, and I don't value any rounds at \$200, I'll value this benefit at \$200 total.

### 3X THANKYOU POINTS PER \$1 SPENT ON AIRLINES AND HOTELS; 2X THANKYOU POINTS PER \$1 SPENT ON RESTAURANTS AND ENTERTAINMENT

I value a card's category bonuses based on how many extra points I'll get. If I spend \$2,000 per year on airlines and hotels

and \$10,000 per year on restaurants and entertainment on the card, these category bonuses earn me 14,000 extra points (2,000 \* 2 extra points + 10,000 \* 1 extra point.) I already valued ThankYou Points at 1.8 cents each, so the extra 14,000 from the category bonuses are worth \$252 to me.

I valued those benefits at \$2,152 for the first year. Your value would be different based on how much you spend and how much you value airport lounges, golf, and the points themselves, so it's important to prioritize according to what means the most to you.

Next, subtract the cost of holding a card for a year, which is going to be the annual fee. A lot of cards waive the annual fee for the first year, so in that case you would be subtracting zero. If there is an annual fee in the first year, subtract it from those benefits and then you've got the Absolute Value of the sign-up bonus, which equals the benefits minus the cost. The higher the number, the better the offer. For me, I'm willing to open a new card if the Absolute Value of its sign-up bonus is greater than \$500.

For example, the annual fee on the Citi Prestige is \$450, and that is not waived for the first year. The Absolute Value of the sign-up bonus on the Citi Prestige Card (for me) is \$1,702 (\$2,152 minus \$450).

# REBATE PERCENTAGES

If you have unlimited money, or if you spend unlimited money, then all you need to do is to figure out the Absolute Value of each credit card sign-up bonus and then get them in order from most valuable to least valuable. If you don't spend a lot of money, then you need to figure out the rebate percentage of sign-up bonuses instead.

The rebate percentage is the Absolute Value of the sign-up bonus divided by the minimum-spending requirement. A minimum-spending requirement is the amount that you need to spend on the credit card in a certain number of months after opening the card before you get the bonus offered, like the 50,000 ThankYou Points mentioned above. If you only spend \$2,000 a month on credit cards, you shouldn't run out and get every good card because you won't be able to meet their minimum-spending requirements. You need to prioritize the cards based on how big the benefits are for your \$2,000 in spending per month.

**Example:** The minimum-spending requirement on the Citi Prestige is \$3,000 in the first three months to get the 50,000-point bonus.

Rebate Percentage of Citi Prestige (for me): 56.7% (\$1,702 Absolute Value of Sign-up bonus divided by \$3,000 minimum-spending requirement)

# CATEGORY BONUSES

Category bonuses are when a credit card offers you extra points per dollar for spending in certain categories.

For instance, the Chase Sapphire Preferred card offers two points per dollar on travel and dining spending, and one point per dollar on all other spending. Some cards offer three points per dollar or even five points per dollar in certain categories, so you should definitely pay attention to category bonuses.

But not too much attention. Category bonuses usually pale in comparison to sign-up bonuses. Say you spend \$1,000 per month on cards. That's enough to get four cards a year that have a \$3,000-in-three-months minimum-spending requirement. Every three months you could get a new card that requires you to spend \$3,000 in three months to get its sign-up bonus, and that would probably get you over 200,000 points or miles in the calendar year if you find four cards with 50,000 point sign-up bonuses.

Alternatively, imagine that you didn't get new cards and just spent that \$12,000 per year in category bonuses. This would likely be impossible, but let's say you managed to get two points per dollar for all that spending. That's 24,000 points in a year. Sign-up bonuses could have gotten you 200,000.

Sign-up bonuses dwarf category bonuses, so only pay attention to category bonuses if you can't keep collecting new sign-up bonuses for whatever reason.

# CAPITALIZING ON BUSINESS CREDIT CARDS

You can practically double your miles-earning capabilities if you are able to open small business credit cards. Most personal credit cards have a similar card that's for small-business owners. These cards may have all the same benefits and the same sign-up bonus, so if you get the personal and business card, that's double the points and miles that you can earn. If you're able to do this, take full advantage. It's pretty fantastic, and you'll be booking that New York to Bali trip in no time.

It's illegal to lie on credit card applications, so don't do that. But feel free to apply for business credit cards for small side businesses, sole proprietorships, new businesses, businesses with no employees, and any other side income you have.

**Tip:** In most cases, banks do not ask for any proof of the business' existence or even its tax number, so you can sign up with your Social Security Number.

I have found that when I apply for a business card with my Social Security Number, I am often initially denied for a card, or I at least get a message that my application is "pending" instead of getting instant approval. We'll cover what to do when you're not instantly approved below in the Reconsideration Calls section.

# MINIMUM- SPENDING REQUIREMENTS

A minimum-spending requirement is the amount of money you need to spend within a certain timeframe (usually the first three months after opening the card) in order to unlock the sign-up bonus.

Most minimum-spending requirements are between \$500 and \$5,000 in the first three months, though I've seen them as high as \$20,000.

Don't let minimum-spending requirements scare you, though. Track your minimum-spending requirements closely, and if you're applying for multiple cards at the same time (which is what I suggest), you should add up all of the minimum-spending requirements and make sure that they total up to an amount that you are able to spend.



## How to Meet Minimum-Spending Requirements

### RULE NUMBER ONE:

Make sure you're putting everything you can on the credit cards. Don't use cash and don't write checks unless you have to. That's the most basic rule.

The next step is to increase the amount you spend on credit cards without increasing the amount you spend in general, per month. It's a huge mistake to start overspending in an effort to gain more miles or unlock a bonus. If you're spending extra money to collect frequent flyer miles, then collecting them isn't free; it's very expensive. Look for ways to increase spending on credit cards without increasing how much you spend in general.

### SHIFTING YOUR SPENDING

If you need to meet the minimum-spending requirement and you're coming up short, you could use that credit card to buy yourself a gift card to the grocery store or gas station that you frequent, which would mean that the spending happens within the minimum-spending time frame on your credit card and earns you that bonus. You'll spend down those gift cards over time, so you didn't actually spend extra money; you just shifted your spending to meet a minimum-spending requirement.

You can also increase your spending on credit cards without actually increasing your expenditure through manufactured spending techniques, which we will talk about in-depth later on.

## APPLICATION STRATEGY

Once you've figured out all the best card sign-up bonuses through the Absolute Value method if you're a big spender, or the Rebate Percentage method if you're a small spender, and you've figured out how many of the top cards' minimum-spending requirements you can meet, I recommend applying for all those cards on the same day—with a few exceptions:

Only apply for a maximum of one personal or business card from each bank at a time. The main issuing banks of rewards cards are Chase, Citi, Barclaycard, and American Express, though there are others. Visa and MasterCard are NOT issuing banks, so don't worry about applying for several Visas at once.

Citi has an even more restrictive rule. It will only approve one Citi card per week and no more than two in any two-month period, so if you want three Citi cards, apply for them no closer together than Day 1, Day 9, and Day 66 to make sure you don't violate this rule.

Repeat the process of applying for several cards at once every 91 days. These application days are called “app-o-ramas” in the frequent flyer mile world.

The reason to apply for several cards on the same day is that some banks combine all of your applications from a single day into a single hard credit pull, which limits the damage to your credit score. Plus banks don't love to see a lot of recent applications from their bank or other banks, and they may not see the ones you've done that day.

The reason to space app-o-ramas 91 days apart is that most minimum-spending requirement time frames are three months. Plus, if banks have an approval criterion related to your applications in the last three months, your old applications will miss the cutoff.

## RECONSIDERATION CALLS

Hopefully you'll always be instantly approved online for your rewards credit cards, but over time that will become less likely. If your application isn't instantly approved—whether the page says “pending” or “declined”—you still have hope of approval.

If that happens, you should immediately call the bank's reconsideration line. Tell the agent, “Hi, I just applied for [name card], and the page said I was declined/pending. I wanted to call and see if you had any more questions for me.”

Usually, the agent will ask you questions that were on the application, and possibly ask why you want the card (name any other reason besides the sign-up bonus!), and then come back with a decision. I have been approved for a number of cards this way, and I've only been declined after reconsideration twice in my life.

Here are the reconsideration numbers for each bank if the pending/denied page doesn't list one:

Chase personal 888-609-7805  
Chase Business 800-453-9719  
Citi 866-606-2961  
Barclaycard 866-408-4064  
American Express 866-314-0237  
US Bank 800-947-1444

# ANNUAL FEES

Most rewards cards waive the annual fee for the first year, but what happens when you've held a card for 11 months and your first or second annual fee is due in month twelve? You re-visit the Absolute Value formula from above. This time you won't have a sign-up bonus offered and you'll have an annual fee, so you need to value whether the benefits of holding the card for another 12 months more than offset that annual fee. A typical annual fee is \$95 for a regular card and up to \$450 (yup, \$450) for a premium card that has benefits like lounge access. It's up to you to weigh the cost against the benefits, and decide how much each benefit is worth to you.



# Here are some possible benefits to weigh against the annual fee:

## RETENTION BONUS

Some cards set an automatic retention bonus each year on your annual fee payment, so you could get 6,000 Southwest points for keeping the card, for example. Ask yourself if that's worth more than the annual fee (it isn't in this case because those points are worth about \$84 and the annual fee is \$99). If your answer is yes, keep the card. If not, continue looking for more benefits. If you never come up with enough benefits to justify the annual fee, cancel the card and don't look back.

While automatic retention bonuses happen automatically upon payment of your annual fee (as the name suggests), you may also be able to negotiate a retention bonus. If you want to cancel a card (or even if you don't want to cancel a card), you can call the number on the back of the card and tell the agent you want to cancel. They'll put you in touch with a retention specialist, who will then beg you not to cancel the card. The trick is that they may also offer you a perk to keep the card, such as waiving the annual fee or offering a certain number of bonus miles to entice you to keep the card. You should always call and ask for the retention bonuses, because they're often willing to throw in these types of perks to keep you as a customer.

## LOUNGE ACCESS

If the card offers lounge access, figure out how much that will be worth to you in the next year based on your value of each lounge visit and how many you expect to make.

## ELITE STATUS

If the card offers you elite status, figure out its worth to you based on your value of elite status on each flight or stay, and how many flights or stays you expect to make in the next 12 months.

## CATEGORY BONUSES

If the card offers category bonuses that you use a lot (which should be rare because you focus most of your spending on sign-up bonuses, right?), figure out how many extra points the category bonuses will earn you in the next 12 months. Multiply that by the value of the points or miles the card earns.

## OTHER BENEFITS

List all of the benefits of the card and look at the total value of all of the card's benefits for the next 12 months. If they exceed the annual fee, keep the card. Otherwise cancel, or downgrade to a no-annual-fee card.

## CANCELLING A CARD

Remember from above that 15% of your FICO score is the average age of credit accounts. Opening and closing cards every 11 months will keep the average age low and hurt your score somewhat. I still cancel a lot of cards and maintain a high credit score, but it's something to keep in mind.

## DOWNGRADING

Instead of canceling a card, you can try another idea, which is to downgrade your credit card. Oftentimes your credit card has an annual fee, but the bank also issues a similar card, which doesn't have an annual fee.

Example: The Barclaycard Arrival Plus earns two Credit Card Points Pretending To Be Miles per dollar and has an \$89 annual fee. The Barclaycard Arrival earns one point per dollar and has no annual fee. You wouldn't want to spend with that no-annual-fee card, but you could downgrade to that card if you want to keep that credit account open to increase the length of your credit history.

## LOSING POINTS

If you've earned airline miles or hotel points from a credit card that have gone into an airline account or a hotel account, you will not lose them when you close your credit card—no matter what the customer service rep for the credit card company says. For example, if those points are in your Hilton account, or if those miles are in your American Airlines account, closing an associated credit card will not make you lose points.

However, those points and miles will eventually expire. Nearly every hotel and credit card program has a miles expiration policy after a certain number of months (usually 18 or more) of no accrual or redemption. If you cancel the credit card, make sure your miles

and points don't expire months later from inactivity.

Example: You have an American Airlines card. You've been earning American Airlines miles, and they're in your American Airlines account. You can safely cancel that card without your miles disappearing. You just have to make sure that sometime in the next 18 months you earn or redeem at least one mile to restart that 18-month expiration clock.

If your credit cards earn bank points like Ultimate Rewards on a Chase card, ThankYou points on a Citi card, or Arrival Miles on a Barclaycard, that's a different story. If you cancel the associated card you will lose those points. You have to redeem them before you cancel the card, which is usually pretty easy. For example, Ultimate Rewards and ThankYou Points are Transferable Points, so you could just transfer them to a partner, which would put them safely into an airline miles account and keep them safe upon cancellation of the credit card. Arrival Miles are Credit Card Points Pretending To Be Miles, so you'd have to redeem them for a travel expense before canceling the card.



Many people who have dozens of credit cards have scores above 800, and it really comes down to managing the cards properly and paying on time. There's no reason that your credit score has to suffer if you open multiple cards as long as you're paying them off in full, each month.

## NEVER RUN OUT OF CARDS

If you run out of credit cards it either means you're not being creative enough, you're not branching out into foreign programs, or you just don't understand that you can apply for more cards than you realize. I have over a dozen cards open, and I've had several dozen cards in the last four years—and I've never run out of new credit cards to sign up for. In fact, the last credit card I signed up for had a 100,000-point bonus on it.

## REOPENING CARDS

In many cases, you can actually apply for the same card over and over and get the bonus. It depends on the issuing bank's rules for approvals and new bonuses. Each bank (Chase, Citi, American Express, Barclaycard, and Bank of America, for example) has its own rules. These rules are not usually spelled out by the banks. Instead they are cobbled together on message boards from the reported experiences of people applying for credit cards. *They could change at any time, and none should be considered definitive.*



# CHASE

- You can only get the bonus on the same Chase card once every 24 months. This 24-month clock starts when you got the last bonus (which may be several months after you got the card).
- If you are applying for a Chase-branded credit card (like Sapphire Preferred, Freedom, Slate, Ink Plus, Ink Cash), and you have opened five or more new card accounts in the last two years, you will be denied. Some folks are reporting even getting denied for Chase co-branded cards (United, Southwest, Marriott, etc) for this reason.
- You can be approved for multiple cards on the same day. I know people who have been approved for two personal and one business card from Chase on their first-ever credit card applications.

# AMERICAN EXPRESS

- You can only get the bonus on an American Express personal card once per lifetime. The American Express Platinum personal card and American Express Platinum Card Exclusively for Mercedes-Benz are separate cards, so you can get the bonus on each.
- For business cards, you can get a new bonus on the same card if the old account has been closed for at least 12 months
- You are limited to holding four American Express credit cards. Both personal and business count toward this limit (Amex Gold, Everyday, Delta, and SPG are credit cards.)
- Separately, you are limited to holding four American Express charge cards. Both personal and business count toward this limit. (Amex Platinum is a charge card).

# CITI

- You can be approved for no more than two Citi cards in a 65-day period. If you want three Citi cards, get them on Days 1, 9, and 66.

# BARCLAYCARD

- Applicants with zero Barclaycards may be able to get several at once.
- Applicants who have a Barclaycard will not be approved for another for at least six months since the last Barclaycard application.
- Barclaycard denies people for having too many Barclaycards, not enough spending on existing Barclaycards, too much credit with Barclaycard, or too many accounts with other banks.

# BANK OF AMERICA

- At least for the Alaska Airlines personal and business cards (the only cards worth getting) you can get as many as you'd like at one time. I get one of each every 91 days, but people have gotten multiple at once or waited less time between applications.

# AUTHORIZED USERS

Sometimes there is a bonus to add an authorized user to an account like on the Sapphire Preferred or United Explorer card. Sometimes you just want to let someone like a spouse spend money on the account. The good news is that being an authorized user is different from being the principal account holder.

Someone who is only an authorized user can open their own account as a new user and get a sign up bonus. Example: My brother is an authorized user on my United Explorer Card. He can open his own United Explorer Card account to get his own 50,000 bonus miles. (He can even add me as an authorized user on the account for 5,000 extra bonus miles for adding an authorized user.)

Spouses each opening separate accounts for the same card is a very common way to earn the necessary miles for a family to travel for free.

# WORKING WITH LOW CREDIT SCORES

If you're planning your dream trip but your credit score is low, don't worry. Several rewards cards (usually the co-branded airlines cards) have lower credit score requirements for approval than the cards that earn bank points. Start there if you think your credit score is high enough (roughly the high 600s, but there is no exact cutoff, and you should apply at your own risk).

Student cards: If your credit score is not high enough because you are a student and don't have credit history, get a student credit card or secured credit card. You can start working on building your credit score through the payment history and get a real rewards card in a few months.

Secured cards: If you're not a student and you have no credit or very bad credit, get a secured credit card, which is a product offered by pretty much every bank. Whichever bank you have a checking account with probably offers it. With a secured credit card you have to put down a deposit that is equal to the credit line on the credit card. You do have to make payments on secured credit cards, and your payment history will count toward your credit score, so they're a good way to build credit. When your credit score rebounds, you can apply for rewards cards.

As you're working backwards to plan your dream trip, find out which cards will help you reach your goal, research their rules and restrictions and perks, and sign up for the cards that will get you to your goal safely and responsibly. Next, we'll take a look at alternate ways to earn miles.

*A common question I receive is, "How can I keep track of all my points and miles?"*

# AWARD WALLET

Award Wallet is a free service that tracks your balance, status, user name, and password for nearly every airline, hotel, credit card, rental car, and loyalty program in one place. The three big exceptions are United, Delta, and Southwest, which have blocked Award Wallet from accessing your account information.

Even missing those three programs, it's important to use Award Wallet because it tracks other airlines, transferable points, and hotel points. If you're serious about travel hacking, that will add up to a ton of accounts. The huge perk is that your balances are now listed in one place, and you can click the Update All button to see them all updated in a fraction of the time it would take to go to every program's site.

Another great feature of Award Wallet is that it automatically enters your programs and finds your upcoming travel plans and puts them in one place, in the Travel Plans tab. It'll make your life much easier—and you don't have to try and remember all those different passwords.



# TOP CREDIT CARD OFFERS AS OF OCTOBER 2015

Note the date. These top credit offers change frequently, so I update them every few weeks at [milevalue.com/topoffers](http://milevalue.com/topoffers)

Also note that this ranking is based on “standard” travel preferences, whatever that means. You have already figured out your travel goal and which type of miles you need to get, so get those instead of blindly getting the #1 card listed here, which might be all wrong for your dream trip.

Finally note that these rankings are basically derived from the absolute value of each sign up bonus, but maybe you should be looking at the rebate percentage.



# 1 CITI AADVANTAGE EXECUTIVE



The Citi® / AAdvantage® Executive World Elite™ MasterCard® offers 75,000 bonus American Airlines miles after spending \$7,500 in the first three months. American Airlines miles are the best for super-cheap economy redemptions and ultra-luxury redemptions.

The Citi® / AAdvantage® Executive World Elite™ MasterCard® also offers Admirals Club lounge membership, meaning you can access over 90 American Airlines Clubs in airports around the world whenever you're flying—even if you're not flying on American. Plus you can bring in any two guests for free OR your spouse and all children under 18 for free on each visit. New membership in the Admirals Club normally costs \$500, but it is included in the \$450 annual fee of Executive card.

For those who want American Airlines status, the card offers 10,000 Elite Qualifying Miles from American Airlines after \$40,000 spent in purchases each calendar year.

The card offers a statement credit, up to \$100 every 5 years, as reimbursement

for your application fee for Global Entry or TSA Pre.

The Citi® / AAdvantage® Executive World Elite™ MasterCard® has no foreign transaction fees, and earns two miles per dollar on American Airlines and US Airways purchases.

Once the card is associated with your American Airlines number, you and up to eight companions on the same reservation will get your first checked bag fee on all American Airlines and US Airways itineraries.

- This card is so awesome for its huge bonus of American Airlines miles, which are currently the most valuable miles, and its lounge access.

APPLICATION LINK:  
[MILEVALUE.COM/AAEXECUTIVE](https://milevalue.com/aaexecutive)

*I recently used 90,000 American Airlines miles to book myself a First Class award from India to Los Angeles that will fly two amazing first class products, including one with an onboard shower and a couch in my suite.*

# CITI PRESTIGE CARD



The Citi Prestige® Card comes with 50,000 bonus ThankYou Points after \$3,000 in purchases made with your card in the first 3 months the account is open, \$250 in airfare or airline fee credits per calendar year, access to the American Airlines Admirals Clubs and Priority Pass lounges, 3x points per dollar on air travel and hotels, the fourth night free on paid hotel stays, three free rounds of golf per year, and a \$450 annual fee.

I got the Citi Prestige when it only offered 30,000 bonus points for its amazing benefits. Now that it also has one of the biggest sign up bonuses on the market, it shoots up my rankings. I value the current sign up bonus at \$1,702.

The Citi Prestige® Card is premium card that is designed to give travelers huge benefits to offset the big annual fee. For the first 12 months of holding the card, you are guaranteed to get more than \$450 from the card if you maximize the \$250 worth of statement credits for purchases of airline tickets or airline fees each calendar year (that's \$500 worth in the first 12 months), a \$100 statement

credit to offset Global Entry, and Priority Pass and American Airlines lounge access.

Beyond the 50,000 point sign-up bonus, the Citi Prestige® Card earns:

- 3x points on Air Travel and Hotels
- 2x points on Dining at Restaurants and Entertainment

ThankYou Points transfer to 12 airlines and one hotel. Or you can use the points for 1.33 cents off any flight on any airline with no blackouts or 1.6 cents off American Airlines and US Airways flights.

You can get both the Prestige and Citi ThankYou® Premier Card (#3 below) eight or more days apart and combine the 100,000 bonus points into a single ThankYou account.

**APPLICATION LINK:**  
[MILEVALUE.COM/CITIPRESTIGE](http://MILEVALUE.COM/CITIPRESTIGE)

*I recently used 30,000 ThankYou Points, transferred to Singapore miles, to book myself United first class from Houston to Honolulu.*

# CITI THANKYOU PREMIER CARD



The Citi ThankYou® Premier Card offers 50,000 bonus points after \$3,000 in purchases within the first 3 months of account opening.

- ThankYou Points transfer to 12 types of airline miles, or
- ThankYou Points can be used like cash for 1.25 cents each toward any flight on any airline with no blackouts.

I get more value out of transferring the points to airline miles. My favorite transfer partner is Singapore Airlines. For 30,000 Singapore miles, you can book a one way award to Hawaii in United first class.

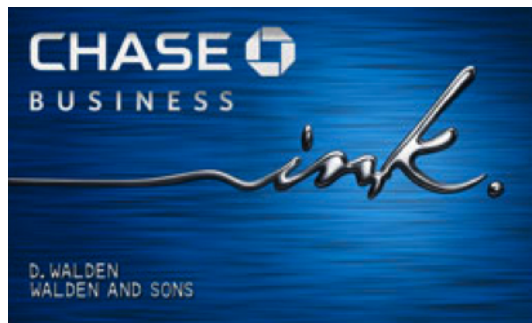
My second favorite partner is Flying Blue. Flying Blue miles can book Promo Awards that cost only 12,500 miles each way to Europe or Israel. You can also use Flying Blue miles to book one way awards on Delta like 15,000 miles to Hawaii, Central America, or the Caribbean.

The card offers 3x points on travel (broadly defined) and gas plus 2x on dining out and entertainment.

The card has no annual fee the first year, then \$95 thereafter.

APPLICATION LINK:  
[MILEVALUE.COM/TYPREMIER](https://milevalue.com/typremier)

# 4 INK PLUS



*The Ink Plus* is a business card that offers 50,000 Ultimate Rewards after spending \$5,000 in the first three months. Ultimate Rewards transfer 1:1 to United, British Airways, Singapore, Korean, Southwest, Virgin Atlantic, Hyatt, and more.

The Ink Plus earns 5x points on internet, phone, and cell phone bills; 5x points on purchases at office supply stores; 2x

points on hotels and gas; and 1x points on everything else.

The annual fee is \$95, and it is waived for the first year.

APPLICATION LINK:  
[MILEVALUE.COM/BOOKLINKS](https://milevalue.com/booklinks)

# SAPPHIRE PREFERRED



*The Chase Sapphire Preferred is a personal card that earns 40 000 Ultimate Rewards after spending \$4000 in 3 months. Ultimate Rewards transfer 1:1 to United, Singapore, British Airways, Korean, Southwest, Virgin Atlantic, Hyatt, and more.*

You also get 5000 bonus points for adding an authorized user while applying, so I think of this as a 45 000 bonus point card. (Adding an authorized user does not prevent that person from getting the card at the same time or in the future as a primary account holder and getting the full sign

up bonus.)

The Sapphire Preferred earns 2x points on dining and travel. Dining includes bars, restaurants, and fast food. Travel includes airfare, hotels, taxis, rental cars, tolls, parking, and much more.

The Sapphire Preferred has no annual fee the first year, then \$95 thereafter.

APPLICATION LINK:  
[MILEVALUE.COM/BOOKLINKS](https://milevalue.com/booklinks)

# CITI HILTON HHONORS RESERVE CARD



The Citi® Hilton HHonors™ Reserve Card is the best card for giving you free luxury hotel nights. The card comes with two free weekend nights at Hiltons worldwide after spending \$2,500 in the first four months. The free nights are best spent at top-tier Hiltons and Conrads that can go for \$1,000 or more per night.

This card is perfect to get aspirational stays at top tier properties like the Conrad Koh Samui that goes for 95,000 Hilton points per night and costs more than \$1k per night.

The card also comes with Hilton Gold Status, so you can enjoy free internet and breakfast on those free stays. The card earns 10x points on Hilton stays, 5x on airlines and car rentals, and 3x on all other purchases.

There card has no foreign transaction fee. The annual fee is \$95.

APPLICATION LINK:  
[MILEVALUE.COM/HILTONRESERVE](https://milevalue.com/hiltonreserve)

# PLATINUM CARD FROM AMERICAN EXPRESS



*The Platinum Card from American Express Exclusively for Mercedes-Benz comes with 50,000 Membership Rewards after spending \$3,000 in the first three months. Membership Rewards transfer to around 20 hotel and airline programs including Delta, Singapore, and British Airways.*

The card has a \$475 annual fee in the first year. But it comes with huge benefits like \$200 airline fee reimbursement per year; Delta, Priority Pass, and Centurion Lounge airport lounge access; and SPG and Hilton Gold Status.

LANDING PAGE:  
[MILEVALUE.COM/BOOKLINKS](http://MILEVALUE.COM/BOOKLINKS)

Anyone can get this card even though Mercedes-Benz is in the name. The “regular” Platinum card is worse than this offer because it has a smaller sign up bonus and only a \$25 lower annual fee.

# BRITISH AIRWAYS CARD



The British Airways Visa Signature card comes with 50,000 bonus Avios after spending \$2,000 in the first three months on the card.

The card comes with 3 Avios per dollar on British Airways purchases and 1 Avios per dollar on other purchases. British Airways Avios are perfect for short, direct, economy flights on British Airways partners that do not levy fuel surcharges like these partners.

For instance, the west coast to Hawaii on American Airlines or Alaska Airlines flights for 12,500 Avios or only 4,500

Avios between New York and a dozen destinations are two of many sweet spots.

The card has a \$95 annual fee that is waived for the first 12 months.

APPLICATION LINK:  
[MILEVALUE.COM/BOOKLINKS](https://milevalue.com/booklinks)



# CITI HILTON HHONORS



The Citi® Hilton HHonors™ Visa Signature® Card offers 75,000 bonus Hilton HHonors Points after \$2,000 in purchases within the first 3 months of account opening.

The card has no annual fee ever, and comes with automatic Hilton Silver Status, which means you get the fifth night free on all award stays.

Award stays start at 5,000 points per night. With the fifth night free, 80,000 Hilton points can book 20 free nights (as four five-night stays)!

APPLICATION LINK:  
[MILEVALUE.COM/BOOKLINKS](http://MILEVALUE.COM/BOOKLINKS)

# 10 CLUB CARLSON VISA



*The Club Carlson Premier Rewards Visa Signature Card offers 85,000 bonus Club Carlson points after spending \$2,500 on the card in the first 90 days.*

The card earns 5 points per dollar on all purchases and 10 on purchases at Carlson Rezidor hotels, so you'll earn at least another 12,500 points from meeting the minimum spending requirement. After meeting the minimum spending requirement, you'll have at least 97,500 Gold Points.

- Free nights at Radisson, Park Plaza, and other properties start at 9,000 Gold Points

*The Club Carlson Premier Rewards Visa Signature Card is a must have if you are traveling near the 1,000 participating Club Carlson hotels. I picked up the card in 2013 and don't ever plan on canceling it because of the 40,000 points I earn every year on my card's anniversary upon paying the \$75 annual fee.*

APPLICATION LINK:  
[MILEVALUE.COM/CARLSON](http://MILEVALUE.COM/CARLSON)

# CHAPTER 5



## MANUFACTURED SPENDING AND *WAYS* TO EARN MILES OUTSIDE OF CREDIT CARDS

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It's time to discuss the idea of manufactured spending, which is buying money with your credit card, so that your spending on that credit card rises without any cost (or as low of a cost as possible).

# MANUFACTURED SPENDING

Manufactured spending basically means spending more on your credit card—without actually spending more in life. One of the original manufactured spending opportunities happened several years ago when the U.S. Mint offered to sell dollar coins at face value with no shipping and people could pay for the coins with a credit card. You could buy \$1,000 in dollar coins on your credit card, take them to your bank, deposit them, and pay off your credit card bill with the \$1,000 in your bank account. You would have actually spent zero money total but you'd have a thousand dollars worth of credit card spending. That would translate to at least a thousand miles, and maybe more if you were using the spending to meet minimum-spending requirements to unlock huge sign-up bonuses.

As a rule, manufactured-spending opportunities do not last. The U.S. Mint deal is long dead, but new opportunities are always cropping up.

# GIFT CARDS

One option is to buy prepaid Visa or American Express gift cards. They're just like prepaid debit cards that you can buy in increments of \$200, \$500, or \$1,000, plus an activation fee of \$5 or so. The idea is to buy these gift cards with a credit card, and then turn these gift cards into cash, often through an intermediate step like loading them onto a prepaid debit card like American Express Bluebird, or buying money orders with them.

Take a look at the activation fees, money-order fees, and any other fees to figure out if the cost is worth manufacturing the spending. Many manufactured spending opportunities will have costs of about 1% of the spending being manufactured. That's like buying miles for one cent each, which is OK, but not really the goal of manufactured spending. To make sure it's worth your time, effort, and accounting risks, you'd want to manufacture spending to meet minimum-spending requirements. If you're using manufacturing spending to meet minimum-spending requirements, your rebate percentage on the spending might be 50% for a cost of 1%.

That's huge profit.

# DRAWBACKS

Before you run out and start maxing out your credit cards by buying gift cards, take a step back and look at the potential problems that could arise if you're not careful.

Keep very clear records of what you're doing, so you don't misplace \$500 somewhere.

Manufactured spending isn't illegal, but criminals apparently have very similar techniques to launder money, so banks sometimes freeze your money while investigating your activity.

Make sure that what you purchase with your credit card is considered a purchase, not a cash advance. Cash advances don't earn miles and have immediate interest and fees. An easy way to make sure none of your attempts are classified as cash advances is to call your credit card issuer and ask for your Cash Advance Limit to be set to \$0, so any purchase that is coded as a cash advance is declined.

There are some drawbacks to manufactured spending, but it's worth exploring if you want to get serious about travel hacking and earn an extraordinary amount of miles. Just remember that if you're not careful, you could get shut down by banks and your credit card issuer—and that would definitely put a kink in your travel plans.

# EARNING MILES WITHOUT CARDS

There are several ways to earn miles without credit cards, but the process is much slower. Still, if you don't want to rely on credit cards, or if you want to beef up your miles in addition to your cards, there are several steps you can take to make that happen.

## CLICK TO EARN

Most airline, hotel, and bank programs offer a chance to earn extra miles if you do your online shopping by going to the bank's or airline's shopping portal first. Once there, you click through a link to the online store, where you make your purchase at the normal price.

## PORTALS AND TRACKING

Portals work by adding tracking cookies to your browser that show that you went through their portal first before going to the actual store. Then they reward you with bonus miles per dollar on your purchase. Bonus miles vary from one mile per dollar to 30, or cash back.

Since many online stores are listed in many portals, you should check a "metaportal"—a site that lists all of the portal deals at once—like Evreward.com for the best deal before making a portal purchase.

Make sure that the site you're buying from is actually the cheapest way to buy the product, and make sure you actually need what you're buying. Don't buy six camping tents if you can't stand the outdoors, or ten yoga mats if you never plan to do yoga, just for some extra miles. Keep in mind that the biggest mile-earning deals are always at the sites that have the highest margins. At Walmart.com you're lucky to get an extra mile per dollar from a portal, but on a site like Magazines.com you might get 30 miles per dollar. Like anything, do the research and make sure you're spending wisely before taking the plunge.

## DINING PROGRAMS

A company called Rewards Network runs dining programs on behalf of United, American, Delta, Alaska, Southwest, and other rewards programs. The idea is that you sign up and link an existing credit card or debit card to your new account. Any time you use that credit card or debit card at a restaurant that's affiliated with the dining program, you get bonus miles. Usually it's just a few extra miles per dollar, which obviously isn't much. Dining programs are fine for earning extra miles at places you'd eat at anyway or for getting a few miles to reset an expiration clock, but if you rely solely on these programs it will take you an awfully long time to reach your trip goal, unless you're dining out three times a day, seven days a week.

The bigger miles are in the bonuses for new customers. The current United sign-up bonus is 1,000 miles for your first dine greater than \$30. If you spend another \$100 dining within the first 60 days, you get 2,000 bonus miles, or if you spend another \$500 dining you get 6,000 bonus miles. If you eat out a lot, join

the United dining program and try to get the bonus up to 6,000 miles. Then join the American Airlines dining program and try to get its new member bonus, and go through each program one at a time. It might take some patience, but every extra mile counts.

## FIDELITY ACCOUNTS

In order to attract more customers, financial services firm Fidelity started offering frequent flyer miles when people sign up for an account. The most recent bonus is the same for American, United, or Delta miles. If you start a new brokerage account with at least \$25,000, they will give you 15,000 bonus miles. If you start with \$50,000, they'll give you 25,000 bonus miles, and with minimum \$100,000 they'll give you 50,000 bonus miles. Obviously that's a huge chunk of change, so make a smart financial decision that's based on more than getting 50,000 bonus miles.



## MILEAGE RUNS

A mileage run is when you fly for no other purpose than to earn the miles and status from flying a paid ticket. A typical mileage run used to have as many connections as possible and as little time at the destination as possible, because miles and status were earned based on actual miles flown. The ideal mileage run was something like Tampa to Newark to Los Angeles to Seattle. That's the destination, but you're only in the airport for an hour, and then you turn back around and fly from Seattle to Los Angeles to Newark to Tampa. So in essence, you bought the ticket on the cheap, and you earned a ton of miles.

Now that fewer airlines are offering miles and status based on miles flown and more are offering them based on dollars paid for your ticket (or at least requiring you to spend a certain amount with the airline to get status), this type of mileage run is slowly going extinct, though it is still possible with some airlines like American.

*Pros:* Useful when the miles you earn and the credit towards re-qualifying for your status are worth more than the cash you paid for the ticket.

*Cons:* There are several problems with mileage runs. The first is: It's pretty boring to fly from city to city like that, unless you just love dealing with airport lines, jetlag, and delayed flights. Make sure the mileage run is worth a lot more to you than the ticket cost. Mileage runs are a time suck, and you may have to pay for things like parking or rides to the airport. Factor in the value of your time, all costs associated with the run, and the ticket cost when determining whether a mileage run makes sense.

## AIRLINE STATUS

Airline status, which varies slightly by airline, is usually based on how far you've flown with an airline or how many segments you've flown with them. Typically you'd earn bottom-tier status at 25,000 miles and move up levels upon flying 50,000, 75,000, and 100,000 miles in a calendar year. Newer requirements from United and Delta demand that you spend a certain amount with the airline, which limits the value of mileage runs.

As you move up the status ladder, you get perks such as:

- Free upgrades on flights
- More award miles earned per ticket
- Free checked bags
- Priority boarding
- Priority check-in

It varies for each airline, so check the requirements, levels, and benefits of the airlines you fly the most.

## HOTEL STATUS

Hotel status is based on either the number of nights you stay with the hotel chain or the number of stays with the hotel chain. A three-night stay equals three nights and one stay. If you have a few long stays, you can qualify based on nights, or if you have many one-night stays, you'll qualify on stays. With hotel status you can get perks like late checkouts, room upgrades, and more hotel points earned per dollar spent than a regular member.

There are shortcuts to status (like mileage runs or getting a credit card that offers status based on spending), but personally I think they're overhyped.

Status is only valuable if you fly an airline often or stay at a hotel chain. It doesn't make much sense to do a mileage run and put a lot of spending on a credit card just to get status that you'll only use for two non-mileage-run flights per year. So that's just something to keep in mind.

# CAN EARNING WITHOUT CREDIT CARDS ADD UP TO A FREE FLIGHT?

Now that you've got a handle on ways to earn miles outside of credit cards, let's refocus on our goal of flying from New York to Bali.

With credit card sign-up bonuses, we set a goal of 110,000 miles to fly business class roundtrip. Without using sign-up bonuses that would take a long time to earn. However, if we set a more modest goal of earning 70,000 miles for a roundtrip in economy ticket, it's a lot more doable.

Let's look at an example of how we might earn 70,000 miles without signing up for a new credit card.

- 10,000 American Airline miles by spending \$1,000 when you went to your shopping portal so that's 10,000 miles.
- 6,000 miles for signing up for the AA dining program and spending \$500 at participating restaurants over 60 days.
- 25,000 miles for putting \$50,000 into a new Fidelity brokerage account. For those that don't have \$50,000 to put into a brokerage account you could take a look at the Direct TV offer currently available offering 25,000 miles when you sign up for Direct TV.
- 20,000 miles from just flying paid tickets, personal and business travel on American Airlines during a year
- 9,000 from a mileage run: A good ballpark figure is about 5 cents per mile, so you could probably find a \$180 ticket where you flew 9,000 miles.

*It may seem more challenging to earn points without credit cards, and that's because it is. Credit card bonuses are absolutely the best way to quickly rack up your miles earnings.*

# CHAPTER 6



## TRAVEL HACKING YOUR ACCOMMODATION

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Airfare is just one piece of the travel hacking puzzle. In this section we'll talk about ways to travel hack your accommodation using points and free night hotel certificates. We'll also use the real-world example of booking accommodation in Bali, Indonesia, so you get a sense of the best way to book your stay for free.

# HOTEL POINTS AND FREE NIGHTS

Here are a few options when it comes to getting free or cheap accommodation during your travels:

- Use hotel points or free night certificates to get free rooms
- Use Priceline to bid on hotels and get them for a discounted rate
- Use sales on award nights at hotels to get them for 90% fewer points than they normally cost
- Use best-rate guarantees to get free nights at hotels by finding a cheaper rate than the price on their website
- Book a private room at a hostel for significant savings on a hotel room
- Book Airbnb properties around the world, which are usually a lot cheaper than hotels and include a kitchen and space to entertain
- Couch surf through [couchsurfing.org](http://couchsurfing.org) and sleep for free on people's couches or in their spare bedrooms whenever you're travelling

# PRICELINE BIDDING

Now it's time to talk about one of my favorite topics: saving 60% on hotels using Priceline's "name your own price." If you aren't being reimbursed for your hotel expenses (for a work trip, for instance), and you have flexibility as far as which hotel you can stay in, priceline.com's "name your own price" section can save you hundreds of dollars per stay.

There are a few tricks when it comes to bidding on Priceline. First let me explain how Priceline's bidding section works.

Hotels give their unwanted inventory to Priceline to sell at a steep discount to get at least some revenue. Priceline categorizes their inventory by city and then by zones within a city.

Priceline does not let you select a hotel. All you can select is the quality of the hotel (in stars), and the zone in which you want to stay. That's crucial. If you need to stay in a specific hotel, do not use Priceline's bidding feature! Another thing to consider is that you earn no hotel points for stays booked through Priceline.

With those caveats in mind, if you still want to save 60% on hotels, scroll down on the Priceline homepage and click "bid now" under the hotel in the "name your own price" section.



Select The Area You Want To Stay In











Type in the city, your dates, and the number of people. Now the city map will come up with a number of zones. You can click on a zone to zoom in on it. Do this for any zone you'd consider staying in to make sure you are willing to stay in the entire zone. Why? Because if you bid on a zone and win, you could end up with a non-refundable charge on your credit card for a stay anywhere in the zone.

If you've identified one or more zones in which you would stay, check their boxes. Now decide which quality hotels you want to stay in. The Priceline star system does not necessarily correspond to any other star system, so click on each star level to learn about it and see what brands fall under that star level.

You're almost ready to make your bid, but let me explain how bidding works. To make a bid, you have to give your credit card info because if your bid is accepted, the hotel is booked. You are given the hotel information, and a non-refundable charge is made to your card.

## Step 2: Choose the star level for your hotel

The minimum **Guaranteed Amenities** are shown for select star levels in your chosen area(s). Star levels may not be available in all areas.

<input type="radio"/>	<a href="#">5-Star Luxury</a>	★★★★★	<a href="#">Which Hotel?</a>
<input checked="" type="radio"/>	<a href="#">4½-Star Deluxe-Plus</a>	★★★★★½	<a href="#">Which Hotel?</a>
<div></div>			
<input type="radio"/>	<a href="#">4-Star Deluxe</a>	★★★★★	<a href="#">Which Hotel?</a>
<div></div>			
<input type="radio"/>	<a href="#">3½-Star Upscale-Plus</a>	★★★★★½	<a href="#">Which Hotel?</a>
<div></div>			
<input type="radio"/>	<a href="#">3-Star Upscale</a>	★★★★★	<a href="#">Which Hotel?</a> 💰 Best deal
<div></div>			
<input type="radio"/>	<a href="#">2½-Star Moderate-Plus</a>	★★★½★	<a href="#">Which Hotel?</a>
<div></div>			
<input type="radio"/>	<a href="#">2-Star Moderate</a>	★★★☆☆	<a href="#">Which Hotel?</a>
<div></div>			
<input type="radio"/>	<a href="#">1-Star Economy</a>	★☆☆☆☆	<a href="#">Which Hotel?</a>
<div></div>			

Select The Star Level You Want To Stay In



### Step 3: Name Your Own Price® (per room night)

Total charges, including taxes and service fees, are shown on the next page. You're protected by our Best Price Guarantee.

Name Your Own Price®  
Per Room, Per Night (USD)  
\$ 200 .00

Not Sure What to Bid?  
[Click here](#)  
to shop and  
compare prices.

#### Reservation Name (Age 21 or older)

Please enter the name of the person who will be checking into the hotel. They must present a valid photo ID and credit card.

##### Room 1

First:  MI:  Last:

You can only bid once per day. This is designed to keep you from bidding \$1 per night and increasing your bid \$1 at a time until you find the price at which a bid is accepted. Luckily there are two circumventions to the one-bid-per-day rule. The first is that you can add lower quality hotels and bid again.

## THE SECOND AND THE BEST METHOD IN MY OPINION IS THAT YOU CAN ADD A NEW ZONE AND BID AGAIN.

*This is a huge loophole you can exploit to save hundreds of dollars.* Before bidding, you need to note every zone in your city of choice that has only lower quality hotels than you're searching for. If you are searching for four-star hotels in the Downtown section of Los Angeles, note every section of Los Angeles that has only three-and-a-half stars and below.

The way to do this is to check each area's box one at a time and see which do not allow you to check four- or five-star hotels because they have none. Write down all these zones that lack four-star hotels and above because each such zone is a free rebid that you'll use later.



### Step 1: Choose where you want to stay

Choose more than one area in New York City to improve your chances.

- ☐ 1 Brooklyn – [detail map](#)
- ☐ 2 Central Park South – [detail map](#)
- ☐ 3 Chelsea Area – [detail map](#)
- ☐ 4 Coney Island – [detail map](#)
- ☐ 5 Downtown - Financial District – [detail map](#) 💰 Best deal
- ☐ 6 Empire State Building Area – [detail map](#)
- ☐ 7 Greenpoint - Williamsburg – [detail map](#)
- ☒ 8 Greenwich Village – [detail map](#)
- ☐ 9 Hell's Kitchen – [detail map](#)
- ☐ 10 Long Island City – [detail map](#)
- ☐ 11 Lower East Side – [detail map](#)
- ☐ 12 Madison Square Garden - Convention Area – [detail map](#)
- ☐ 13 Midtown East – [detail map](#)
- ☐ 14 Midtown West – [detail map](#)
- ☐ 15 Morningside Heights - Harlem – [detail map](#)
- ☐ 16 Queensborough Bridge – [detail map](#)
- ☐ 17 SoHo - Tribeca – [detail map](#)
- ☐ 18 Times Square - Theatre District – [detail map](#)
- ☐ 19 Union Square - East Village – [detail map](#)
- ☐ 20 Upper East Side – [detail map](#)
- ☐ 21 Upper West Side – [detail map](#)

### Step 2: Choose the star level for your hotel

The minimum **Guaranteed Amenities** are shown for select star levels in your chosen area(s). Star levels may not be available in all areas.

- |  |                                    |
|--|------------------------------------|
| <input checked="" type="radio"/> 5-Star Luxury       | ★★★★★ <a href="#">Which Hotel?</a> |
| <input checked="" type="radio"/> 4½-Star Deluxe-Plus | ★★★★½ <a href="#">Which Hotel?</a> |
| <input type="radio"/> 4-Star Deluxe                  | ★★★★ <a href="#">Which Hotel?</a>  |

### Step 1: Choose where you want to stay

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- ☐ 6 Empire State Building Area – [detail map](#)
- ☐ 7 Greenpoint - Williamsburg – [detail map](#)
- ☒ 8 Greenwich Village – [detail map](#)
- ☐ 9 Hell's Kitchen – [detail map](#)

Adding Greenwich village to my next bid would give me a “free re-bid” without putting me at risk of receiving a hotel in an area I don’t want to stay in. Greenwich village doesn’t have 4.5 stars and therefore Priceline will only focus on finding me a 4.5 star hotel in Chelsea.

**NOW MAKE  
YOUR BID!**

The first bid amounts I  
recommend are:

1 \* \$15

2 \* \$17

2.5 \* \$19

3 \* \$25

3.5 \* \$25

4 \* \$40

5 \* \$55

As far as bid strategy goes I'd recommend deciding what the maximum amount you're willing to pay is and breaking it down into the same number of bids as there are free re-bids in the area you'd like to stay in. For example if in New York there are 5 zones that don't have 4.5 stars, that gives me 5 free re-bids. If I don't want to pay more than \$200, I'd maybe start at \$40 and raise my bid by \$40 each time.

You will be prompted to enter your credit card info, and Priceline will show the total amount of your bid, including taxes and fees.

The most likely outcome is that your bid will be rejected. But don't give up just yet. You have as many free rebids as you have zones without your quality hotel or higher. I would space out my rebids so that I go from my original bid to the highest price I'm willing to pay over the course of those four bids. So if you were willing to pay \$80 per night, I would make the rebids \$50, \$60, \$70, \$80. If you had a surfeit of free rebids, you would just add \$4 or \$5 to your bid each time.

Common wisdom is that once Priceline counteroffers, you can usually get the room for about half the difference between your last bid and the counteroffer. At this point, decrease the amount between your rebids to a few dollars. Priceline will eventually accept one of these free rebids at a level below their counteroffer, and you've probably saved hundreds on a multiday stay.

# BEST RATE GUARANTEES

Most hotel chains guarantee that if you book through their website or their app, you will get the cheapest possible rate. They back up that guarantee with a promise that if you can find a cheaper rate for the same property on the same night, then they will give you something in return—a free night or a gift card, for example.

EXAMPLE: InterContinental Hotels Group (IHG) offers a very generous guarantee. They offer the first night free (even if it's only a one-night stay) if you can prove that there was a cheaper rate available outside of their website.

Read up on the specific Best Rate Guarantee you want to enforce before booking it because there is usually very strictly enforced fine print.

# FREE HOTEL NIGHTS

There are two rewards systems for free hotel nights. You can either use hotel points or free night certificates. Credit cards usually offer one or the other as a sign-up bonus.

EXAMPLE: The Citi Hilton HHonors Visa Signature Card offers 75,000-bonus Hilton points after you spend \$2,000 in the first three months. You can then use those points for free nights at Hilton-affiliated properties worldwide. Hilton divides their hotels into 10 categories. Category 1 hotels are 5,000 points per night, while Category 10 hotels are 70,000-95,000 points per night, depending on the season. The best strategy for hotel points is to use them to book as many free hotel nights as possible at low-category hotels. Don't worry about the fact that a Category 1 hotel doesn't sound as fancy as a Category 10 hotel. These are chain hotels, so they're up to worldwide standards.

# FREE NIGHT CERTIFICATES

In contrast to earning hotel points, a credit card like the Citi Hilton HHonors Reserve Card offers two free weekend nights worldwide at any Hilton after meeting its \$2,500 minimum-spending requirement in the first four months.

The best strategy with free night certificates is to book the most expensive hotel you can because a Category 1 and a Category 10 hotel each cost one certificate per night. If you want to book several free nights, go for the points. If you want to book really luxurious hotels—like \$1,000 per night—for one or two nights, go for the free night certificates.

# CASH AND POINT AWARDS

Cash and point awards are similar to the free night awards you can book with points, except you use fewer points than you would for a free night, and you use cash to make up the difference.

For instance, here is the “Points & Money” Award Chart for Hilton next to its free night award chart. The right two columns show the cost of “buying the points” you are saving when you use a Points & Money award.

Category	Points (Free Night)	Points + Money	Buying Points For (Min)	Buying Points For (Max)
1	5k	2k + \$30	1	1
2	10k	4k + \$35	0.58	0.58
3	20k	8k + \$40	0.33	0.33
4	20k to 30k	12k + \$50	0.28	0.625
5	30k to 40k	16k + \$65	0.27	0.46
6	30k to 50k	20k + \$85	0.28	0.85
7	30k to 60k	24k + \$100	0.28	1.67
8	40k to 70k	28k + \$125	0.3	1.04
9	50k to 80k	32k + \$150	0.31	0.83
10	70k to 95k	38k + \$200	0.35	0.625

Some cash and points awards are a good deal. For instance, imagine you want to book a Category-7 Hilton that is 60,000 points for a free night. I’d rather book it for 24,000 points plus \$100 per night. It’s as if you saved 36,000 points at a cost of \$100, which is like buying Hilton points for 0.28 cents each—a good deal, since I value them at 0.4 cents.

Some, however, are a terrible deal. Don’t book a Category-1 Hilton for 2000 points plus \$30. Use 5000 points instead. The cash and points award is like buying the 3000 points you save for one cent each, which is a terrible deal for Hilton points.

When considering a cash and points award, make your decision based on whether you are “buying the points” you save for more or less than they’re worth.

*One difference between cash and points awards and free nights awards:*

Almost every chain lets you book an award with points or a free night certificate whenever there’s a single standard hotel room for sale—unlike airline mile awards, which are capacity controlled. Cash and point awards are more like airline mile awards because they are capacity controlled, so the property needs to make them available.

# POINTBREAKS

Every few months, IHG (which includes Holiday Inns, Crowne Plazas, and Intercontinental Hotels) releases a list of hotels you can book for 5,000 points per night. Their normal award chart is 10,000-50,000 points per night for a free room. This is a 50-90% discount on the number of points you need. Scour the list whenever it comes out and see if it matches up with your travel plans. It might just work out that you get a great room for a very cheap price.

When Priority Club announces its new list of PointBreaks hotels, it's important to pay attention. The hotels on the list that may ordinarily cost hundreds of dollars a night go for 5,000 Priority Club points for a limited time. Check the list's end date then consult your travel schedule to figure out where you'll be between now and then to see if you can book a hotel. Also consider trips you haven't planned, but have been dreaming about. Then, look for the incredible properties that normally cost 50,000 miles to see if you want to take an impromptu trip. Take note of all the hotels you might want to book.



# TAKING THIS INFORMATION AND APPLYING IT - BOOKING HOTELS IN BALI

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When you're booking a trip, flights should always be your first step and accommodations the second, because flight awards are highly capacity controlled and hotel awards using points or free night certificates are not.

Let's go back to our New York to Bali example to show how I would book accommodation for the trip.

First, look for hotels in Bali that belong to the following five chains, because they are the easiest when it comes to earning points and free nights:

- Club Carlson
- Hilton
- Hyatt
- IHG
- Starwood

Next, visit [hotels.com](https://www.hotels.com) or [kayak.com](https://www.kayak.com) and do a search for the city you are looking to book accommodation in. You can figure out which chain hotels look the nicest and have the best location. Then consult the hotel's website to find out what category it is, which tells you how many points you'll need for a free night.

I zeroed in on the Grand Hyatt Bali located in Seminyak because of its location, and the fact that it costs only 12,000 points per night.

There are two ways to stay at the Grand Hyatt Bali for free:

1. The Chase Hyatt credit card earns two free night certificates after spending \$1,000 in the first three months. I wouldn't use the free night certificates here, though, because the Grand Hyatt Bali is only a Category 3 (out of 7) hotel.
2. You can book the hotel for 12,000 Hyatt points per night. Hyatt is a 1:1 transfer partner of Chase Ultimate Rewards. The Chase Sapphire Preferred offers 40,000 bonus Ultimate Rewards after spending \$4,000 in the first three months. It also offers 5,000 bonus points for adding an authorized user to your account at the time of application (then it sends you the authorized user card, so feel free to cut it up and keep the 5k points).

I would suggest opening the Chase Sapphire Preferred, adding an authorized user, and meeting the minimum-spending requirement. That would give you 49,000 Ultimate Rewards, which transfer instantly to Hyatt points. When you're ready to book the hotel, transfer 48,000 points and book four free nights.



*Note that Hyatt also has a Cash & Points option. For Category 3 hotels, a Cash & Points stay costs 6,000 points plus \$75. That 48,000 points (plus \$600 in cash) could book eight Cash & Points nights at the Grand Hyatt Bali if Cash & Points award space is available.*

Should you choose free nights or Cash & Points nights? It depends on your valuation of Hyatt points. In this case, a Cash & Points night is like "buying" the 6,000 points you save for \$75, or 1.25 cents each. I value Hyatt points at about one cent each, so I would book the free nights. Some people value Hyatt points above 1.25 cents each, so in that case they should book Cash & Points.

# CHAPTER 7



## WHAT TO DO WHEN YOU'RE NOT TRAVELING ON POINTS

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Knowing how to book cheap cash flights is a crucial skill if you run out of miles or you want to use Credit Card Points Pretending To Be Miles (because the number of CCPTBM you need for a free flight depends on the price of the cash ticket you're buying with them).

We'll discuss Kayak alerts and the ITA Matrix.

# ITA MATRIX

The ITA Matrix was developed by MIT computer scientists, and it's now owned by Google. It's a great way to search all possible airfares in a variety of interesting ways.

EXAMPLE: If you wanted to look for a flight from New York to Bali roundtrip, you could just type that into the search. The ITA Matrix is highly customizable, so you can input advanced routing codes for which airline you want to fly or want to avoid, how many stops you'll accept, and even specify where you'd like to connect. You can ask to see the cheapest fares on a certain date or a month-long calendar of low fares based on trips of certain lengths.



Round trip
One-way
Multi-city

Recent
[Los Angeles — London — Paris ...](#), [San Francisco — Lima, Delhi — London, Boston — Paris, New York — Denpasar Bali, Los Angeles — Bangkok](#), [Clear all](#)

Departing from
New York, NY - All airports
Nearby

Destination
KIN, MBJ, OCJ
[Reverse route](#) [Advanced routing codes](#)

Dates
☐ Search exact dates
☒ See calendar of lowest fares

Departing
03/01/2016
and a month later

Length of stay
6-8
nights (Ex. 5, 7-9)

Adults
2
[Children, seniors](#)

Cabin
Cheapest available

Stops
No limit

Extra stops
Up to 1 extra stop

Other
☒ Allow airport changes
☒ Only show flights and prices with available seats

Currency
Default (currency of sales city)

Sales city
Default (departure city)

Search

You can hover over any date to see the price for trips of six, seven, and eight days. Then select your trip length and actual flights. The one thing you cannot do is book on ITA Matrix, so you would have to then purchase tickets for your preferred itinerary from the airline's website or an online travel agency.

ITA Matrix also breaks down ticket prices into the base fare, the taxes, and the fuel surcharges (listed as YQ or YR). You can use this information to estimate the taxes when you are booking an award with Region Based miles or Distance Based miles, and if the award has fuel surcharges, you can also see what they'll be.

# KAYAK

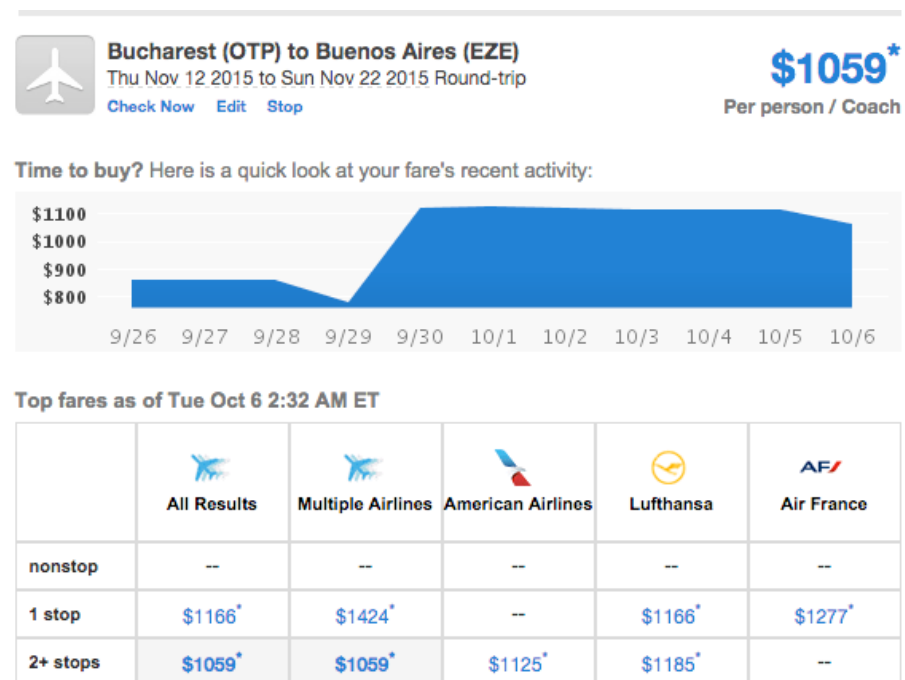
Finding the cheapest airfare is a crucial skill to save money or to save Credit Card Points Pretending To Be Miles, since the cost of an award with Arrival or Capital One miles is tied directly to the ticket's cash price.

That's where Kayak Price Alerts come in.

Run any airfare search on kayak.com, and then click the Set Alert button on the Results page. You'll get regular emails showing you the price on the route for the exact dates you've selected, or if you're very flexible, the cheapest fare for the month you've selected.

**TIP: WHEN YOU SET THE ALERT, MAKE SURE YOU SELECT "DAILY EMAIL" INSTEAD OF "WEEKLY EMAIL" TO GET THE MOST RECENT RATES.**

As you get the daily price alert emails, you'll see that the price of the airfare changes rapidly.





Airfare prices swing like crazy. In general, the cheapest time to buy is three to six weeks out, and to fly on Tuesday, Wednesday, or Saturday. If you know where and when you want to travel six months in advance, go ahead and set the price alert. The more time you have to watch it, the better.

From seeing the ups and downs of the price, you'll get an idea of what a good price is for the route. Buy on one of those dips, and be happy that you've saved hundreds of dollars.

Once you book your ticket, make sure to cancel those daily alerts so you don't get depressed if the price goes down again. Who needs that? You're going on a trip! If the price dips thirty or forty or fifty bucks, you'll never know as long as you cancel the alert. This is one situation where ignorance is bliss.

<input type="checkbox"/>			KAYAK	Inbox	Your KAYAK Alerts, OTP to EZE from \$950+ (down \$14) - ALERT
<input type="checkbox"/>			KAYAK	Inbox	Your KAYAK Alert: OTP to EZE from \$964+ (no change) - ALERT I
<input type="checkbox"/>			KAYAK	Inbox	Your KAYAK Alert: OTP to EZE from \$964+ (up \$8) - ALERT Buch
<input type="checkbox"/>			KAYAK	Inbox	Your KAYAK Alert: OTP to EZE from \$956+ (no change) - ALERT I
<input type="checkbox"/>			KAYAK	Inbox	Your KAYAK Alert: OTP to EZE from \$956+ (up \$4) - ALERT Buch
<input type="checkbox"/>			KAYAK	Inbox	Your KAYAK Alert: OTP to EZE from \$952+ (down \$19) - ALERT B
<input type="checkbox"/>			KAYAK	Inbox	Your KAYAK Alert: OTP to EZE from \$971+ (up \$69) - ALERT Buc
<input type="checkbox"/>			KAYAK	Inbox	Your KAYAK Alert: OTP to EZE from \$902+ (up \$3) - ALERT Buch
<input type="checkbox"/>			KAYAK	Inbox	Your KAYAK Alert: OTP to EZE from \$899+ (no change) - ALERT I
<input type="checkbox"/>			KAYAK	Inbox	Your KAYAK Alert: OTP to EZE from \$899+ (down \$3) - ALERT Bu
<input type="checkbox"/>			KAYAK	Inbox	Your KAYAK Alert: OTP to EZE from \$902+ (up \$135) - ALERT Bu
<input type="checkbox"/>			KAYAK	Inbox	Your KAYAK Alert: OTP to EZE from \$767+ (no change) - ALERT I
<input type="checkbox"/>			KAYAK	Inbox	Your KAYAK Alert: OTP to EZE from \$767+ (down \$140) - ALERT
<input type="checkbox"/>			KAYAK	Inbox	Your KAYAK Alert: OTP to EZE from \$907+ (no change) - ALERT I

# MISTAKE FARES

Mistake fares are when an airline accidentally enters a ridiculously cheap fare into their computer system, temporarily allowing people to buy that ticket before the airline corrects its mistake. Major mistake fares happen frequently.

In the past there have been \$100 round trip fares from London to the United States in first class, and \$200 round trip tickets from the U.S. to Abu Dhabi. I once booked a \$220 round trip fare from Los Angeles to Peru because of a mistake fare.

These fares can be 80 to 90% cheaper than they should be. The problem is that once the airline realizes their massive mistake, the fares are pulled instantly. Sometimes the fare are honored, and sometimes not. You'll either get your money back, or you'll get to fly that cheap ticket, so it is a no-lose situation for you as long as you don't book any accommodations or tours for a week or two until the airline has decided whether to honor the ticket.

You don't have to comb the Internet 24/7 waiting for a mistake fare to pop up. Nobody has that kind of time. When there's a really good mistake fare, it blows up and gets posted all over the place. I've created a Twitter feed called @MileValueAlerts, from which I tweet only mistake fares and other very time-sensitive deals.

I set up this Twitter account specifically so people would subscribe to it by SMS. After following @MileValueAlerts, follow Twitter's directions to receive a text message on your phone every time I tweet from the account. Don't worry, I only post a few times a month when the deals are really, really good. It's a great way to keep up to date for these mistake fares and other cool deals.

# LOW-COST CARRIERS

If you want to book a cheap flight on a low-cost carrier, the best thing to do is check out the Wikipedia page for the airport you want to fly into, so you can see which airlines fly to that airport. Then check out the Wikipedia page for low-cost carriers and cross-reference the airlines. You'll usually have to book your ticket through that low-cost carrier's website.

When booking, pay very close attention to additional fees because in general with low-cost carriers, you're just buying your seat. There may be added fees for baggage (even carry-on bags), meals, or seat selection. Look up the price of any extras, and add it to the base fare so you can make sure you're getting a good deal. If you're worried about baggage fees, you can always pack light.

# CHAPTER 8



## HOW TO BUY MILES AND TRAVEL HACK IF YOU'RE NOT AMERICAN

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Although you have to be American to get U.S. credit cards, anyone can take advantage of frequent flyer miles.

Everything we've discussed about redeeming miles, earning miles via flights or shopping portals, using the Kayak price alerts, and Priceline bidding can be done by non-Americans.

Non-Americans may even have access to credit cards that earn miles or Transferable Points, though usually the sign-up bonuses are much smaller. Make sure you look into your local credit card market to see what might work for you. Also note that if American Express Membership Rewards or Citi ThankYou Points are available in your country, the transfer partners will be different than those listed in this book.

# LOW-COST CARRIERS

Most airlines offer the chance to buy their frequent flyer miles. The price is usually outrageously expensive, but sometimes there are sales or bonuses on the number of miles you purchase, which might make it worthwhile.

If you buy miles, you are going to have to use them in accordance with all the award rules and award charts of that airline, which means you're going to have to book a capacity-controlled ticket.

Because you need award space to use the miles, and because miles' purchases usually post instantly, I would recommend having a high-value goal for your miles and making sure there is award space that fits your goal before purchasing any miles. If you always do that, buying miles and then booking an award can save you a lot of money compared to an equivalent cash ticket if the miles price is low enough.

# LIFEMILES EXAMPLE

The best deal when it comes to buying miles is usually offered by LifeMiles, which is the program of the Colombian airline Avianca, a Star Alliance member. Anyone can join LifeMiles for free, and then anyone can buy LifeMiles. They normally cost 3.3 cents each, which is a terrible deal, but they often have a 100% bonus to bring the effective price down to 1.65 cents. In September 2015, there was a 135% bonus to bring the price down to 1.4 cents per mile.

At 1.4 cents per mile, a lot of the awards on the Avianca award chart suddenly become a pretty decent deal.

EXAMPLE: One way in business class from the United States to Europe is 63,000 Avianca miles. If you bought those miles for 1.4 cents each, that's \$882 plus taxes, which are between \$6 and \$300 each way. (LifeMiles doesn't collect fuel surcharges on any awards.) A business class ticket for under a thousand dollars from the U.S. to Europe is insanely cheap compared to the normal cash price of the ticket. Buying miles can offer value, but there are drawbacks.

CONS: Over time, airlines increase the number of miles required for each award. They devalue their miles. Don't buy a bunch of miles and let them sit in your account. Buying miles is best when you

have a plan in place for them right away. If you let them sit in your account, the airline could update their miles chart and suddenly your miles aren't worth as much as they once were.

*The key with every buy-miles promotion is to make sure you have an immediate high-value use for the miles.* In this case, if you wanted to book a roundtrip business class ticket to Europe and you found award space on dates that work for you, then it's probably a good deal to buy the miles you need and book that ticket quickly. If you don't have an immediate use for the miles—don't buy.

## IN SUM

1. Determine the number of miles you'd need for your planned trip
2. Check to make sure there is availability for the dates you're intending on flying
3. Calculate any taxes or fuel surcharges that may be included in your trip
4. If steps one through three make sense and are cheaper than buying the ticket with cash, buy, if not—don't!

# HOTEL POINTS

Like airfare, hotel chains will occasionally have big discounts that might make buying points worth your while. Ask yourself the same question: Do you have an immediate high-value use for the hotel points? If not, walk away. Just like with airline miles, hotel award charts are also always increasing the number of points you need for an award. One big benefit on a free night with hotel points is that, unlike airline awards, you don't pay any taxes, so the savings are even bigger.

Example: From time to time you can buy IHG Rewards Club points and get a 100% bonus on the points purchased.

IHG points normally cost 1.15 to 1.35 cent each:

- 1,000 – 10,000 points for \$13.50 per 1,000 points
- 11,000 – 25,000 points for \$12.50 per 1,000 points
- 26,000 – 60,000 points for \$11.50 per 1,000 points

With the 100% bonus, the price drops to 0.575 to 0.675 cents per point. If you bought 26,000 IHG points—the smallest number that gets the lowest price—you'd receive 52,000 points for \$299 or 0.575 cents each.

Check out how many points you'd need for IHG award nights (and remember those 5,000 point award nights from the PointBreaks List mentioned in Chapter 6), and if buying those points is cheaper than booking the hotel room, buy the points. If not, don't buy the points.



# CHAPTER 9



## PUTTING IT INTO PRACTICE WITH 5 REAL LIFE DREAM DESTINATIONS

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Now that you're ready to start booking your own dream trip, we're going to take a look at some real-world examples of booking four dream destinations on the cheap.



# TRIP 1

## HOME FOR CHRISTMAS

From anywhere to anywhere by air

CABIN:  
economy

MILES NEEDED:  
depends on the cash price of the ticket  
you want

HOW YOU'LL GET THEM:  
Arrival Plus (\$3,000/3 months)

TAXES/FEES/FUEL SURCHARGES:  
\$0 out of pocket

First let's talk about how you shouldn't try to get home for free.

# DO NOT USE TRADITIONAL REGION BASED MILES.

If you try to use Region Based miles, you will get very bad value for your miles. That means don't try to collect or use United, American, Delta, or Aeroplan miles for the trip.

## WHY NOT?

First, you'll have to find Saver award space on the days and flights you want in order to get the Saver price of 25,000 miles for a roundtrip in economy. Airlines only release Saver award space when they expect to have unsold seats. At peak times like Christmas, airlines expect to sell all their seats, so you might have to shell out 50,000 miles for a roundtrip in economy class at the Standard award level.

Spending 50,000 miles on a roundtrip economy ticket is awful when the same 50,000 American Airlines miles could get you a one way to Europe in flat bed business class or a roundtrip in economy.

## IF NOT REGION BASED MILES, THEN WHAT?

You want to use Credit Card Points Pretending To Be Miles. The card to get is the Barclaycard Arrival Plus. Here's the plan in three easy steps:

1. Get the Barclaycard Arrival Plus World Elite MasterCard.
2. Spend \$3,000 on the card in the first three months. Buy your flight home for Christmas as part of this \$3,000. Also book a hotel or car rental as part of the \$3,000 if they are a necessary part of the trip.
3. Redeem your Arrival miles online retroactively. You can get \$450 of free flights, hotels, and car rentals.

### 1. GET THE ARRIVAL PLUS

The first step is to apply for the Arrival Plus. You can find an application link at [milevalue.com/booklinks](http://milevalue.com/booklinks).

### 2. SPEND \$3,000 IN THE FIRST THREE MONTHS, INCLUDING YOUR TRIP HOME

The next step is to use the card for your daily purchases until you hit at least \$3,000 in the first three months, which will unlock the card's 40,000 Arrival mile bonus.

Since the card earns double miles on all purchases, after spending \$3,000, you will have 46,000 Arrival miles (6,000 from the spending and 40,000 from the bonus) in your account.

Make sure to include your travel expenses home for Christmas on the card. Travel expenses include:

- Airfare booked on the airline's website or through travel agencies (e.g. Expedia)
- Hotels
- Motels
- Resorts
- Passenger Railways
- Car Rental Agencies

Arrival miles are worth 1.075 cents each when redeemed for travel expenses and far less when redeemed for other purchases, so it's imperative to use the card for at least \$450 worth of travel expenses in order to use our 46,000 Arrival miles to remove the \$450 worth of travel expenses.

### 3. REDEEM THE ARRIVAL MILES FOR \$450 WORTH OF TRAVEL

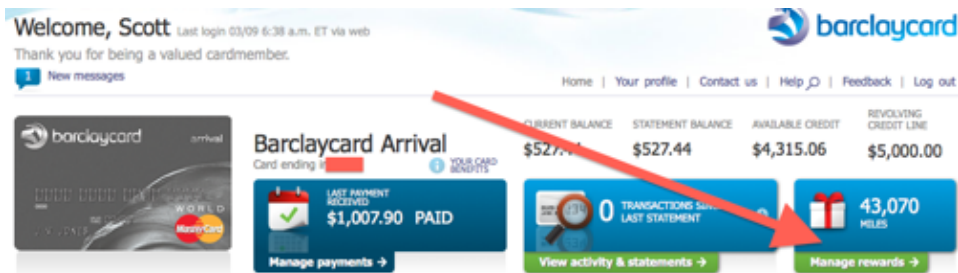
Redeeming Arrival miles is incredibly simple. All the travel purchases we made in the course of meeting our minimum spending requirement are put together in one place in our online Barclaycard account, and we can use miles to remove those charges from our bill any time in the 120 days after making the purchases.

Upon making a travel redemption, 5% of the miles used for the redemption are automatically rebated to your account.

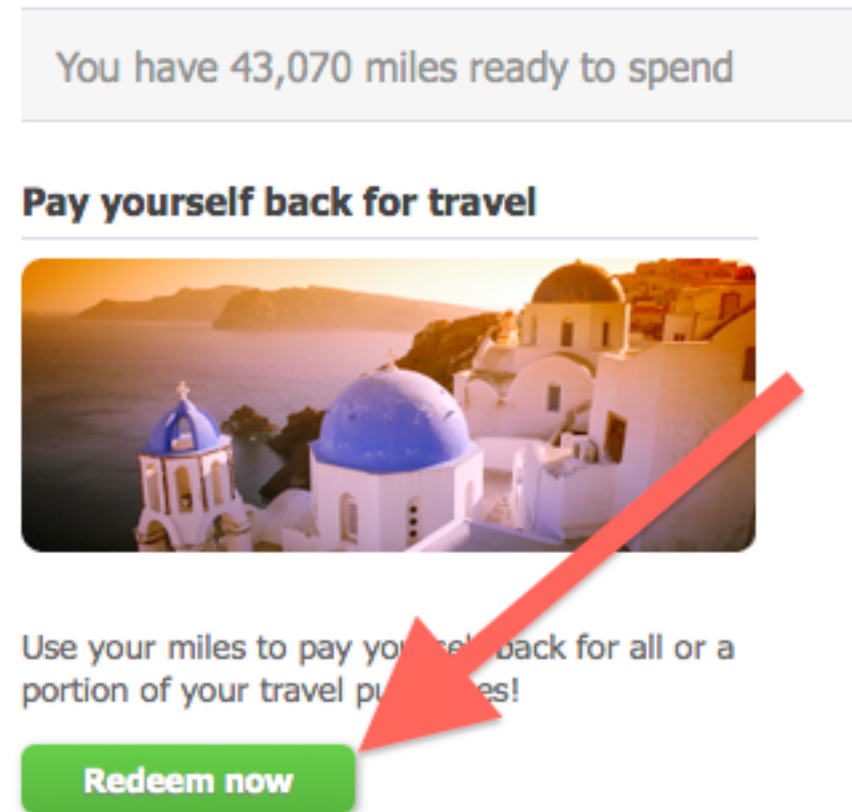


I'll walk through a recent redemption of mine with screenshots.

After signing in to my Barclaycard account, I clicked on Manage Rewards where my Arrival miles balance was shown. If you've completed steps one and two, your balance should be 46,000+ Arrival miles.



On the page dedicated to rewards, choose to "Pay yourself back for travel" because as I mentioned, that is the highest value redemption of Arrival miles.



On the next screen, a list of all travel purchases for the last 120 days will appear.

You have 43,070 miles ready to spend

Purchases available for redemption

TRANSACTION DATE	DESCRIPTION	DAYS LEFT	TRANSACTION AMOUNT	
03/15/14	TRAVRES*KAYAK VIA HCOM	82	\$210.61	<a href="#">Redeem now</a>
03/06/14	UNITED 01629279957432	73	\$100.00	<a href="#">Redeem now</a>
03/05/14	SOUTHWES 5262197053243	72	\$89.00	<a href="#">Redeem now</a>
03/05/14	SOUTHWES 5262197056903	72	\$109.00	<a href="#">Redeem now</a>

Mine (above) included two Southwest flights, a motel booking through kayak.com, and a \$100 change fee on a United award. Yours will include your flight home for Christmas and hotel or car rental charges

If you click “Redeem now” next to any charge, you are given redemption options to remove the charge in its entirety or to remove \$25 increments, with a minimum redemption of \$100. (The minimum redemption when the screenshot was taken was \$25. The higher minimum redemption is a bummer).

03/05/14    SOUTHWES 5262197053243    72    \$89.00    [Redeem now](#)

Please note, you can only redeem against a transaction one time.

Select an amount

REDEMPTION AMOUNT	MILES TO REDEEM	
\$89.00	8,900	<a href="#">Redeem</a>
\$75.00	7,500	<a href="#">Redeem</a>
\$50.00	5,000	<a href="#">Redeem</a>
\$25.00	2,500	<a href="#">Redeem</a>

You are taken to a final confirmation screen where your current balance, the miles needed for your redemption, and your new balance are shown.

Here's me about to do three redemptions at once to get \$398 in free travel:

Pay yourself back for travel		
ITEM	AMOUNT	MILES SUBTOTAL
SOUTHWES 5262197056903	\$109.00	10,900
SOUTHWES 5262197053243	\$89.00	8,900
TRAVRES*KAYAK VIA HCOM	\$200.00	20,000
Available miles to redeem		43,070
Total miles selected		39,800
Remaining miles		3,270
<div>Place your orderBack</div>		

Immediately after clicking “Place your order,” you are given an instant 5% rebate of the miles you just redeemed. (The rebate used to be 10%, so that's what's shown below, but the current rebate is 5%).


Remaining miles	3,270
10% Travel Redemption Bonus earned	3,980
Total miles	7,250


With your new balance, make more redemptions.

ITEM	AMOUNT	MILES SUBTOTAL
UNITED 01629279957432	\$50.00	5,000
Remaining miles		2,250
10% Travel Redemption Bonus earned		500
Total miles		2,750

For every redemption, you will get an email like this:

**Redemption Confirmation**

Account ending in 



**Dear Scott,**

Thank you for redeeming travel credit<sup>1</sup> on 03/24/2014 through our customer website. You should receive this statement credit reflected on your account within 5-7 days.

To review your order, please log in to [www.BarclaycardUS.com](http://www.BarclaycardUS.com), click on Manage rewards and then Rewards history.

Questions? Please log in to our servicing site and send a secure message.

**My Messages**

Remaining Rewards Balance: 32,170  
10% Travel Redemption Bonus: 1,090

Your travel statement credit will be reflected to your account within 5-7 business days. Remember, every time you redeem for travel, you get 10% of your miles back as a Travel Redemption Bonus. Your Travel Redemption Bonus will be posted to your account within 1-2 business days after your redemption is processed.

The email explains that your statement credits will appear in five to seven business days. Mine actually appeared the next day in my account.

TRANSACTION DATE	DESCRIPTION	PURCHASES	CREDITS	REWARDS EARNED
03/24/14	Travel Credit		-50.00	
03/24/14	Travel Credit		-200.00	
03/24/14	Travel Credit		-89.00	
03/24/14	Travel Credit		-109.00	
03/21/14	USAIRWAY 03723510718200	157.50		316

My redemptions were reflected in my current balance being less than my statement balance even though I hadn't yet made a payment.

CURRENT BALANCE	STATEMENT BALANCE
<b>\$236.94</b>	<b>\$527.44</b>



## BONUS

Even after redeeming for \$450 in free travel, you'll still have 3,250 Arrival miles, which will be worth \$32.50 in free travel once you get up to the 10,000 miles needed for the minimum \$100 redemption. *Here's the math:*

You spend \$3,000 on the card at two miles per dollar for 6,000 miles from spending. That spending unlocks a 40,000 miles bonus for 46,000 total Arrival miles.

You redeem 45,000 Arrival miles for \$450 off one or more travel expenses, and you have 3,250 Arrival miles left in your account.

$$46\text{k balance} - 45\text{k redemption} = 1\text{k}, 1\text{k} + 2,250$$
$$[\text{instant 5\% rebate}] = 3,250$$



## TWO OTHER BONUSES

The airline on which you fly home will award you frequent flyer miles and status for the flight because it sees your ticket as a cash ticket. If you instead redeem Region Based miles to go home, that award would not earn miles or status.

You earn two Arrival miles per dollar even on the purchases that you later eliminate by redeeming Arrival miles for an offsetting credit.

## TRIP 2

### **WASHINGTON DC TO HONOLULU**

TRIP: applicable for anywhere from continental United States to any Hawaiian Island

CABIN:  
economy or first class

MILES NEEDED:  
17,500 Singapore miles per direction in economy, 30,000 in first class

HOW YOU'LL GET THEM:  
ThankYou Premier (\$3,000/3 months)

TAXES/FEES/FUEL SURCHARGES:  
\$11 per person roundtrip

I normally see fares from the east coast to Hawaii in the \$1,000 range. You can do better or course, but at that price, you would need about 100,000 Arrival miles for a roundtrip in economy. That shows that Credit Card Points Pretending To Be Miles are a poor value for the trip. We want traditional Region Based miles from most of the United States to Hawaii. (The exception is that folks who live on the west coast get a better deal with the Distance Based Avios).

United Airlines serves all four major Hawaiian Islands and releases the most Saver award space on its flights to Hawaii, but we won't use United miles. We will use United's partner, Singapore's, miles. Remember that partner miles always have access to all the Saver space released by their partners (with very few exceptions.)

It is cheaper to book the exact same United flights to Hawaii with Singapore KrisFlyer miles than with United miles.

- United charges 22,500 miles each way in economy and 40,000 miles in first class between the mainland and Hawaii
- Singapore charges 17,500 miles each way in economy and 30,000 miles each way in first class between the mainland and Hawaii

That's a humongous difference. Instead of costing 90,000 United miles to get two people from your home airport to Hawaii and back, you could pay 70,000 Singapore miles. Instead of paying 160,000 United miles for two roundtrip first class tickets, you could pay 120,000 Singapore miles—even occasionally for flat beds!

To reiterate, these are the exact same flights with *vastly* different prices depending on which miles you use.

Singapore has access to all the same Saver award space United releases to people with United miles (except for some space set aside only for United elites and credit card holders, which is beyond the scope of this book).

## WHAT'S THE CATCH?

For bookings to Hawaii, there really isn't one.

- Singapore awards cost fewer miles than United awards
- Singapore awards are way cheaper to change or cancel than United awards if your plans change
- Singapore awards do not have a fee for booking within three weeks of departure like United awards do
- Singapore awards of United flights do not have fuel surcharges, so both types of awards will just have identical taxes of around \$11 roundtrip.
- Singapore miles are easier to get than United miles.

*There are four steps to booking your award from the east coast to Hawaii.*



# GET A THANKYOU PREMIER CARD

Singapore miles are a partner of the four major transferable points programs:

1. Chase Ultimate Rewards, 1:1
2. Citi ThankYou Points, 1:1
3. American Express Membership Rewards, 1:1
4. SPG Starpoints, 1:1 with a bonus. Every 20,000 Starpoints transferred earns a 5,000 mile bonus, so the ideal transfers are in exact increments of 20,000 Starpoints to 25,000 Singapore miles.

Right now, the best card to get Singapore miles is the Citi ThankYou Premier Card with 50,000 bonus ThankYou Points after \$3,000 in purchases made with your card in the first three months the account is open. The card also earns 3x points on travel and gas.

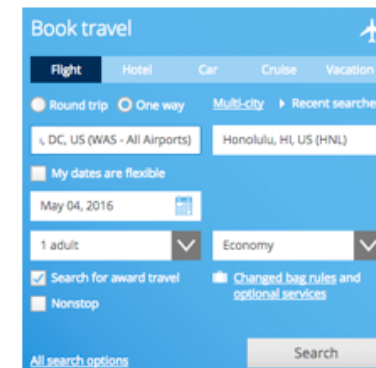
FIND AN APPLICATION LINK TO THE CITI THANKYOU PREMIER AT [MILEVALUE.COM/BOOKLINKS](https://milevalue.com/booklinks)

# SEARCH FOR AWARD SPACE ON UNITED.COM

You will have to search for award space on the United flights on united.com even though you are booking with Singapore miles because Singapore's website doesn't show United award space. We will later call Singapore Airlines to book the award.

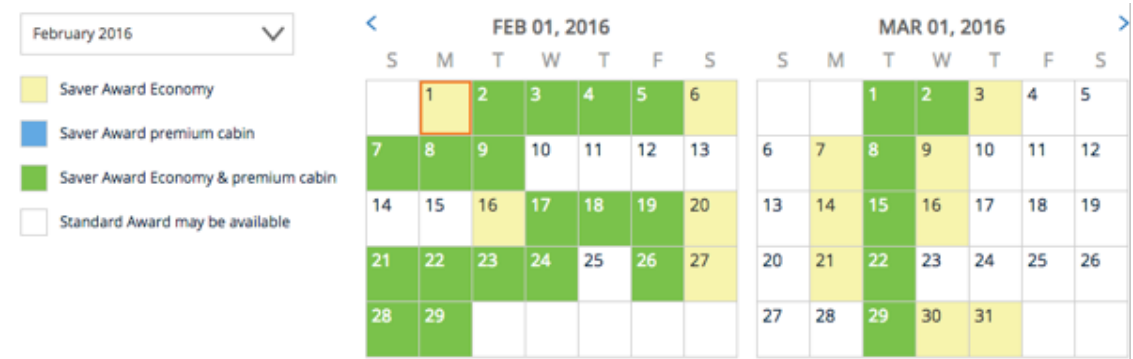
Make sure that you do NOT sign into united.com when searching for award space that you plan to book with another type of miles because signing in can cause award space set aside for United elites or credit card holders to appear, and that space is not bookable with other types of miles like Singapore miles.

You can search for award space right on the home page of united.com by checking "Search for award travel."

A screenshot of the United.com 'Book travel' search form. The form has a blue header with the text 'Book travel' and a small airplane icon. Below the header are tabs for 'Flight', 'Hotel', 'Car', 'Cruise', and 'Vacation'. The 'Flight' tab is selected. Under the 'Flight' tab, there are radio buttons for 'Round trip' (selected), 'One way', and 'Multi-city', followed by a link for 'Recent searches'. Below these are two input fields for departure and destination: 'DC, US (WAS - All Airports)' and 'Honolulu, HI, US (HNL)'. There is a checkbox for 'My dates are flexible' and a date input field showing 'May 04, 2016'. Below the date is a dropdown menu for '1 adult' and another dropdown menu for 'Economy'. At the bottom, there are two checkboxes: 'Search for award travel' (checked) and 'Changed bag rules and optional services'. There is also a 'Nonstop' checkbox. At the very bottom, there is a link for 'All search options' and a 'Search' button.

# HOW TO INTERPRET THE CALENDAR

The first thing you'll notice when you search for award space to Hawaii on united.com is that it's widely available for much of the year. Here's a calendar of February and March 2016 from Washington D.C. to Honolulu. Yellow days have Saver economy award space; blue days have Saver First Class space; green days have Saver space in both cabins. Singapore miles can book all the Saver space that is depicted on these calendars.

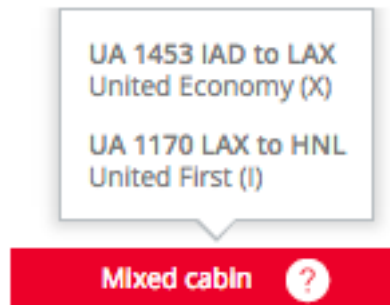


# HOW TO INTERPRET THE ITINERARIES

Once you select a date, the itineraries will be displayed from shortest travel time to longest travel time. Most results will have three columns of award space. You only need to pay attention to the first two, "Economy (lowest)" and "First Saver Award." Singapore miles can book all the award space in the First Saver Award column. Singapore miles can book all the award space in the Economy (lowest) column that is priced at 22.5k each way and says Saver award above the 22.5k. (You will not pay 22.5k Singapore miles.) Singapore miles cannot book any other space on united.com.

Expanded view				List view	
Depart	Arrive	Stops	Duration	Economy (lowest)	First Saver Award
9:15 a.m. IAD	4:44 p.m. HNL	1 stop	12h 29m	<div>Saver Award</div> 22.5k miles +\$5.60	Not available
8:20 a.m. IAD	4:44 p.m. HNL	1 stop	13h 24m	<div>Saver Award</div> 22.5k miles +\$5.60	Not available
9:15 a.m. IAD	8:35 p.m. HNL	1 stop	16h 20m	<div>Saver Award</div> 22.5k miles +\$5.60	<div>Mixed cabin ?</div> 40k miles +\$5.60

In the First Saver Award column, you may see a red bar that says "Mixed cabin."



Hover your cursor over that to see which flights are in which cabin. You can book mixed cabin awards with Singapore miles, but you get no discount on the 30,000 mile price each way.

While searching, you are just looking for Saver award space. You can ignore the number of miles that united.com says the award will cost. You will pay the number of Singapore miles I've mentioned several times: 17.5k each way in economy and 30k in First. You will also pay about \$5.60 each way in taxes and no fees.

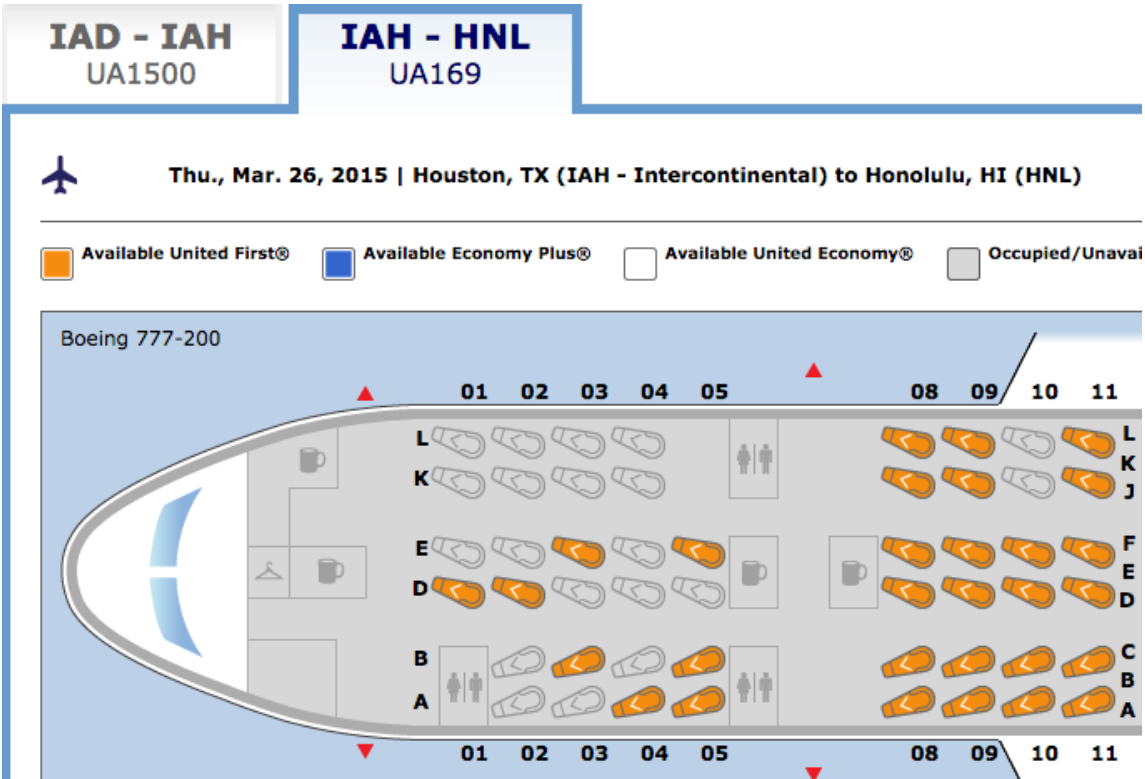
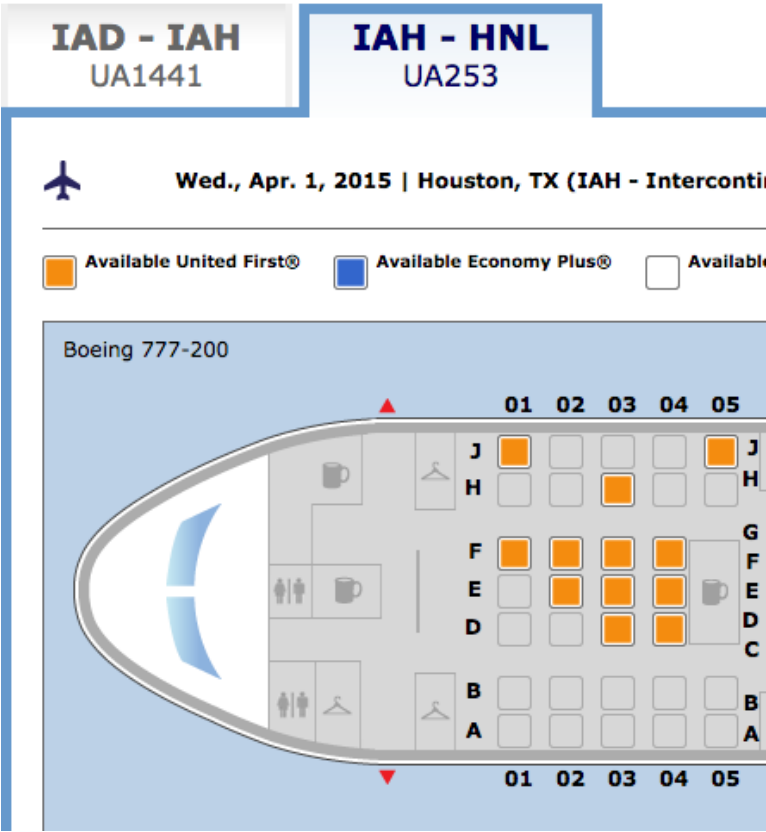
Expanded view				List view	
				Economy (lowest)	First Saver Award
Depart	Arrive	Stops	Duration		
2:15 p.m.	10:00 p.m.	1 stop	13h 45m	45k miles +\$80.60	40k miles +\$80.60 Select

Write down the date, cabin, and flight number of each segment of the award you want in both directions. You will need this when calling Singapore to book.



# FLAT BEDS

On United flights to Hawaii, you can occasionally find flat beds in First Class. To find out if your plane has flat beds, click Seats on the itinerary. *Regular First Class recliner seats look like squares with rounded edges.*



Beds look like little beds.

Some 777-200s feature flat beds, and all 767-400ERs feature flat beds. Flights from Newark and Washington-Dulles to Honolulu all feature flat beds, and some San Francisco and Houston flights feature flat beds.

# CREATE A SINGAPORE ACCOUNT TRANSFER YOUR POINTS TO SINGAPORE MILES

Google “Join Singapore KrisFlyer” and click the top link to open a free Singapore Airlines frequent flyer account.

Transfers from Ultimate Rewards, Membership Rewards, and Citi ThankYou Points to Singapore miles all take about 19-48 hours. My most recent transfer in July 2015 from Citi ThankYou Points to Singapore miles were in my Singapore account when I checked 19 hours after the transfer. SPG transfers take at least as long as the other three.

Once I find award space, I initiate the transfer by signing into my Citi ThankYou account and following the links to transfer points to Singapore miles.

Award space changes all the time, so in a worst-case scenario, your award space could disappear before your miles posted. I can handle the small chance that my award space will disappear. Maybe it will reappear later. If not, I can always use Singapore miles in the future for a different high-value award. If you cannot handle that, transfer your ThankYou Points to Singapore miles before you start searching (i.e. reverse steps two and three).

*I avoid transferring to Singapore miles before finding award space because I like to maintain all my transfer options with my transferable points until I know for sure which type of miles I want to transfer to.*

# BOOK THE SINGAPORE AWARD

Once your miles post, you have to call Singapore Airlines to book the award. Call 213-404-0301 and be ready with your Singapore Airlines KrisFlyer account number and six digit PIN.

Feed the agent the date, flight number, and cabin of each flight you want.

For cabin, call United First Class on its two-cabin planes "Business Class" because that is what the agent needs to search for.

The agent will charge you taxes denominated in Singapore dollars. If you convert that price to US dollars, it should be about \$5.60 per person per direction, the standard taxes on domestic awards. Pay with a card with no foreign transaction fees like the Citi ThankYou Premier.

Within a few minutes, you should get an email from Singapore Airlines with an attachment like this....

## SINGAPORE AIRLINES LIMITED



### Electronic Ticket Receipt: [REDACTED]

GRIMMER/SCOTT MR

Booking Reference: [REDACTED]

Frequent Flyer Number: [REDACTED]

Date of Issue: 23 Mar 2015

Place of Issue: Singapore Airlines Krisflyer  
Contact Centre Singapore  
Singapore

### Flight Details

Ticket Number: [REDACTED]

UA 5106 Operated by Mesa Airlines Dba Unite

Economy Class (X)

From: Atlanta (ATL-Hartsfield Jackson Atl) Terminal: N Depart: [REDACTED], 06:27 Status: Confirmed  
To: Houston (IAH-G.Bush Intercont) Terminal: C Arrive: [REDACTED], 07:53 Stopovers: 0

Baggage Allowance: 0 Pc

UA 169 Operated by United Airlines

Business Class (I)

From: Houston (IAH-G.Bush Intercont) Terminal: C Depart: [REDACTED], 09:40 Status: Confirmed  
To: Honolulu (HNL-Honolulu Intl) Terminal: M Arrive: [REDACTED], 13:08 Stopovers: 0

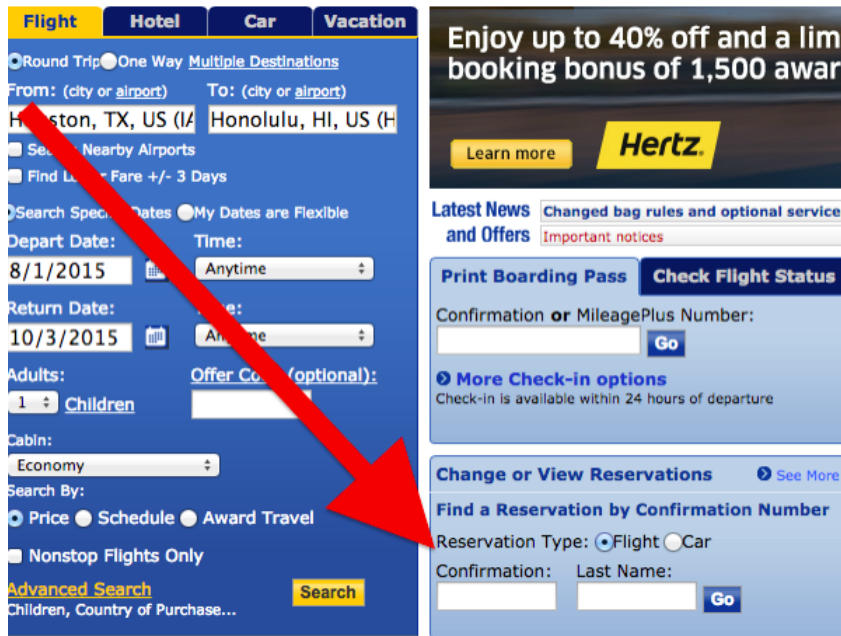
Baggage Allowance: 0 Pc

### Payment Details

Fare:	0.00 SGD	Form of Payment 1:	[REDACTED]
Tax:	AY 7.80 SGD	IRU Certificate:	[REDACTED]
Total:	7.80 SGD	Form of Payment 2:	[REDACTED] 7.80 SGD
		Restrictions:	BG UA

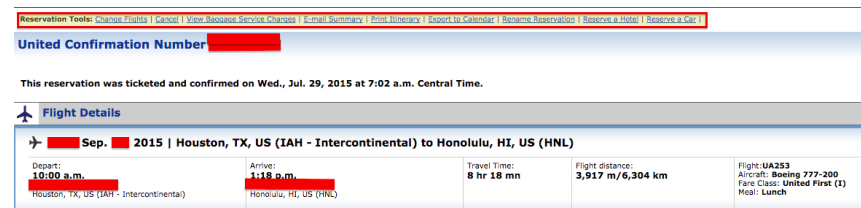
# PICKING SEATS

To pick your seats and confirm that your reservation was ticketed correctly, head to [united.com](http://united.com) and input the Singapore Airlines confirmation number on the home page where it says, “Find a Reservation by Confirmation Number.” The Singapore Airlines confirmation number is the six letter/number code listed on your email attachment next to “Booking Reference.”



The screenshot shows the United.com homepage. A red arrow points from the 'Find a Reservation by Confirmation Number' section to the 'Search' button. The page features a top navigation bar with 'Flight', 'Hotel', 'Car', and 'Vacation' tabs. Below this is a search bar with fields for 'From: (city or airport)' and 'To: (city or airport)', and a 'Search' button. The 'Find a Reservation by Confirmation Number' section is highlighted with a red arrow. It includes a 'Reservation Type' dropdown set to 'Flight', a 'Confirmation' field, and a 'Last Name' field. A 'Go' button is at the bottom of this section. The page also displays a 'Hertz' advertisement and a 'Latest News and Offers' section.

United.com will recognize the Singapore Airlines confirmation number. You can select your seats and note your United confirmation number, which will be a different six letter/number code. You can also permanently add this reservation to your [united.com](http://united.com) account, which will be convenient for checking in without having to search for it again. To do that, click “Add to Account” from the tiny links above “United Confirmation Number.” That option isn't available in the screen shot below because I had already added my Singapore award to my United account before I thought to take a screen shot.



The screenshot shows the United.com 'Find a Reservation by Confirmation Number' page. The 'United Confirmation Number' field is filled with a redacted number. Below this, the page displays the reservation details for a flight from Houston, TX, US (IAH) to Honolulu, HI, US (HNL) on September 1, 2015. The flight is operated by Singapore Airlines (SQ) and is a Boeing 777-300ER. The departure time is 10:00 a.m. and the arrival time is 1:18 a.m. The flight duration is 8 hr 18 mn. The flight distance is 3,917 m/6,304 km. The flight class is United First (1X) and the meal is Lunch. The page also includes a 'Print Boarding Pass' button and a 'Check Flight Status' button.

## OTHER BENEFITS OF SINGAPORE AIRLINES AWARDS OVER UNITED AWARDS

1. United charges \$75 to book an award within 21 days of departure. Singapore charges no fee for such bookings.
2. United charges \$200 to cancel an award booking and get your miles back. Singapore charges \$30.
3. United charges \$75 to \$100 to change an award booking. Singapore charges \$20.

## TRIP 3

### LOS ANGELES TO TO SYDNEY TO BANGKOK TO LOS ANGELES

TRIP: applicable for anywhere from the continental United States to anywhere in Australia or New Zealand to anywhere in Southeast Asia

CABIN:  
economy on two parts, first class on one

MILES NEEDED:  
72,500 American Airlines miles and 40,000 United miles

HOW YOU'LL GET THEM:  
Citi AAdvantage Executive Card  
(\$7,500/3 months) and Sapphire Preferred  
(\$4,000/3 months)

TAXES/FEES/FUEL SURCHARGES:  
\$137 per person total

We are going to book three separate awards.

From our home airport (I'll use Los Angeles here, but it can be anywhere in the continental U.S. or Canada) to Sydney (could be anywhere in Australia or New Zealand) in economy with American Airlines miles.

From Sydney to Bangkok (could be anywhere in Southeast Asia) in First Class with United miles.

From Bangkok to our home airport in economy with American Airlines miles.

#### AMERICAN AIRLINES CHARGES (ONE WAY PRICES):

- **37,500 miles in economy between United States/Canada and Australia/New Zealand**
- 62,500 miles in business
- 72,500 miles in first
- 35,000 miles in economy between United States/Canada and SE Asia
- 55,000 miles in business
- 67,500 miles in first

#### UNITED CHARGES (ONE WAY PRICES):

- 17,500 miles in economy between Australia/New Zealand and SE Asia
- 30,000 miles in business
- **40,000 miles in first**

The bolded awards are the ones we're planning to book, but you could book business and first class on all legs by opening more credit cards.

**THIS TIME THERE ARE ALSO FOUR STEPS TO BOOKING THE TRIP.**



# OPEN THE AAdvantage Executive AND SAPHIRE PREFERRED CARDS

The AAdvantage Executive offers 75,000 bonus American Airlines after spending \$7,500 in the first three months. It has a \$450 annual fee, and that offers full membership to Admirals Club lounges at 90 locations worldwide for you, your spouse, and all children under 18 OR you and any two guests.

The Sapphire Preferred offers 40,000 bonus Ultimate Rewards after spending \$4,000 in the first three months. It offers an extra 5,000 points for adding an authorized user when you apply. That card is sent to you, so you can add anyone and cut it up when it arrives. It has no annual fee the first year, then \$95. Ultimate Rewards transfer 1:1 instantly to United miles.

Both cards' application links can be found at [milevalue.com/booklinks](http://milevalue.com/booklinks)

If the annual fee on the AAdvantage Executive card is too high, you can sub in two cards in its place:

1. The American Airlines Platinum card with 50,000 miles after spending \$3,000 in three months and no annual fee the first year (\$95 thereafter)
2. The Starwood Preferred Guest American Express with 25,000 Starpoints after spending \$3,000 in three months and no annual fee the first year (\$95 thereafter). Starpoints transfer 1:1 to American Airlines with a 5,000 miles bonus for every 20,000 Starpoints transferred, so 25k Starpoints = 30k AA miles

Or if you wanted to fly Business Class on all the long-haul flights, you could get the AAdvantage Executive card and the American Airlines Platinum card. Just make sure you get them at least eight days apart because both are issued by Citi, and Citi won't approve two cards within a week.

# **FIND AWARD SPACE ON AMERICAN AIRLINES AWARDS AND PUT THEM ON HOLD**

From the United States to Australia, American Airlines and Qantas are the key partners of American Airlines miles.

# ROUTES & AWARD SPACE

American flies from:

- Los Angeles to Sydney (starting December 17, 2015)

Qantas flies from:

- Los Angeles to Sydney, Brisbane, and Melbourne
- Dallas to Sydney
- San Francisco to Sydney (starting December 20, 2015)
- Honolulu to Sydney
- New York-JFK to Los Angeles to Sydney, Brisbane, and Melbourne

Both airlines are searchable on aa.com, so we will search there.

To get to Los Angeles, Dallas, San Francisco, New York, or Honolulu, you can fly American Airlines for zero extra miles as long as you find Saver award space. In Sydney, Brisbane, or Melbourne, you can connect anywhere else in Australia or New Zealand for zero extra miles as long as you find Saver award space.

# AWARD SPACE

Economy award space for two passengers is excellent on all routes for most of the year. I basically never see Business or First Class space for two passengers on the same flight between the United States and Australia. Occasionally there is one award seat in Business or First Class, but even these are extremely rare.

Los Angeles to Melbourne typifies the excellent award space on Qantas flights in economy for two passengers.

**Departure**  
From: Los Angeles International - LAX and Area  
To: Melbourne Tullamarine - MEL  
Flight Date: Tuesday, June 7, 2016  
Miles Used: 37,500  
**Taxes and Carrier-Imposed Fees:**  
All award travel requires the government taxes/fees, and carrier-imposed fees when applicable, from \$5.60 per person per award

**Award Legend** Taxes and Carrier-Imposed Fees Apply  

Economy MileSAAver

Business/First MileSAAver Not Available

First MileSAAver Not Available

\* Valid for Business/First on flights with two classes of service where applicable and Business class on all flights.

Number of Stops: Non-stop only  
Calendar(s) displays the lowest available Award Miles for that day

April / May 2016 Requested: Tue Jun 7 Close Full Calendar  
SUN MON TUE WED THU FRI SAT  
12 37.5K 13 37.5K 14 37.5K 15 16  
17 37.5K 18 37.5K 19 37.5K 20 37.5K 21 37.5K 22 23  
24 37.5K 25 37.5K 26 37.5K 27 37.5K 28 37.5K 29 37.5K 30  
1 37.5K 2 37.5K 3 37.5K 4 37.5K 5 37.5K 6 37.5K 7  
8 37.5K 9 37.5K 10

The total taxes are \$26 on the one way award.

Your Trip Price:

37,500 miles

+\$25.90 USD

Business Class award space on Qantas between the United States and Australia is rare, but it exists if you're traveling solo.

**Departure**  
From: Los Angeles International - LAX and Area  
To: Melbourne Tullamarine - MEL  
Flight Date: Tuesday, June 7, 2016  
Miles Used: 37,500  
**Taxes and Carrier-Imposed Fees:**  
All award travel requires the government taxes/fees, and carrier-imposed fees when applicable, from \$5.60 per person per award

**Award Legend** Taxes and Carrier-Imposed Fees Apply  

Economy MileSAAver

Business/First MileSAAver\*

First MileSAAver Not Available

\* Valid for Business/First on flights with two classes of service where applicable and Business class on all flights.

Number of Stops: Non-stop only  
Calendar(s) displays the lowest available Award Miles for that day

May / June 2016 Requested: Tue Jun 7 Close Full Calendar  
SUN MON TUE WED THU FRI SAT  
24 37.5K 25 37.5K 26 37.5K 27 37.5K 28 37.5K  
29 37.5K 30 37.5K 31 37.5K 1 37.5K 2 37.5K 3 37.5K 4 37.5K  
5 37.5K 6 37.5K 7 37.5K 8 37.5K 9 37.5K 10 37.5K 11 37.5K  
12 37.5K 13 62.5K 14 37.5K 15 62.5K 16 37.5K 17 37.5K 18 37.5K

First class award space is even rarer. I sometimes see it like these seats that were available for booking in February 2015 for October 2015 travel, but I don't see any at the moment.

**Departure**

**From:** Dallas Fort Worth International - DFW and Area

**To:** Sydney Kingsford Smith - SYD

**Flight Date:** Sunday, October 18, 2015

**Miles Used:** 37,500

**Taxes and Carrier-imposed Fees:**  
All award travel requires the government taxes/fees, and carrier-imposed fees when applicable, from \$5.60 per person per award

Number of Stops: Non-stop only

Calendar(s) displays the lowest available Award Miles for that day

**Award Legend** Taxes and Carrier-imposed Fees Apply Award Details

Economy MileSAAver

Business/First MileSAAver\*

First MileSAAver

\* Valid for Business/First on flights with two classes of service where applicable and Business class on all flights.

October / November 2015 Requested: Sun Oct 18 Close Full Calendar




SUN	MON	TUE	WED	THU	FRI	SAT
4	5	6	7	8	9	10
11 72.5K	12	13	14	15	16	17
18 72.5K	19	20	21	22	23	24
25 37.5K	26 37.5K	27	28 37.5K	29 37.5K	30	31

*It is a shame because Qantas First Class looks awesome!*




Once you find award space from your home airport to where you want to go in Australia or New Zealand on aa.com, do not book it. Go through all the steps of filling in the passenger information and selecting seats, but select AAdvantage Hold instead of paying. This holds the award space for five days.

Review itinerary and pay for your trip  
Select a payment option

 Credit / Debit Card <input type="radio"/>	 6 Month Financing <input type="radio"/>	 AAdvantage® Hold <input checked="" type="radio"/>
---	---	---

Hold Your Reservation  
If you are not ready to purchase your ticket now, you may HOLD your reservation until September 27, 2015.  
No Credit Card required



Now we move on to the return from Southeast Asia. American Airlines doesn't fly south of Hong Kong in Southeast Asia, so we will need to find award space on Cathay Pacific and its subsidiary Dragonair either to connect to an American Airlines flight or to come all the way home. Cathay Pacific award space is NOT searchable on aa.com. Instead we will search it on ba.com, which I explained how to do in Chapter 2.

Cathay Pacific flies from Hong Kong to New York-JFK, Newark, Boston, San Francisco, Los Angeles, and Chicago. In the case of our example, we would search from Bangkok to Los Angeles. If you live somewhere else, I would search from Bangkok to the nearest one of Cathay Pacific's destinations and then search for American Airlines award space from there to your home airport.

Any Cathay Pacific or Dragonair award space on ba.com is bookable with American Airlines miles. Note the date, cabin, and flight number of the award space, call 800-882-8880 and feed those details to an American Airlines phone agent. Ask the phone agent to put the award on a five-day hold for you, and she will give you the confirmation number. She will quote taxes of about \$51.

# FIND AWARD SPACE FOR UNITED AIRLINES AWARD

The main United partner flying from Australia and New Zealand to Southeast Asia is Thai Airways. You can search and book Thai Airways award space on united.com. Just click “Search for award travel” on the home page.

Award space is excellent on Thai's two daily flights. You are looking in the First Saver Award column.

Expanded view		List view								
Depart	Arrive	Stops	Duration			Economy (lowest)	Business Saver Award	Business Standard Award	First Saver Award	First Standard Award
10:00 a.m.	3:25 p.m.	Nonstop	9h 25m	<a href="#">Details</a>	<a href="#">Seats</a>	Saver Award 17.5k miles +\$60	30k miles +\$60	50k miles +\$60	Not available	Not available
Operated By Thai Airways										
Thu, Feb 18	Fri, Feb 19									
10:00 p.m.	3:25 a.m.	Nonstop	9h 25m	<a href="#">Details</a>	<a href="#">Seats</a>	Saver Award 17.5k miles +\$60	30k miles +\$60	50k miles +\$60	40k miles +\$60	70k miles +\$60
Operated By Thai Airways										
<div><div>1</div><div>Please note this flight involves a date change.</div></div>										

The award costs 40,000 miles and \$60 one way for a top-of-the-line, flat-bed international first class product with amazing food and service.

# TRANSFER ULTIMATE REWARDS, BOOK ALL THREE AWARDS

Once you've held the American Airlines award and found the United award, you can sign into your Chase account and transfer Ultimate Rewards to your United account instantly. Just sign out of and back into your United account, and they should be there. Then book the United award on Thai Airways.

Then book the two held American Airlines awards—the one to Australia online and the one home by phone.

The taxes on the three awards add up to about \$137 total per person.

This trip has a lot of scope for further exploration in Australia, New Zealand, and Southeast Asia. Within Southeast Asia, I'd recommend low-cost carriers to hop around. They are plentiful and cheap. Within Australia and New Zealand, I'd recommend booking awards on Qantas flights with Avios.



# TRIP 4

## **SOUTH AMERICA HOPPER**

TRIP: to and within South America

CABIN:  
economy or business class

MILES NEEDED:  
Cathay Pacific Asia miles, the exact number depends on your exact journey. I'll show an amazing 11 city journey that costs 85,000 miles in economy and 115,000 in business

HOW YOU'LL GET THEM:  
ThankYou Premier (\$3,000/3 months) and Citi Prestige (\$3,000/3 months)

TAXES/FEES/FUEL SURCHARGES:  
ballpark the taxes at \$30 per segment, no fees or fuel surcharges



I'm going to show you how to book a mega-award to South America with Cathay Pacific Asia Miles—a transfer partner of Citi ThankYou Points, American Express Membership Rewards, and SPG Starpoints.



#### Asia Miles

Asia Miles™, Asia's leading travel reward program, has a portfolio of more than 500 partners worldwide featuring over 20 world-class airline partners including Cathay Pacific Airways and Dragonair. Asia Miles members earn miles by spending with partners in 9 categories including Airlines, Hotels, Retail and more. Miles can be redeemed for flights awards and other lifestyle awards such as hotel stays, culinary delights, electronic gadgets, and concert tickets.

Get 1,000 Asia Miles for  
1,000 pts

**SIGN IN**

Asia Miles can be used to book any oneworld airline's award space plus space on its partners Aer Lingus and Alaska Airlines.



Asia Miles charges fuel surcharges on award tickets when the equivalent cash tickets would have fuel surcharges. In practice, that means all Asia Miles awards will have fuel surcharges except flights on:

- airberlin
- Niki (Austrian low-cost subsidiary of airberlin that flies to these destinations)
- S7 (Russian airline)
- American Airlines flights within the Americas
- LAN Airlines (South American airline)
- TAM Airlines (Brazilian Airline with Paraguayan subsidiary)
- Alaska Airlines

Since I like to avoid fuel surcharges, I would almost exclusively book those flights with Asia Miles. Asia Miles awards that don't include a segment on Cathay Pacific (which I would book with American Airlines or Alaska miles, not Asia Miles) can have five stopovers, two open-jaws, and two transfers. I'll discuss these rules in detail later.

## Conditions

1. The awards zone is determined by the actual miles flown in all of the sectors of your itinerary.
2. You can make a maximum of five stopovers, two transfers and two open-jaws at either origin, en-route or turnaround point, subject to airline partners' terms and conditions.
3. Fees and taxes imposed by government, other authority, or by the operator of an airport are HKD50.00 or more, and additional carrier-imposed charges, surcharges or fees of HKD193.00 or more will apply. The actual required miles and government and airport taxes/fees plus all carrier-imposed surcharges for all passengers will be advised at the time of booking.
4. All award travel terms and conditions apply.

Add up the distance flown on all the flights, and then read the award price off this distance-based award chart.

Award Zone	Distance in actual miles	Asia Miles required to claim award/ award type		
		Economy Class	Business Class	First Class
01	0 - 1,000	30,000	55,000	70,000
02	1,001 - 1,500	30,000	60,000	80,000
03	1,501 - 2,000	35,000	65,000	90,000
04	2,001 - 4,000	35,000	70,000	95,000
05	4,001 - 7,500	60,000	80,000	105,000
06	7,501 - 9,000	60,000	85,000	115,000
07	9,001 - 10,000	65,000	95,000	130,000
08	10,001 - 14,000	85,000	115,000	155,000
09	14,001 - 18,000	90,000	135,000	190,000
10	18,001 - 20,000	95,000	140,000	205,000
11	20,001 - 25,000	110,000	160,000	235,000
12	25,001 - 35,000	130,000	190,000	275,000
13	35,001 - 50,000	150,000	220,000	335,000

As you can see, there are a number of sweet spots in economy since the price barely rises from 1,001-4,000 miles flown or from 4,001-7,000 miles flown or from 10,001-20,000 miles flown.

In business class, the prices rise more steadily, but just under 9,000 miles flown looks pretty sweet.

The first class chart is largely irrelevant because the only first class by an airline on the no-fuel-surcharges list is American Airlines first class, which isn't that great and is being removed from most planes.

# RULES FOR AWARDS

There are two award charts, each with its own set of rules. This section will only focus on the chart for awards that contain:

- Two oneworld alliance airlines, where Cathay Pacific or Dragonair is not included; or
- Three or more oneworld alliance airlines when Cathay Pacific or Dragonair is included.

Cathay Pacific and Dragonair don't fly to South America, so we'll always be on the "oneworld Multi-Carrier Awards Chart."

## The big rule of the multi-carrier award chart is:

- You can make a maximum of five stopovers, two transfers and two open-jaws at either origin, en-route, or turnaround point, subject to airline partners' terms and conditions.

Award Zone	Distance In actual miles	Asia Miles required to claim award/ award type		
		Economy Class	Business Class	First Class
01	0 - 1,000	30,000	55,000	70,000
02	1,001 - 1,500	30,000	60,000	80,000
03	1,501 - 2,000	35,000	65,000	90,000
04	2,001 - 4,000	35,000	70,000	95,000
05	4,001 - 7,500	60,000	80,000	105,000
06	7,501 - 9,000	60,000	85,000	115,000
07	9,001 - 10,000	65,000	95,000	130,000
08	10,001 - 14,000	85,000	115,000	155,000
09	14,001 - 18,000	90,000	135,000	190,000
10	18,001 - 20,000	95,000	140,000	205,000
11	20,001 - 25,000	110,000	160,000	235,000
12	25,001 - 35,000	130,000	190,000	275,000
13	35,001 - 50,000	150,000	220,000	335,000

# HERE'S WHAT I'VE FIGURED OUT:

1. As usual a transfer is a layover of less than 24 hours. A stopover is a layover of more than 24 hours.
2. If you need more transfers than the two allowed, you can ask an agent to count a transfer as a stopover. As an example, say you want to have three transfers and three stopovers—something like JFK-MIA-BOG; BOG-LIM-SCL; SCL-EZE; EZE-MIA-JFK where the stopovers are denoted by a semicolon after the airport code—this is illegal. But if you make a transfer a stopover, now you have two transfers and four stopovers, which is OK. Ask the agent to make the first Miami transfer a stopover even though it is under 24 hours.
3. You get five stopovers for five total 24+ hour stops. With other types of miles, if an award is allowed one stopover, like a roundtrip United award, that's in addition to your 1 destination, so you really get to stop 24+ hours in two places. Here you get five total, not 5 + 1.
4. Open jaws do NOT count as a stopover. As an example, a super-simple award like Miami to Lima, returning Quito to Miami has 1 open jaw, zero stopovers, and zero transfers. That is an award that sees two places with no stopovers.
5. That means your 5 stopovers plus 2 open jaws, which each can see two places without burning a stopover is already 9 places you can see. Add in the under-24 hour transfers, and you can see 11 places.
6. Unfortunately not all agents are well trained on the point that open jaws do NOT count as stopovers. Some agents will count open jaws as stopovers, but you should just ask them to try putting your routing into the system and the system will accept a routing with 5 stopovers plus 2 other open jaws. You may have best results calling the agents on the Cantonese line and then speaking English with them because these are the best-trained agents.
7. An open jaw may be at any point during the award or even between where the award begins and ends. Some agents say that if there is an open jaw between the first and last city of an award, both cities must be in the same country.
8. You may be able to later transit your origin region or even stopover there (which would allow you to combine two separate trips onto one cheap award. Here is an example of someone who ticketed Brazil/Argentina/Peru and a later trip to San Francisco onto one award.)
9. The Asia Miles website suggests filling out a form to request your award. Don't. Call in to book your awards.
10. The ticketing time on awards—the time from your call until you receive a final confirmation that everything is ticketed—is between 15 hours and one week.

Here's an award that follows all those rules that sees 11 cities in South America.



- Miami to Barranquilla, Colombia (1) on American Airlines. Stopover #1
- Barranquilla to Bogotá, Colombia (2) on LAN Airlines, layover of less than 24 hours, enough time to see a few museums and go out for a night. Transfer #1
- Bogotá to Lima, Peru (3) on LAN Airlines. Stopover #2
- Lima to Santiago, Chile (4) on LAN Airlines. Stopover #3
- Santiago to Buenos Aires, Argentina (5) on LAN Airlines. Stopover #4
- Buenos Aires to Sao Paulo, Brazil (6) on LAN Airlines, layover of less than 24 hours, enough time to eat at a churrascaria and go out for a night. Transfer #2
- Sao Paulo to Foz do Iguacu, Brazil (7) on TAM Airlines. Open Jaw #1 because you will not fly out of Foz do Iguacu
- Porto Alegre, Brazil (8) to Rio de Janeiro, Brazil (9) on TAM Airlines. Stopover #5
- Rio de Janeiro to Natal, Brazil (10) on TAM Airlines. Open Jaw #2 because you will not fly out of Natal
- Recife, Brazil (11) to Miami on American Airlines.

*There are holes in two spots in Brazil that you can fill with buses or separate cash or award tickets.*

The flown distance is 12,330 miles according to Great Circle Mapper, so this award would cost 85,000 Asia Miles in economy or 115,000 Asia Miles in business class plus government taxes. There would be no fuel surcharges.

7 segment path:				6510 mi
<a href="#">MIA</a> (25°47'43"N 80°17'24"W)	<a href="#">BAQ</a> (10°53'22"N 74°46'50"W)	159.6° (S)	166.0° (S)	1087 mi
<a href="#">BAQ</a> (10°53'22"N 74°46'50"W)	<a href="#">BOG</a> (4°42'11"N 74°08'18"W)	174.0° (S)	181.5° (S)	427 mi
<a href="#">BOG</a> (4°42'11"N 74°08'18"W)	<a href="#">LIM</a> (12°01'19"S 77°06'52"W)	190.1° (S)	197.0° (S)	1167 mi
<a href="#">LIM</a> (12°01'19"S 77°06'52"W)	<a href="#">SCL</a> (33°23'35"S 70°47'09"W)	165.8° (S)	167.2° (S)	1524 mi
<a href="#">SCL</a> (33°23'35"S 70°47'09"W)	<a href="#">EZE</a> (34°49'20"S 58°32'09"W)	101.4° (E)	99.2° (E)	709 mi
<a href="#">EZE</a> (34°49'20"S 58°32'09"W)	<a href="#">GRU</a> (23°25'55"S 46°28'10"W)	46.0° (NE)	54.4° (NE)	1070 mi
<a href="#">GRU</a> (23°25'55"S 46°28'10"W)	<a href="#">IGU</a> (25°35'46"S 54°29'14"W)	251.9° (W)	273.0° (W)	526 mi
2 segment path:				1981 mi
<a href="#">POA</a> (29°59'40"S 51°10'17"W)	<a href="#">GIG</a> (22°48'32"S 43°14'37"W)	46.6° (NE)	63.2° (NE)	697 mi
<a href="#">GIG</a> (22°48'32"S 43°14'37"W)	<a href="#">NAT</a> (5°46'08"S 35°21'59"W)	25.4° (NE)	47.9° (NE)	1284 mi
<a href="#">REC</a> (8°07'36"S 34°55'23"W)	<a href="#">MIA</a> (25°47'43"N 80°17'24"W)	308.9° (NW)	331.1° (NW)	3839 mi
Total:				12330 mi



# PRACTICAL CONSIDERATIONS

If you don't live in Miami or Dallas, you'll probably need to use your two transfers to get to and from those cities. The vast majority of South American flights on oneworld leave from Miami and Dallas, so if you live somewhere like Los Angeles, you will probably need one transfer in each direction to start and finish the award.

Here is an award from Los Angeles with four stopovers in South America, two transfers in the United States, and zero open jaws.



That's not to say that all international flights to the Americas leave from Miami and Dallas. The following cities all have international flights on American or Alaska Airlines. The black dots mostly have flights to Mexican vacation destinations, of which only Cancun is well connected to South America.



Open jaws are so powerful because they don't cost you a stopover and you get two see two places.

Some easy open jaws:

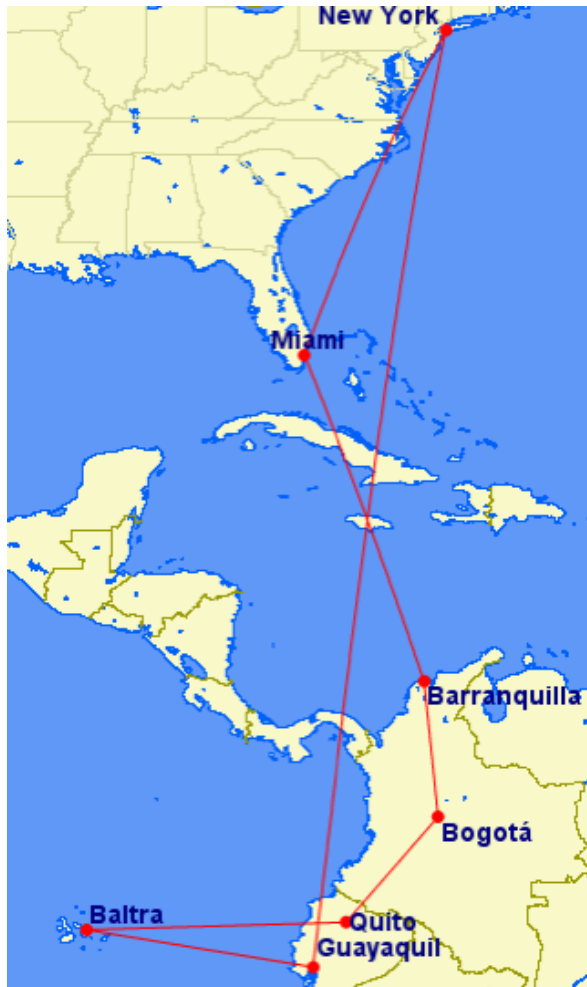
- Between Buenos Aires and Montevideo, which is served by a two-hour ferry
- Between Foz do Iguacu, Brazil and Puerto Iguazu, Argentina, which is a short car ride (and Ciudad del Este, Paraguay is right there too, but that is the sketchiest and most boring city I've visited in South America)
- Punta Arenas, Chile and El Calafate, Argentina are a five-hour bus ride apart
- Many Central American capitals are very close
- Santiago, Chile and Mendoza, Argentina are a common bus ride apart
- Punta Arenas, Chile and Ushuaia, Argentina are not convenient A to B, but an open jaw between the two would allow you to explore Patagonia by boat, bus, and small airplane like I did last December



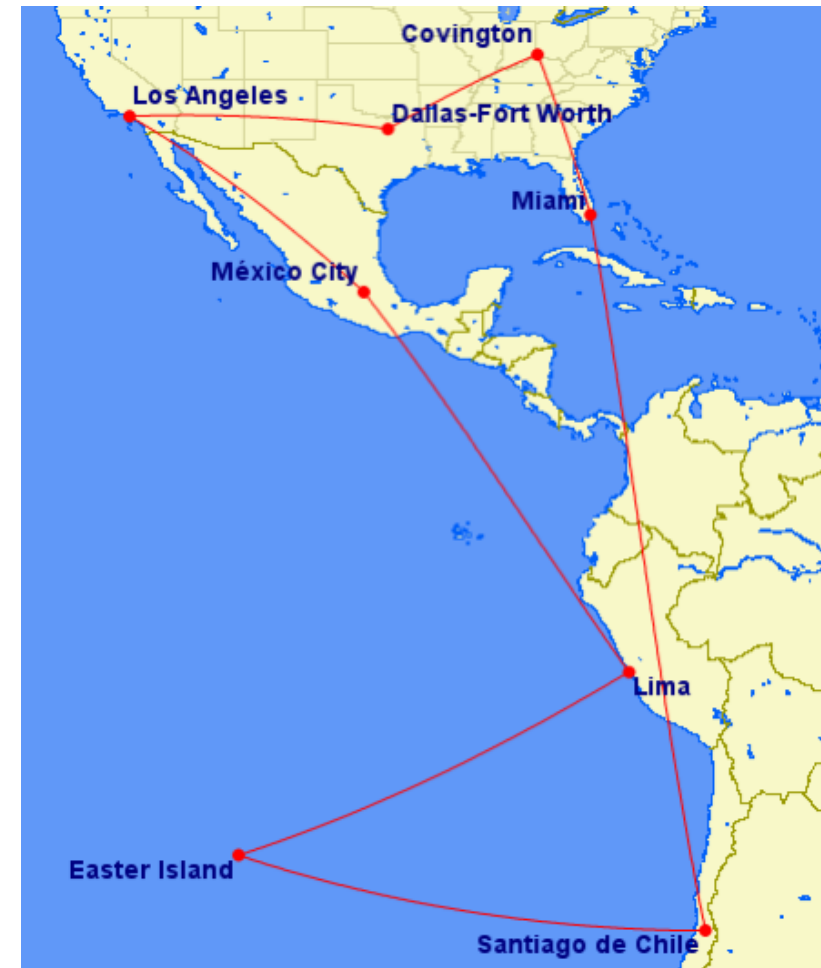
Sao Paulo, Rio de Janeiro, and Buenos Aires all have at least two major airports. I do not know whether flying into one airport and out of another airport in those cities counts as an open jaw or whether the airports are considered co-terminals like JFK/LGA/EWR usually are in New York.

# FUN CONSIDERATIONS

LAN flies to the Galapagos Islands (GPS is one airport) from Guayaquil and Quito, Peru.



LAN flies to Easter Island from Santiago and Lima.



There's no reason your award has to start in the United States.

It could make sense to book awards from the United States to South America and then just hop around in South America on an Asia Miles award. This one would be 35,000 miles in economy, and you can still add more segments and stops.



5 segment path:					2754 mi
<a href="#">ASU</a> (25°14'23"S 57°31'09"W)	<a href="#">VVI</a> (17°38'41"S 63°08'07"W)	324.2° (NW)	337.9° (N)		635 mi
<a href="#">VVI</a> (17°38'41"S 63°08'07"W)	<a href="#">IQQ</a> (20°32'07"S 70°10'53"W)	245.5° (SW)	257.0° (W)		502 mi
<a href="#">IQQ</a> (20°32'07"S 70°10'53"W)	<a href="#">SCL</a> (33°23'35"S 70°47'09"W)	182.3° (S)	186.7° (S)		886 mi
<a href="#">SCL</a> (33°23'35"S 70°47'09"W)	<a href="#">MDZ</a> (32°49'54"S 68°47'34"W)	72.0° (E)	69.9° (E)		122 mi
<a href="#">MDZ</a> (32°49'54"S 68°47'34"W)	<a href="#">AEP</a> (34°33'33"S 58°24'56"W)	104.1° (E)	104.1° (E)		609 mi
Total:					2754 mi

If you convince an agent to let you stopover in your city of origin, you can have two trips on a single cheap award. This award is Dallas to Cancun round trip, followed months later by Dallas to Bogota to Lima, open jaw returning Cuzco to Lima to Dallas. It would cost 65,000 Asia Miles in economy and 95,000 in business class.



## GETTING THE MILES

Asia Miles are a 1:1 transfer partner of Citi ThankYou Points. The transfer takes one business day. You can get 106,000 ThankYou Points by opening the Citi ThankYou Premier and Citi Prestige eight days apart. You can use 106,000 ThankYou Points for up to 20,000 miles flown in economy on a single award or 10,000 miles in business class.

- Citi ThankYou Premier Card: 50,000 bonus ThankYou Points after \$3,000 in purchases made with your card in the first 3 months the account is open. The card also earns 3x points on travel and gas and 2x points on dining and entertainment.
- Citi Prestige Card: 50,000 bonus ThankYou Points after \$3,000 in purchases made with your card in the first three months the account is open. The card also earns 3x points on airfare and hotels and has a host of benefits like lounge access and \$250 in free airfare per year.

Links to the application pages of both cards are available at [milevalue.com/booklinks](http://milevalue.com/booklinks)

## SEARCHING

The relevant airlines for a South America awards are American Airlines, Alaska Airlines, LAN, and TAM.

American and Alaska are best searched on [aa.com](http://aa.com). You can only use MileSAAver award space.

LAN and TAM are best searched on [ba.com](http://ba.com). You can use any award space you see there.

## BOOKING

Once you've found the award space, call Asia Miles at 866-892-2598 to book the award. Feed the agent the date, cabin, and flight number of each flight you found with award space.

If your award comes close to maxing out the five stopovers, two open jaws, or two transfers, I would proactively lead the call by saying things like, "Next is Bogota to Lima on January 10 on LAN flight 123 in economy. Bogota is my first open jaw because I continue the award from Quito. The next flight is..." The agents seem to have some discretion in their counting, so you want to suggest how they count.

If you're having trouble with the Asia Miles agents at that number, call the Cantonese line at +852 2747 3838 from your gmail account for two cents per minute.

## TAXES, FEES, AND FUEL SURCHARGES

Taxes will vary based on your routing. I would make a ballpark estimate of about \$30 per segment flown. There are no fees or fuel surcharges on this award.

# CALENDAR STEPS

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<div>WEEK</div> <div>1</div>	<div>○ Identify your travel goal.</div> <div>PAGE 6</div>	<div>○ Familiarize yourself with the five types of miles.</div> <div>PAGE 8</div>	<div>○ Sign up for one loyalty program per alliance.</div> <div>PAGE 23</div>
<div>WEEK</div> <div>2</div>	<div>○ Complete Module 1 Quiz and Worksheet.</div> <div>PAGE 34</div>	<div>○ Determine the best type of miles for your trip and how many miles you need to earn for your trip.</div> <div>PAGE 35</div>	<div>○ If you chose Region Based miles, figure out the best Region Based miles with the circular process outlined in Chapter 2. (Determine which miles offer the cheapest award, whether there is award space on an airline partner of those miles, and where there is availability without fuel surcharges).</div> <div>PAGE 37</div>
<div>WEEK</div> <div>3</div>	<div>○ Complete Quiz 3 to ensure you understand how free one ways, open jaws and stopovers work and consider customizing your trip.</div> <div>PAGE 98</div>	<div>○ Decide if you'll use credit card bonuses as part of your miles strategy. If not, make a plan to earn your miles without credit cards.</div> <div>PAGE 99</div>	<div>○ If yes, select and sign up for a credit card that will help you reach your miles goals for your dream trip.</div> <div>PAGE 122</div>

# CALENDAR STEPS

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<p>WEEK</p> <p><b>4</b></p>	<ul style="list-style-type: none"><li>○ Go over your monthly spending to determine how and when you can meet minimum spending requirements without increasing your normal spending.</li><li>○ Sign up for Award Wallet</li></ul> <p><b>PAGE 134</b></p> <p><b>PAGE 121</b></p>
<p>WEEK</p> <p><b>5</b></p>	<ul style="list-style-type: none"><li>○ Make sure you reach your minimum spend - points are posted at the end of each month's credit bill</li><li>○ Book your flight</li></ul> <p><b>PAGE 111</b></p>
<p>WEEK</p> <p><b>6</b></p>	<ul style="list-style-type: none"><li>○ Arrange accommodation for your trip</li><li>○ Plan your next trip</li></ul> <p><b>PAGE 142</b></p>

# F.A.Q SECTION

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- All the examples in this book were about award travel for one person. How do I do it for multiple travelers?

The same way. Each person can get his or her own miles and book their own trip. Or one person can get the miles for everyone because (with very few exceptions), anyone's miles can book anyone a trip. Keep in mind creative ways to get on the same flight with partners. You could earn 60,000 Singapore miles and 80,000 United miles and book one roundtrip in first class to Hawaii with each type on the same United flight.

- I am using Region Based miles to go from Tampa to Paris. I found Saver economy space from Tampa to Newark and Saver business class space from Newark to Paris. What will the price be?

The price is the price of the most expensive cabin you fly each direction, so in this case, the price is the Business Class Saver price.

But if you fly one direction in economy and one in business, that's what you pay for. You aren't locked into the roundtrip business class price.

- Can I combine Saver and Standard award space?

Sure, but you'll pay the Standard price for the whole direction, which is a terrible deal. To get the Saver award price, you need all the flights to have Saver award space (or be on partner airlines because partner space is always Saver space.)



● Where do transferable points transfer?

Chase Ultimate Rewards	American Express Membership Rewards <i>(partners for Americans): *</i> (partners for Americans): *	Thank You Points 1:1 ratio to the following:	SPG Starpoints
British Airways Korean Air Southwest United Hyatt IHG Marriott Ritz-Carlton Amtrak	Delta SkyMiles AeroMexico Club Premier Miles Air Canada Aeroplan Air France Flying Blue Alitalia MilleMiglia Club ANA Mileage Club Cathay Pacific Asia Miles British Airways Avios Iberia Avios El Al Matmid Points (1,000 MR = 20 points) Emirates Skywards Miles Hawaiian Airlines Miles JetBlue TrueBlue Points (250 MR = 200 points) Singapore KrisFlyer Miles Virgin America Elevate Points (200 MR = 100 points) Virgin Atlantic Flying Club  <b>*Hotels:*</b> Best Western Rewards Points (1,000 MR = 1,000 points) Choice Privileges Points (1,000 MR = 1,000 points) Hilton HHonors Points (1,000 MR = 1,500 points) SPG Starpoints (1,000 MR = 333 points)  <i>*Airlines (all transfer options 1,000 Membersip Rewards to 1,000 miles unless noted):*</i>	Cathay Pacific Asia Miles EVA Air Infinity MileageLands Etihad Guest Garuda Indonesia Frequent Flyer Qatar Privilege Club *Singapore Airlines KrisFlyer* Thai Airways Royal Orchard Plus *Air France/KLM Flying Blue* Malaysia Airlines Enrich *Virgin Atlantic Flying Club* Qantas miles *Virgin America Elevate* *Hilton (1000 Thank You Points = 1,500 HHonors Points)*	Aeromexico Club Premier Air Canada Aeroplan Air Berlin Air China Companion Air New Zealand Airpoints (65:1) Alaska Airlines Mileage Plan Alitalia MilleMiglia Club All Nippon Airways (ANA) Mileage Club American Airlines Aadvantage Asia Miles Asiana Airlines British Airways Executive Club China Sourthern Airlines' Sky Pearl Club Delta Air Lines SkyMiles Emirates Skywards Etihad Airways Flying Blue Gol Smiles (2:1) Hainan Airlines Hawaiian Airlines Japann Airlines (JAL) Mileage Bank Jet Airways Korean Air  LAN Airlines LANPASS Kms (1:1.5) Miles and More Qatar Airways Saudi Arabian Airlines Alfursan Singapore Airlines KrisFlyer Thai Airways International Royal Orchid Plus United Mileage Plus (2:1) US airways Dividen Miles Velocity Frequent Flyer Virgin Atlantic Flying Club

- What are miles and points worth?

These are my valuations. Yours will differ based on your goals. Use these or your valuations to determine whether to buy miles, book a cash & points award, figure out the rebate percentage of spending on a card, and more:

(in cents per mile/point)

SPG Starpoints 2.5

Virgin America 2.3

Chase Ultimate Rewards 2

American Express Membership Rewards 2

Asiana 2

American Airlines 1.8

Singapore 1.75

Alaska 1.75

British Airways/Iberia 1.7

United 1.6

Copa 1.6

Korean 1.6

Avianca LifeMiles 1.5

Air Canada Aeroplan 1.5

Delta 1.3

Lufthansa Miles & More 1.3

- My miles are about to expire. How do I avoid that?

In most programs, earning or redeeming a single mile extends the life of all miles for 18 or more months.

Dining programs are a great way to earn a few dozen miles quickly that keep thousands active.

There may also be a way to donate miles to a charity like Make a Wish. That donation would also count as a redemption that re-started the clock on expiration.

- My miles expired. Can I do anything about that?

More programs offer a way to buy back expired miles. Often these are really good deals. Google “reinstate [name of airline] miles.” Think of it like buying miles, and make sure you are buying your miles back for less than they are worth.

- Can I combine my miles with my spouse's miles into one account?

**A:** Yes, you can do it for free with Hawaiian Miles, British Airways Avios, and the transferable points SPG Starpoints, and Ultimate Rewards. You can also do it with other types of miles, but there are usually transfer fees above one cent per mile making this a bad idea.

Sharing or transferring American miles costs you \$0.01 per mile, plus a flat \$30 transaction processing charge.

Transferring 1,000 miles costs \$40 or 4 cents per mile. Transferring 10,000 miles costs \$130 or 1.3 cents per mile. I value American Airlines miles at 1.7 cents each, so even larger transfers wipe out almost all the value of the miles and should be avoided at all costs.

But let's look at a workaround, so that you don't have to transfer miles and incur huge fees.

EXAMPLE: I want to fly roundtrip from New York to Berlin. I have 30k AA miles in my account, and my brother has 30k AA miles in his. The award costs 30k miles each way.

If my brother were to transfer me the extra 30k miles I need to book this roundtrip award, it would cost

\$330. Instead, there is an easy way to book this award without incurring the pointless charge. Keep in mind two things:

- Anyone can use their miles to book an award for anyone else.
- Some airlines, including American, allow you to book one-way awards for half the price of a roundtrip.

If you have enough miles, splitting the roundtrip into two one ways booked from separate accounts is an easy way to avoid the transfer fee.

I would simply use my 30k to book a one-way award for the New York to Berlin outbound of my trip, and I would use my brother's 30k to book the Berlin to New York one way return in my name.

Because tickets can be booked in anyone's name from anyone's account, you don't need to transfer miles as often as you might think. That's good news because American's price of 1 cent per mile plus a \$30 transfer fee is common. This basic principal can be applied in a number of ways. I recently booked a roundtrip award from Buenos Aires to Washington DC. I booked the outbound leg as a one way using my American miles, and had someone else book the return leg in my name using his United miles.

- Can I transfer my miles to the account of an airline partner?

No. You cannot transfer miles/points from one airline's account to another, even if they are partner airlines. However, partner accounts can be used to book the same flights.

This is a very common question. People think if American and British are partners, maybe they can pool the two types of miles. Unfortunately you can't pool the miles, but you can have them work together as in the following example.

EXAMPLE: I want to book the same flights as the last example—roundtrip from New York to Berlin. I have 30,000 American Airlines miles and 30,000 Avios. I cannot transfer my American Airlines miles to my British Airways account or vice versa, but I can use either type to book airberlin flights or any other oneworld partner.

I can use my 30,000 American Airlines miles to book the outbound from New York to Berlin, and 20,000 of my Avios for the return on airberlin.

These two examples illustrate two ways to avoid transfers. Avoiding transfers is key since transferring in the first example would have been a prohibitive \$330 and transferring would have been impossible

in the second example. You might notice these are the exact same flights as the last example. That's because we can use American miles or British Airways Avios to fly airberlin, and we can book flights for ourselves from our accounts or someone else's account.

- Which transfer partner of these transferable points is best?

Depends on your trip goal. Transferable points can often be used as Credit Card Points to book any flight or transferred to Airline Points, Region Based Miles, or Distance Based Miles. The best transfer partner depends on the trip you want to take and the best type of miles for that trip. All else being equal though, my favorite transfer partners are:

SPG Starpoints: American and Alaska

Ultimate Rewards: United

Membership Rewards: Delta, Singapore, British Airways, or Aeroplan

ThankYou Points: Singapore

- I am about to close my card that earns transferable points. To which partner should I transfer my points before I close the card?

Depends on your trip goals. See above.

- What is the best First Class or Business Class product to [place]?

If you have the good fortune to find award space on multiple airlines in Business and First Class to your dream destination, start googling trip reports like “Emirates First Class Trip Report” to see which gets better reviews and which appeals to you more. But this should be among the least and last of your worries. Make sure you can find award space on one airline in Business or First Class before you start worrying about which of several products is the best.

- What is the best First Class product in the world?

It depends on what you want. The best ground experiences are flying Thai First Class out of Bangkok (mainly for the free hour-long massage and having a minder meet your plane and lead you through security) and Lufthansa First Class out of Frankfurt (for the First Class Terminal with bath tubs, Cigar Bar, buffet and a la carte dining, and a Porsche on the tarmac directly to your plane).

The best beds for me are Cathay Pacific and Malaysia First Class because they are very long and wide, almost as big as a twin bed. But neither is enclosed. If you prefer an enclosed Suite, consider Singapore, Etihad, or Emirates First Class.

For service, the Asian airlines kill it for consistency and by-the-book service. The Middle Eastern carriers have flight attendants with more personality, but they aren't quite as consistent. American airlines are terrible. European airlines are somewhere in between.

For food, Lufthansa gives you the most caviar. Thai has Thai food (my favorite!). Singapore has a huge variety of ethnic foods to mirror the make up of Singapore.

For wine, I'm way out of my element, but a good trip report will have a snap of the wine menu.

Overall my favorite is Emirates First Class on the A380. The onboard shower and bar put it over the top. Its lounges worldwide are nice, and its Dubai First Class lounge is the biggest in the world and over-the-top in every awesome way.

