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Consumer Focus

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Avoid the SCAMptons: Online Booking Scams

Arriving at your dream summer vacation destination without a lodging reservation would be a real nightmare. Scammers make this nightmare a reality for vacation-goers who seek out travel sites to quickly, easily and cheaply book hotels and vacation rentals online.

These scammers create mock lodging websites by creating slick sites or by copying legitimate popular sites and claiming to be them. Consumers who think they're booking stays through these fake sites find out the hard way that their money has departed while they're left behind. According to a 2015 estimate by the American Hotel & Lodging Association, consumers fall victim to 15 million fake booking scams every year, costing them \$1.3 billion annually. A fraudulent site that tricks you into sending money or providing personal financial information is called a phishing scam.

Here are some tips to safely book a vacation online:

- Be wary of being redirected to fake sites. Redirecting the user to another website without the user realizing it can be easier than you think. One click on an ad or link can lead you to a mock website. These ads, pop-ups, and links to fraudulent websites often appear legitimate.
- Look closely at the web address (URL). Fake websites often have a URL close, but not identical, to the legitimate website address. For example, a widely circulated online report exposed a site impersonating a legitimate online lodging rental site called Airbnb. The fraudulent site used the URL "airbnb.itinerary-booking.com," closely mirroring the legitimate airbnb.com. Pay close attention to the URL to help you verify that you are on a legitimate site. TIP: Use a search engine to get to a legitimate travel or lodging site address, or compare the search result to the address that appears in an ad.
- Pay through the booking site, and avoid third party payment methods. It's a red flag whenever someone you're doing business with seeks payment through a wire transfer, prepaid money card, or a third-party site. Using a credit card generally provides you better consumer protections, and be sure the website is secure (any

website that accepts online payments should begin with "https://"). Be wary if the host party contacts you via email or other method outside the website to request a payment that is not made through the site.

- Be cautious of offers that may be too good to be true. Fake websites often offer unbelievably low booking prices. While these may be high-tech scams, the old, tried-and-true advice still applies: "If it sounds too good to be true, it probably is."
- Watch out for overly-glowing reviews. Fraudulent websites often make up reviews that are overwhelmingly positive to help convince consumers that a fake site is legitimate.
- Call the company before you book a reservation; call to confirm after you book it. Fraudulent or shady operations will be hesitant to take your phone call or be harder to reach than legitimate, reputable businesses. When you call, ask where the person on the other end of the phone line is located. Verbally confirm your reservation after you place it—including the address, the room amenities and a confirmation number—to help confirm that the booking was legitimate. If the company you thought you were doing business with cannot locate a confirmed reservation and you paid by credit card, contact your credit card issuer immediately to report the fraud.

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