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In this Issue...

- **Hotel Booking Scams Are a Much Bigger Problem Than Previously Known.**
- **Is Solar Energy Worth the Home Investment?**
- **ACC's Friend of the Consumer Award Recognizes Consumer-Friendly Companies.**
- **Apply for the 2015 Green CSM Certification Program.**

Hotel Booking Scams Are a Much Bigger Problem Than Previously Known.

By Herb Weisbaum

The problem of "rogue" hotel booking websites is bigger than previously known and is creating major problems for both travelers and the hotel industry.

A recent survey done for the American Hotel & Lodging Association found that 6 percent of travelers who had booked a room online thought they were booking directly with the hotel, but later found out they had used an imposter site. Based on this survey, the group estimates 15 million hotel bookings were done on rogue websites last year with \$1.3 billion going to these fraudsters.



Prior to this survey, the group estimated the problem to be much smaller: about 2.5 million hotel bookings a year.

"It's just astounding," said Maryam Cope, the association's vice president of government affairs. "Travel and tourism is a growth industry and online booking is a huge success. Whenever there's success, the scammers come out of the woodwork and try to prey on consumers, and I think that's why we're seeing such large numbers."

The rogue sites are cleverly designed to look like the hotel's site or a legitimate online travel agency. The scammers who

run these bogus sites hijack the name, logo and even real pictures of the hotel. Their URL typically includes the hotel's name, so it will pop up when you do a search.

The creators are so good that the Better Business Bureau reports that even the savviest travelers have fallen for this scam.

"Some sites even include a 'call now' button staffed by call center employees who have a whole script to hide the fact that they aren't actually with the hotel of choice," Mary Power, the BBB's president and CEO, wrote in a blog post this summer. "These bad players are extremely skilled in the art of deceiving unsuspecting consumers."

Smartphones have made the problem worse because small screens can "mask phony sites, making it more difficult to identify details that aren't quite right, like a phony URL or toll-free number that look like the hotel's direct reservation desk, but are really from a third party," Power wrote.



Wind up booking with a disreputable site, and you may not get the reservation you paid for. And because the hotel didn't get the money, they can't refund it to you. Worse yet, you could be giving your personal information to an identity thief.

"Book with the wrong website and it could ruin your vacation or business trip and be mighty costly," said Steve Danishek, a Seattle-based travel expert. "In the worst case scenario, you can show up at the hotel and they don't have a reservation or even a room left for you. Then what do you do?"

Other potential problems when booking with the wrong site or a fraudulent website include:

- Charges for undisclosed fees
- Paying a higher rate than advertised by the hotel
- Inability to change or modify reservation
- Reservations that don't reflect special requests
- No points with the hotel's rewards program

It's unpleasant for everyone:

Imagine showing up at a hotel, confirmation email in hand, and the person at the front desk says you don't have a reservation. Or maybe you booked a room with double beds to sleep four and the reservation the hotel received from that phony site was for a single bed.

"It's a real challenge," said Andy Vasani, president and CEO of InnVite Hospitality which owns and operates eight hotels in Ohio. "If there's inventory available we would tell them that it's a higher rate and we expect them to pay the difference. Sometimes they are not willing to pay the difference and we just eat that loss."

And if the hotel is sold out, staff will refund the deposit only if it was received, Vasani told NBC News. If the traveler booked with a con artist who kept the money, all they can do is dispute the charge later with the credit card company. That creates some tense situations at the front desk. "We're in front of them, so obviously they blame us, even though we had nothing to do with it," Vasani said.

Could more be done?

The Federal Trade Commission (FTC) published a warning on its website this summer (Did you book that night at the hotel's website?) about the problem. A number of people commented on the FTC website, including a poster who identified herself as Felicia Johnson:

"This happened to me. I thought I was making reservations directly with the hotel, but it was not affiliated with the hotel. I was charged a higher rate than I should have been charged. I tried to cancel my reservation that I made with the bogus company but was told that I still would be charged the total price as a penalty."

But the hospitality industry would like to see federal regulators do more to go after the bad actors. "The government really hasn't cracked down on this," the hotel association's Cope said. "There are plenty of rules on the books about deceptive marketing, but if nobody cracks down and the bad guys can get away with it, they will keep doing it."

Florida is the number one travel destination in the country, so booking scams are a serious concern for the lodging industry there. This summer, the Florida congressional delegation wrote FTC Chairwoman Edith Ramirez, urging the commission to "immediately open an investigation into the companies deceptively targeting consumers with fake online hotel websites."

"We are cautiously optimistic the FTC will do their job, but we're going to look to see if there are legislative remedies as well," Rep. Lois Frankel, D-Florida, told NBC News.

Protect yourself:

The best way to avoid surprises is to call the hotel directly or visit its website, or book through a reputable, well-known travel website, such as Expedia, Hotels.com or Priceline. Remember, fake sites use URLs that are similar to the real ones. Slow down and make sure you typed in the correct address.

A random search, such as "hotels in Cleveland" or "Hiltons in Chicago," can give you questionable results. Does a price seem just too good to be true? Consider that a warning sign.

Always use a credit card to book your reservation. Credit cards provide much better fraud protection than debit cards.

Herb Weisbaum is The ConsumerMan. Follow him on Facebook and Twitter or visit [The ConsumerMan website](#).

Is Solar Energy Worth the Home Investment? By Ellen Hall

With the costs of electricity and fossil fuels rising and the price of solar panels continuing to drop, home solar systems are looking more and more attractive. But will the savings be worth the cost of installation?

Here are some general factors to consider, though you should contact a specialist to understand costs, efficiencies, and tax incentives specific to your home.

Cost of home solar systems:

The price of solar has plummeted in recent years. These decreases were mostly due to sharp declines in the price of photovoltaic (PV) panels. "Soft costs" such as installation labor and inspections have also fallen, but they currently make up around 64 percent of the total price of installation.

The federal government's SunShot Initiative, launched in 2011, is helping to make solar more cost-competitive, in part by reducing soft costs. A new innovation program called SunShot Catalyst addresses those costs specifically.



Installation costs:

The average cost of installation dropped by about 50 percent between 2008 and 2013, and fell an additional 5 to 12 percent in the first half of 2014. Solar's definitely gotten more affordable overall, but is it a practical solution for you? It depends on a number of factors, including:

- How many hours of direct sunlight your home gets each day
- The size of system your roof can accommodate
- Whether your system will be stand-alone or attached to the grid
- Local permit requirements

As of June 2014, the median cost of a home solar system was \$3.74 per watt. The average residential system is 5 kilowatts, making the average installation price around \$18,700. But that's just a baseline. No 2 situations are exactly alike, and the best way to figure out installation costs is to get a professional estimate.

Operation and maintenance costs:

Once installed, solar panels don't need a lot of maintenance. They should be inspected regularly and washed every few months with a garden hose (if you can't reach them safely, hire a professional cleaner), but overall the cost of upkeep isn't high. This depends somewhat on your location — ice can damage the panels, so if you live in a climate with cold winters, you may need more frequent inspections.

Other operational costs might include performance monitoring and insurance. In addition, you'll usually need to replace your solar inverter (which converts DC power from the panels into the AC used by most appliances) at least once during the life of the system. Total operational costs generally run from \$4,000 to \$8,000.

PV systems have a life span of about 25 years. Most solar companies offer warranties guaranteeing the panels will operate at no less than 90 percent efficiency for 10 years and no less than 80 percent efficiency for 25 years. They also usually offer a "workmanship" warranty (2 to 10 years) on parts and labor. The solar inverter is covered by a separate warranty, which can be 10 to 15 years for a high-grade brand.

Incentives:

Tax incentives and rebates can substantially reduce the cost of going solar. A federal tax credit currently allows you to claim up to 30 percent of the cost of your system (the credit expires in 2016).

Many states also offer tax incentives, rebates, grants, and other programs that promote solar. But as the cost of PV systems has dropped, these incentives have declined as well, falling 85 to 95 percent in the past 10 years.



Energy savings:

If your PV system's hooked to the grid, you'll still receive backup power from your local utility, but you can expect to see a big drop in your electric bill. Just how much depends on the size of your system, how much power you use, and the current price of energy. But on average, you could save about \$84 per month.

Solar panels work with light, not heat, so they'll produce just as much (or often more) energy on a bright winter day as on a sunny summer day. They also produce energy on cloudy days, but at a lower rate. Snowfall can actually increase the efficiency of the panels due to the reflected light. However, snow accumulation on the panels can lower output, and a thick layer may stop production entirely until the snow melts off the panel.

Credits for excess energy:

If your PV system generates more energy than you're using, the utility company often credits you for the excess energy, which goes back into the grid to be used by other households. Your credit pays for any electricity you consume when your panels aren't generating power. This is called "net metering" because you're only charged for the net amount of energy you use.

Net metering's allowed in 43 states and the District of Columbia. However, utility companies in many states are now fighting these laws, arguing that the cost of hooking PV systems to the grid outweighs the revenue generated by those customers.

Increased home value:

Solar has become a big asset in the eyes of homebuyers. According to a recent study, PV systems add an average of \$24,705 to a home's sale price. This is especially true if your system was recently installed (the market value depreciates by about 9 percent per year).

Renting Solar:

If the up-front cost of installing solar is more than you can afford, you might consider a leasing program. You'll still enjoy the energy savings, and the leasing company's responsible for any maintenance costs.

There are some drawbacks, though. If you rent the system, any tax credits will go to the leasing company instead of you (though the company may pass along savings in the form of free installation). Also, most leases cover a period of 20 years. If you decide to sell your house in the meantime, the potential homebuyer may not want to take over the lease.

Is solar right for you?

So, will installing solar be worth the cost? With many factors to consider, it's hard to say for certain. Along with the economics, there's also the social and environmental value of choosing green energy to keep in mind.

To get an idea of the size of your investment, use a solar calculator to generate a ballpark estimate of the cost of your system. Students at Tuck School of Business at Dartmouth have also developed a dashboard that helps homeowners in 5 states determine if solar's right for them, based on factors like location, tax incentives, and how long they plan to stay in their home.

If you choose to install a home solar system, check with your homeowner's insurance company to see that you're properly covered.

Ellen Hall has spent many years as a professional wordsmith, helping to shed light on such topics as world travel, cargo pants, and the porosity of bath tiles. As a freelance copywriter for Esurance, she brings her boundless curiosity to the world of insurance. Outside work, she can be found cheering on the San Francisco Giants, hiking in the Oakland hills, and (barely) resisting smuggling penguins home from Antarctica.

ACC's Friend of the Consumer Award Recognizes Outstanding Businesses in 2015.

Is your business consumer-friendly? Does your business deserve greater recognition for its service to consumers? If so, you should apply for the American Consumer Council's Friend of the Consumer Award. Now is the time to apply!

Throughout the year, ACC presents its "Friend of the Consumer" Awards. This prestigious award recognizes manufacturers, retailers, and other businesses that produce or sell products in the United States that meet or exceed federally-mandated standards and are touted by consumers as "consumer friendly."

Each year, ACC awards numerous "Friend of the Consumer" Awards to deserving companies and organizations because they have "demonstrated a commitment to American consumers by providing a specific product or service that fosters consumer confidence and market acceptance."



To apply for the "Friend of the Consumer" award, complete the online application and return it to ACC with the application fee. Applicants will be notified within 5 days of receipt of their application. Thereafter, a panel of independent judges will review your application and make a formal recommendation within 20 days of receipt of your award application.

For more information, visit: <http://www.americanconsumercouncil.org/awards.asp>

Green CSM Certification Accepting Applications for 2015 Winter Cycle:

If your company or organization would like to increase its credibility with consumers, you should consider applying for the **Green CSM Certification**. Applications for the 2015 Winter cycle are now being accepted through December 21, 2015.

It's a proven fact that consumers want to do business with companies that are eco-friendly and practice Corporate Social Responsibility (CSR). The process is straight-forward and all applicants are recognized by ACC and the Green USA Institute.

All applicants complete the criteria and submit their responses to ACC's Green Consumer Council for review, assessment and feedback. Program details and the **Green CSM Certification** criteria can be viewed at ACC's website located at: <http://americanconsumercouncil.org/greenc.asp>

