

Why Do I Get Charged a Service Fee?

-By Jesse Funk

Have you ever wondered why you get charged a service fee from our travel management companies? The most common travel agency charges are from Travel, Inc and they are \$3.75 for a reservation made in Concur and \$18.00 for an air reservation made with an agent.

The simplest explanation is “nothing is free.” Everything we use, both for the university system and in our personal lives, has a cost. However, some costs are hidden, and others are called out directly. Below are some hidden costs that you may not realize support the University of Wisconsin System:

Reporting: The number one agency service, besides make and maintain reservations, is provide reporting to the UW System. This helps us know where you are in the event of an incident, like an earthquake, a man-made disaster or even a global pandemic.

This reporting also helps to negotiate better rates and discounts with our air, car and hotel providers. Armed with the knowledge of how much we comprehensively spend on travel; our patterns and top destinations; we are able to have meaningful conversations with travel suppliers.

Finally, that reporting helps determine our carbon footprint. As we look for ways to embrace sustainable travel initiatives, we need to know where to start and where we would like to go. We can't do that without accurate information.

Concur: Concur, as a search tool and booking platform, also has costs associated with its creation and maintenance. The UW System purchases Concur through Travel, Inc in order to book tickets without an agent, obtain the reporting we need, as well as house traveler profiles.

None of these platforms sell advertising space the way other booking tools do. For example, you're not going to see an ad in Concur for Disney because you booked a flight to Orlando for a conference.

If you've ever searched a destination, while signed into Google, you know ads for things to do in that destination will populate your web pages for weeks to come. Amazon, Google, Facebook, MSN, Expedia, and most other websites sell ad space based on your search history. That way, they can sell targeted ads for a higher premium.

In the end, all labor and technologies come with a price. There is a cost associated with agent labor, as well as the technology and reporting provided by our travel management companies. All of this is needed to maintain an efficient, cost effective and safe travel program.

If you have any further questions about service fees, please reach out to your [campus travel manager](#).