

5 Ways You're Wasting Your Aeroplan Points

Description

Aeroplan is known for its simplicity: it's simple to earn points, simple to redeem them, and simple to squander a massive amount in one go.

Yes, you read that right. If you don't understand how the Aeroplan program works, it's fairly easy to redeem your points for the wrong things, devaluing them in the process.

How can you avoid accidentally wasting your Aeroplan points? Here are the top five culprits to watch for.

1. Car rentals

It might be tempting to redeem your points for a car rental. After all, if you have enough points to cover your flight, using extra points on a rental is just icing on the cake.

But, in general, car rentals are one of the worst ways to redeem your points. It could cost you 6,000 to 10,000 points to rent a car *per day*. If you're renting for a week, that's already 49,000 to 70,0000 points. That's enough to cover an international flight, which typically costs way more than a car rental.

Of course, do the math yourself. When you redeem for flights, you should get, on average, around \$0.0125 to \$0.0155 per point. If your car rental values your points lower than that (most are around \$0.9 per point), I would save your points for flights.

2. Gift cards

If you're not interested in traveling, or you haven't been able to travel due to COVID-19, you might think redeeming points for gift cards is a good idea. After all, why let your points sit when you could use them to shop at your favourite retailers?

It's typically a waste of points — that's why.

Most gift card redemptions will give you \$0.01 or below for each Aeroplan point. For instance, you can redeem 14,000 points for a \$100 **Amazon** gift. That would give you \$0.007, which is less than half what you could get when you redeem them for travel.

The only time I would redeem my points for gift cards is if you're no longer using Aeroplan and your points are about to expire. At that point, if you don't want to redeem them for travel, a gift card would at least prevent you from wasting all of them.

3. Flights that aren't business class

As with most mileage programs, you'll get the most value from your points when you fly business class. That might feel counterintuitive, especially when you see business class tickets running higher than economy flights. But if Aeroplan is going to give you more value for business, why not splurge and fly in style?

4. Multi-city flights without stopovers

<u>Stopovers</u> are one of the easiest ways to get more value from a multi-city flight. They work like this: you pick a final destination, say, Tokyo. Then you pick one or two cities in between your place of departure and your final destination. For instance, you could choose Sydney and Bangkok as your stopovers with Tokyo as your final stop.

Aeroplan will charge you 5,000 points for each stopover. Yes, only 5,000 points. Your stopovers can last 45 days in duration, giving you plenty of time to explore a new city. And at 5,000 points apiece, you can turn an international flight into a multi-city adventure.

5. Air Canada flights

Aeroplan is **Air Canada's** rewards program. So, you might think redeeming Aeroplan points for Air Canada flights would give you maximum value, right?

Not necessarily. In fact, oftentimes, you'll get more value by flying with partner carriers. The reason is that Air Canada typically charges higher fees, surcharges, and taxes than other airlines in the Star Alliance. This is especially true for international flights, but it can apply to domestic one, too.

I would always compare the rates on airlines before you make your final selection. It might surprise you just how much you could save.

Bottom line

It's not always easy to amass enough Aeroplan points to travel for free. So, when you do, you'll want to be sure you redeem them in the most advantageous way possible. As long as you redeem your points for flights, and as long as you compare the final charges between airlines, you'll get the most out of

your Aeroplan points.

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