



# FAM Trip, Scam Trip?!

Watch out for these suspicious behaviors that take away from the importance of FAM trips.

By Rob Bezdjian

A FAM trip is a hosted experience usually consisting of any combination of the following: airfare, professional ground transportation, high-end hotel/resort accommodations, activities, fine dining and sightseeing.

Planners love them because they give us the opportunity to see a new destination, meet vendors and experience firsthand what a potential meeting, incentive or other event could look like. Plus, who doesn't like to be wined and dined?

Tourism Bureaus, CVBs, hoteliers, airlines and other vendors spend time, money and a great amount of effort to provide a great experience to the participants, which they hope translates to business for their destination, or revenue for their companies.

However, because of the obvious benefits, FAM trips are often taken advantage of. Below are some real challenges that come with the trips, with a ranking of their severity and recommendations on how to avoid the scam.

## SCAM #1: THAT'S WHAT I CALL A JOB PERK!

**Description:** A large reputable third-party planning company lists "One FAM Trip Per Year" in a job posting for an entry-level operational position.

**Scam score:** 2/5 

**Analysis:** Just to be clear—FAM trips are an amazing perk of our industry. If we can add tangible (financial) value to our hosts, we should seek to accept such opportunities when able. However, a company should reconsider listing this "perk" since the trip is supplied from outside the firm. This is especially true when discussing a new operations staff member who will have little or no influence on destination choice.

**How to avoid the scam:** If you're applying for a job and see the company making this promise, it could be that the company is taking advantage of a real site-selection opportunity. If you're hosting a FAM trip, be mindful of your attendees and not just the companies they represent. Should an employee of XYZ Events that is not client-facing really be attending your FAM? How does/will this look to other buyers? Do you think companies who employ this tactic be barred from FAM trips?

## SCAM #2: FAKE IT 'TIL YOU MAKE IT!

**Description:** Attendee creates listing for a company that doesn't exist, then touts clients that don't belong to them and/or a builds a website for this fake company.

**Scam score:** 4/5 

**Analysis:** This is very prevalent in this industry. A few reasons why include: 1) It is extremely difficult or time consuming to validate all attendees. 2) Creating a fabricated website, LinkedIn profile and article—or posting photos of other events online and taking credit—is simple and doesn't come with a high cost.

**How to avoid the scam:** If you run host, or co-host, a FAM trip, there are several things you can do:

- **Ask for details** of past events and validate with the vendors to confirm the information. I suggest calling the resort/hotel/vendor to confirm the information provided.
- **Search the Secretary of State website** in the state in which they operate. Search for the company name and/or the person attending the FAM. If it's a real company, you will be able to find it.
- **Hire a firm** that—for a low price—will validate the above. Remember: If you're spending thousands in time, effort and experience to host FAM attendees, a few extra bucks or hours to make sure you get real business may be worth it.
- **Be skeptical and critical of websites.** If they are overly vague or don't have proof of performance (articles, in the news, large number of employees), that's a warning sign.

Our industry is changing quickly and likely to accelerate as technology enhances many of the services of the MICE industry. We should not distrust those that we work with, but as I was told a long time ago, **“When there’s money involved, you’ll never regret trusting by verifying.”**

**SCAM #3:  
PLAYING WITH FUNNY MONEY**

**Description:** Third-party planner/tour operator packages and sells FAM trips to anyone willing to pay \$400 per person to experience a \$5,000-\$8,000 FAM trip.

**Scam score:** 5/5 

**Analysis:** This is fraud, plain and simple. The description below is a “Reader’s Digest” version, because the individual hasn’t yet been formally charged. The person at fault—let’s call him Wile E. Coyote. The modus operandi for Mr. Wile is to invite attendees on a luxury FAM with red carpet and no expense spared. However, he tells attendees there is a small charge for miscellaneous items examples: sea plane transfers, taxes, or resort fees (the amounts differ, but are generally around \$400 per person). In reality, there are no charges from any vendor, and sea plane transfers, taxes and resort fees were covered by the host properties.

Wile targets resorts from third-world countries without a strong MICE business in hopes that word would never spread. It turns out he was right, and this became exposed partially by complete chance. As the scam developed, the attendees became less and less qualified, passing from MICE attendees to Luxury FIT travel agents and, finally, by appearances to regular mom and pop agents or friends or family.

**How to avoid the scam:** If you’re an attendee, never—and I mean never—pay a third-party party for any fee. If there is a fee, you should always pay the supposed vendor directly. If there is a cost for your attendance (if it’s legitimate), everyone should be fine if you pay the vendor responsible for the fee. Remember: Any fee charged should be completely transparent for all vendors and service providers. If a third-party planner is charging you a fee for attendance, the tourism bureau or hotel should know you’re being charged. If you’re the host of a FAM trip, please take steps to ensure any third-party you’re using is upfront with any charges, and make sure you’re not being used as an excuse for a bogus fee.

→ **Some scary math:**

**20**  
AVERAGE NUMBER  
OF FAM TRIP  
ATTENDEES

**11**  
NUMBER OF FAM TRIPS  
PER YEAR (ESTIMATED)

**5**  
NUMBER OF YEARS  
(MINIMUM) THIS HAS  
BEEN HAPPENING

$$\frac{20_{\text{ATTENDEES}} \times \$400_{\text{/PERSON FOR (INSERT LOGICAL REASON HERE)}}}{= \$8,000}$$

$$\frac{\$88,000_{\text{/YEAR}} \times 5_{\text{YEARS}}}{= \$440,000}$$

SCAMMED FROM RESORTS AND MONEY TAKEN FROM ATTENDEES  
(EVEN IF SOME ATTENDEES ARE SCAMMERS THEMSELVES)



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