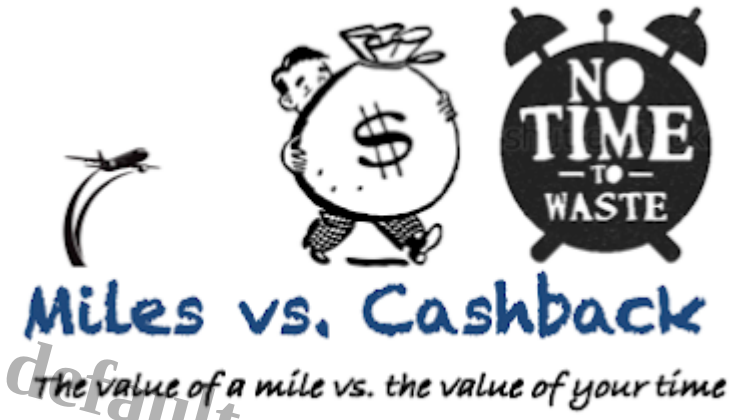
The value of a mile vs. the value of your time #TeamCashback

Description



Iâ??ll give you another important reason why Iâ??m on #TeamCashback and prefer them over miles credit cards:

It is a lot less time and effort.

If youâ??re super free and value miles enough to spend hours and hours analysing them and chalking up miles, then great! Perhaps travel hacking will be something youâ??ll enjoy.

But not for me. Frankly, the sheer amount of time and effort it takes to accumulate miles, then search for suitable tickets to redeem them with, be waitlisted, change your travel plans (dates) again and again because your desired dates arenâ??t available, just to accommodate your free flight redemptions, etcâ?¦ That kind of effort isnâ??t worth it for me; Iâ??ll rather spend my time and energy on my investments â?? something that generates me money and for years to come.

Iâ??ve said it time and time again, the amount of work that goes into miles hacking just isnâ??t my cup of tea. It might be Aaronâ??s, but not mine.

Youâ??ll need to be of a certain character for the miles game to be worthwhile for you.

This was very well highlighted by an Australian aka The Bulging Wallet here, and I quote him almost verbatim, with my comments in blue:

- **Aspirational** â?? you *aspire* to fly in Business Class and First Class. You *want* to experience it.
  - Or â?? even better â?? you would *actually* pay retail price for Business/First Class tickets. If you do, you can actually stop reading here â?? because this alone is a strong enough reason for points to be worth it for you.

    - Iâ??m happy flying budget or economy class.
- Lavish spender
    - This doesnâ??t mean **rich**. This refers to one who doesnâ??t think too much about the cost of things before they spend.
    - I generally donâ??t spend enough on my credit cards to make the miles game worthwhile for me (hey, Iâ??m Budget Babe after all), and am careful to spend purposefully.
- Flexible â?? time-wise and experience-wise
    - *Particularly* time-wise, but also experience-wise. If you have no time (work multiple jobs, have children), then you actually donâ??t have the opportunity to go on extensive breaks to make the most of your flight redemptions. The lack of flexibility when it comes to availability of flight redemptions also means you donâ??t have the ability to shift your dates a few days either side of your *intended* dates
    - I teach weekend tuition on top of my day job, so my schedule is dictated by both my companyâ??s financial year / peak and off-peak periods + my studentsâ?? exam schedules. As a result, Iâ??ve to stay committed to their timelines, and not just be irresponsible to take off on a whim anytime.
- Spontaneous
    - Youâ??re the type who is pretty happy to plan trips last minute
- Adventurous
    - You donâ??t care whether you go to Jamaica, Hong Kong, Cuba, or Egypt â?? you just like going to places and donâ??t have strong preferences
    - I have limited time and cash (to spend at the destination), so Iâ??d rather travel to places I want to visit instead.
- Strong preference to fly Full Service Carriers
    - If youâ??re the type who is happy to fly from A to B on budget, it can significantly erode your effective/perceived value of points
    - Budget Babe loves flying budget.
- No access to Airline employee perks
    - I say this because those who either work in airlines themselves, or whose direct family work for airlines, often have access to industry benefits which further erode the effective/perceived value of frequent flyer points/miles
- Reasonably high tolerance for â??adminâ?•, or have genuine interest in the â??milesâ?• game. To put it another way, youâ??re willing to put in the hard yards, both to learn how to earn the most miles **and** to use miles.
    - As the miles game does indeed have a learning curve, it therefore requires quite ~~some~~ A LOT OF effort to actually understand it. This means someone telling you to earn miles â??because theyâ??re goodâ?• is not good enough â?? you also want to know how to use them, and this takes effort.
    - So much effort, in fact, that The MileLion even runs (paid) classes to teach people how to play the game -.- have you ever heard of anyone charging a fee to teach you cashback hacks? Geez!
- Patience
    - As Aaron acknowledges, youâ??re playing the â??long gameâ?•. I recently posted a real life example of how â??longâ?• this â??long gameâ?• can be.. or to put it another way, that the â??longâ?• game may actually be a bit longer than you think.
- Genuinely enjoy flying

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- I say this because, *sometimes*, getting more value out of points requires a transit or two. As someone who actually enjoys flying, I see this as a way to â??stretchâ?• the value of my miles. This means the longer the duration (up to a certain point, of course), the more value I am getting out of a redemption. If you, however, prefer direct flights, whether it be because youâ??re time-poor or you just donâ??t enjoy flying, then this could work the other way â?? it diminishes the value.
- It can, however, be argued the other way. If paying cash, transits almost always make your airfare cheaper. Having points may allow you to redeem a direct flight for cheaper than the equivalent cost to buy a direct flight with cash.

â??Focusingâ?• on miles can take away your ability to take advantage of great sale fares/mistake fares. Whilst the relatively fixed prices of redemption flights is one of its greatest benefits, it can also be detrimental when compared to sale fares and/or mistake fares like â??Vietnam to USA for $800 USD return in Business Class.
My regular readers know I love points/miles â?? but cash is king â?? and thereâ??s a reason such clichÃ©s exist.

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Could you be doing MORE with that time and effort?

The miles game isnâ??t easy, and it certainly isnâ??t for everyone.
Like how he said it,
â??Whatâ??s your opportunity cost (in terms of time), by learning the miles game?â?•
I definitely have a lot to lose in this regard, because my time could be spent either blogging (which brings me greater joy than a flight), spending time with my newborn son (they grow up so fast!), my husbandâ?¦or even working more so I can earn more cash.



Whatâ??s YOUR opportunity cost?
So which side will you stand on?



#TeamCashback

With love,
Budget Babe
Category

1. Credit Cards
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