

A GUIDE TO TAKING A LONG VACATION

Going on an extended getaway can deepen the benefits of traveling. Here's how to plan your trip—without busting your budget.

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If you've been dreaming of a month-long beachside retreat or a six-week bike tour through Europe, start planning your itinerary. It's easier—and more affordable—than ever to take a long vacation.

Extended travel is no longer the domain of the rich and famous or recent college grads. Thanks to the ease of international communications, flexible work arrangements and sophisticated trip-planning tools, long-duration getaways are becoming more accessible.

By taking a month or more to travel, you may enjoy a host of benefits, such as broadening your perspective, enhancing your language skills and deepening your knowledge of different cultures.

“It’s one of the few opportunities to unplug, reflect and see how others live,” says Elliott Appel, a certified financial planner and the founder of Kindness Financial Planning, based in Madison, Wis., who recently returned from seven weeks exploring

Australia and New Zealand.

Kip Patrick, an avid traveler who has visited more than 100 countries—often for long stays—says his excursions have enriched both his everyday life and his global advocacy and communications role at the United Nations Foundation. “Traveling helps develop empathy,” he says. It brings about “a better understanding of cultures, people and situations that otherwise you may never experience or see.”

Ready to leave home and do some exploring yourself? Here’s a guide on how to prepare.

FOCUS ON YOUR GOALS

Envision your first night back home after an extended vacation. What would have made the trip ideal? Think through the climate, food, culture,



activities and cost. Would it be adventurous or relaxing? Luxurious or rugged? Would you have traveled to a mountain or beach? Both? Neither?

If you plan to journey with others, such as a partner or group of friends, it's helpful for each of you to list the elements of an ideal trip. Then, compare results. For extended travels through Tanzania, Madagascar, Borneo and other destinations in Africa and Asia, Patrick and his wife, Liz Zipse, each made a wish list of

Towson, Md. He recommends using a spreadsheet to keep track of your estimated expenses.

"A short trip can be easy to budget for," he says. "A longer trip can lead to higher varying costs. Be exhaustive. It's better to overestimate costs and have a surplus than to underestimate and scramble to cut back."

While you're away, you'll likely still have to pay your regular monthly bills for such items as utilities, cable, and mortgage or rent, says Spenser

reluctant to consider less-expensive options, start saving so you can meet your goals. Setting up regular, automatic transfers from your checking account to a dedicated vacation fund is an effective way to build up the necessary cash.

For their part, Patrick and his wife develop a savings plan for their travels and seek advice from a financial adviser. "Before departure, we try to cut costs and set a pretty strict budget," says Patrick. "And then we do our best to stick to it. The more you can save beforehand, the more freedom you have on the road."

INTERNATIONAL TRAVELERS SHOULD CHECK PASSPORT EXPIRATION RULES AND VISA REQUIREMENTS FOR THEIR DESTINATION.

the places they most wanted to see and the adventures they most wanted to have. "Luckily, the lists were pretty similar," Patrick says.

Once you have a clear idea of the type of travel that appeals to you, make a shortlist of potential destinations. In addition to dream areas and activities, consider adding some more-economical choices. For instance, if relaxing in the Maldives is your ultimate desire, you could also put less-expensive Costa Rica on your list. Or instead of spending a month visiting Italian wineries, you could opt for four weeks exploring Sonoma and Napa Valley in California.

CRUNCH SOME NUMBERS

Research the costs associated with each of your choices to see which best fits into your budget. Factor in the cost of transportation, lodging, meals, activities and shopping. Also account for the exchange rate if you're traveling to a location that doesn't use the U.S. dollar as its currency.

Then add 10% to 20% to your total as a buffer, says Derek DiManno, a certified financial planner and founder of Flagship Asset Services, a financial planning firm based in

Liszt, a CFP who traveled extensively in his former career as a professional musician. "Plan your cash flow accordingly to cover expenses incurred at home while you are away," he says. Also, factor in extra costs that you may incur for, say, pet or home sitters, yard maintenance, or a home-monitoring system.

If you have your heart set on a specific destination or activities and are

ENTRY REQUIREMENTS

If you're traveling internationally, you'll need to do some extra homework. It's important to check the rules regarding passport expiration for your destination, as many countries require that a passport is valid for a certain number of months beyond the date of entry. You may also need to apply for a traditional visa or an electronic one (also called an e-visa.)

In addition, check whether your destination prohibits certain foods and medications from entering the country. Failing to comply can lead



GETTY IMAGES (INCLUDING PREVIOUS SPREAD)



to severe consequences, ranging from confiscation of needed medicine to potential jail or prison time.

Government websites, your airline and online travel forums can provide helpful information. A great starting point is the U.S. embassy's website (www.usembassy.gov), which has a searchable database to get information about different countries. The World Health Organization and the Centers for Disease Control can provide health-related data. Make sure to cross-reference any information that you find to ensure it's accurate and current.

While doing your research, dedicate some time to get a feel for the etiquette and social practices of your destination, as that can foster deeper connections with locals and help you avoid unintended missteps and misunderstandings. For instance, certain areas have different cultural norms and nuances around clothing, tipping and eating than those in the U.S.

In addition, consider registering with the U.S. Department of State's Smart Traveler Enrollment Program (STEP) at <https://step.state.gov>. The

free service lets you enroll your trip with the nearest U.S. embassy or consulate so can you receive information about safety conditions in your destination country and get assistance in case of emergencies, such as a natural disaster or civil unrest.

CONTROLLING YOUR COSTS

The earlier you plan, the more choices you'll have when it comes to flights, accommodations and tickets to in-demand events and attractions. To maximize potential savings, try to be flexible with your travel dates and times. "You can save money by traveling on less-popular days," says Appel. When he traveled to Australia, where hotels in big cities tend to be more expensive on weekends, he visited Sydney during the week.

You can also cut costs and more easily get into sought-after restaurants and attractions if you travel during less-popular periods. For instance, you can opt to travel during the "shoulder season," the weeks between peak and off-peak travel. This approach not only saves money but helps you to avoid crowds and get

more of a chance to interact with locals. Just make sure that your preferred destinations or activities will be open during your travel period.

Websites such as Kayak and Google Flights let you track flight prices so you can take advantage if the price of your flight drops. Just type in your home airport and destination airport, pick the flights that suit your schedule, and set a price-tracking alert. You can also stay informed about deals and promotions by signing up for e-mail alerts from travel websites, restaurants and deal aggregators such as Groupon.

CAPITALIZE ON REWARDS

Take advantage of perks offered by airlines, hotels and your credit card issuers, such as cash back, airline lounge access, early boarding and waived bag fees, says Clint Henderson, managing editor at The Points Guy, a website that provides tips and tools for enhancing travel.

Many credit cards also cover the fee for Global Entry or TSA PreCheck, which provide expedited access through airport security and customs

lines. “You simply pay the application fee for Global Entry or TSA PreCheck with the credit card, and you get a statement credit,” Henderson says.

Consider opening a new credit card to take advantage of a large sign-up bonus. One card that Henderson recommends is Chase Sapphire Preferred (\$95 annual fee). New users earn 60,000 bonus points after spending \$4,000 on purchases in the first three months after opening the account. That equates to \$750 to use toward travel when redeemed through Chase Ultimate Rewards. “It not only gives a sign-up bonus, but the miles transfer to many airline and hotel partners,” he says. (Visit kiplinger.com/kpf/rewardscards to see our list of the best rewards cards.)

Be sure to understand your credit card’s terms and conditions as well as any associated fees. When traveling abroad, it’s critical to have a credit card that doesn’t charge foreign-transaction

YOU CAN CUT COSTS WHILE GIVING BACK BY OPTING FOR A “VOLUNTOURISM” TRIP THAT COMBINES VOLUNTEERING AND VACATION.

fees. Most travel-focused cards, including Chase Sapphire Preferred, waive the fee. To avoid incurring interest, pay off the card balance every month.

Credit cards can provide plenty of perks, but you don’t have to open one to get rewards. Airlines and most hotels have programs to earn perks such as free flights and free stays. “Make sure the hotel or airline has your loyalty number attached to the reservation, and watch those point balances grow,” Henderson says. “Also, sometimes you’ll get free stuff just for signing up for the loyalty program. Delta offers free Wi-Fi on many flights to those with a SkyMiles number. Some hotels provide free

Wi-Fi as a perk to their loyalty members,” he says. Many hotels also offer benefits that range from free bottled water to room upgrades.

GET CREATIVE WITH YOUR ACCOMMODATIONS

For his travels through Australia and New Zealand, Appel wanted to splurge on food and spend less on lodging. So in addition to staying with friends and at a hotel, he also slept in private rooms in hostels.

“Since I am out and about most of the time when traveling, where I stay is not as important,” he says. “But I really enjoy food.” At one point on his trip, he had a gourmet meal that included pork belly and slow-braised lamb shank that cost three times more than a night at an upcoming hostel stay.

If a hostel suits you, check out Hostelworld.com, which can help you locate potential lodging. The site lists 36,000 properties in more than 180 countries and includes traveler reviews.

Other strategies to make lodging affordable include doing a home swap, through which you live in a local’s home while they stay in yours. You can also pet sit in exchange for lodging. When exploring these options, make sure you go to reputable websites with positive reviews, keep security measures in mind, and have clear, detailed agreements that outline expectations.

Often, renting a home—through websites such as Airbnb or VRBO, say—can give you more bang for your buck than staying at a hotel. Many come with kitchens, so you can prepare meals from local markets and grocery stores, allowing you to spend



less on dining out while still getting a taste of foods from the area. And some home rentals come with a washer and dryer, which will help to reduce your packing and save the time you'd spend searching for a laundromat. (Pro tip from Appel: Bring along laundry detergent sheets, which are lightweight and have concentrated detergent.)

You can also cut costs while giving back by opting for a "voluntourism" trip that combines volunteering and vacation. Go Overseas, a website that offers reviews of overseas trips, programs and jobs, provides a search tool for volunteer projects at www.gooverseas.com/volunteer-abroad. International Volunteer HQ (www.volunteerhq.org) organizes trips at destinations around the world.

UNDERSTAND YOUR TRAVEL INSURANCE OPTIONS

Travel insurance typically falls into two main categories: policies that cover your trip and property and policies that cover your health, says Susan L. Combs, founder and CEO of insurance brokerage firm Combs & Company. These policies can cover situations such as trip cancellations, lost luggage and medical emergencies.

What you need will depend on your specific situation and your tolerance level for uncertainty. In addition, some countries require visitors to have medical travel insurance.

Even if your credit card provides some travel-related coverage, it's best to explore additional options for extended travel to create a comprehensive plan. The cost of travel insurance depends on factors including trip length, price, location and your age, but it generally runs about 5% to 6% of the cost of your trip.

Don't rely on your U.S. health insurance plan, as it will likely provide little or no coverage abroad. Medicare also doesn't extend overseas.

You have lots of options for finding coverage. Among them: going to insurer sites, exploring travel-insurance

comparison sites such as Squaremouth.com, or consulting with an insurance broker. In addition, if you book with a travel agent, they'll likely have a preferred vendor that has been vetted, says Combs.

Most travel medical plans allow you to select from multiple deductibles and values for the cost of care, Combs says. For example, if you want a policy with no deductible and up to \$1 million in coverage, you'll pay far more than you'd pay for one with a \$5,000 deductible and \$100,000 in coverage.

"You typically get what you pay for when it comes to insurance," Combs says. "If someone is telling you a

\$10,000 trip can be insured for \$50, that policy is only as good as the paper it's written on."

She also emphasizes the importance of understanding your policy's claim procedure before you might have to use it. "Do you need to see a physician on location? Do you need to file a police report?" she says. "Understanding what needs to happen can save you headaches in the long run. It's a lot easier to digest and understand that information when you aren't in crisis." ■

For questions or comments, send an e-mail to feedback@kiplinger.com.

Create a Pre-Departure Checklist

A well-crafted trip may require months of planning, but your departure date can come up quickly. To reduce stress and enhance your pre-trip excitement, start writing down your to-dos as early as possible. Proactively manage your tasks instead of waiting until right before you leave. Here's a list to help get you started.

IF TRAVELING OVERSEAS:

- **Contact your bank and credit card companies.** Let them know of your overseas travel plans to reduce the odds of transactions being flagged or declined.
- **Visit a local bank or credit union.** Exchange money to get currency for your destination.
- **Contact your cell phone company, and research SIM card options.** Determine which plans and tactics will work best for your needs and budget.
- **Load free communication apps.** Look into options such

as WhatsApp and Facebook's Messenger.

- **Check whether you need an international driving permit to drive at your destination legally.** If so, you can get one through the American Automobile Association (AAA) at www.aaa.com/vacation/idpf.html.

ADDITIONAL ITEMS:

- Put bills on autopay.
- Refill any needed prescriptions.
- Put a hold on mail or newspapers.
- Create a detailed packing list.
- Plan where to keep your car if you are not driving to your destination.
- Sign up for travel alerts from your airline.
- Arrange for someone to care for any pets and plants.
- Develop a plan for any necessary home maintenance, such as lawn care.
- Create a strategy for home security.
- Leave a copy of your itinerary with a trusted friend or family member.