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# High flyer

**S**teven Hui always flies at the pointy end of an aircraft. It's not that he's loaded. Rather, he has cracked onto a system for using frequent flyer points after stacking up plenty of them while working at Macquarie Bank.

He set up iFLYflat seven years ago, and now shares his secrets by booking free business and first-class seats for customers of his travel agency. He's leading the high life as a business owner, as those who follow his exploits can see from the frequent travel snaps he posts online.

"Because I'm accounting and finance minded, there's nothing I like more than a bargain," says Hui. "This seemed to be the biggest one of them of all. You can collect frequent flyer points for no effort and trade them for something really expensive. It's a bit like alchemy. That's when my bug for travel really started. Anywhere in the world became really achievable. If you use cash to fly business class, it's expensive. But if you use points, you collect them for quite a low cost."

It should come as no surprise that Hui is an accountant. Part of his former job at Macquarie was keeping the books for the bank's investment in Sydney's Hills Motorway, which leads into the city from his boyhood home in suburban Blacktown. It was while working part time on a fruit stall at the nearby Parklea Markets that he developed his skills at arithmetic. "There was no time to use a calculator. If someone was buying \$6.20 worth of fruit, six kilos of this times the price, and they gave me \$10, I had to work out the change in my head. It was complicated."

Hui explains the numbers for booking free

## Fact file

### Steven Hui

Travel expert and co-founder of frequent flyer booking service iFLYflat. Age 43; married; lives in Sydney's Chatswood; family migrated from China.

*First experience at saving was a school Dollarsmites account. Bought shares thinking he could make more than cash in the bank, but says he wasn't good at it.*

*Reinvests in his business. Leisure is important:*

*"I'm not earning as I used to, but I have a much better lifestyle." He and wife Anna don't have kids, and he doesn't focus on building assets.*

travel like this. A business-class airfare costs around four times the price of economy, and a first-class fare about six to seven times as much as economy when using hard-earned dollars. But the ratios change when it comes to paying with points. Business-class becomes double the points outlay for economy while first-class is three times more. "If you have the points, then first class is an experience that is definitely memorable," he says.

Sounds easy? Maybe. Finding the right seats at the right time can take patience and flexibility. So, too, can having enough points available to take advantage of the best deals. Then there is the issue of having points that are not locked into inflexible frequent flyer programs. Then there is the issue of the deals on offer. Does that deal cost more points than it really should?

"Say you're going from Sydney to Los Angeles," he explains. "It will be 191,000 Virgin Velocity points to fly business return. To fly economy is typically about half of that, about 95,000 points. Every destination has a fixed number of points, and different airlines charge different points to fly to the same place." The points that each airline charges will be the same, regardless of seasonality. But what changes is seat availability, which is determined by the amount each airline reckons it won't sell. That can change every hour and can be viewed live online.

The iFLYflat system turns loyalty on its head. Flyers no longer have to stay true to their frequent flyer membership because they can get better deals by picking and choosing. It works best for people with businesses that spend at least \$200,000 a year using a credit card. At that level, a person could earn one round trip to Los Angeles stretching their legs in business class. "If your business spends a lot more than that, then you might get a flight every month," Hui says. "There's no reason not to do it."

He likens finding the right seats to fishing. "You just have to be looking in the right places. If you look for a seat during peak period and you can't find one, it doesn't mean that there won't ever be one. You have to be looking in the right places. Our team has a lot of experience. They know where to look and how to look and how many points they should cost." He also gives advice to clients on the cards that offer the most points, and how to earn more points from their business expenses.

There are plenty of traps for the unwary. The idea is to pay for business expenses that



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are routinely incurred with a card that offers maximum points and is not tied to one airline. Travellers need to be flexible and forget loyalties to loyalty programs because seat availability depends on shopping for the best offers. For instance, American Express' Platinum Business Card currently returns up to 2.25 points for every \$1 spent for an annual fee of \$1750. Those points can pay for seats on a number of airlines, giving maximum choice for free flights compared with airline cards.

Travellers should also consider warnings frequently sounded by consumer advocates, and avoid chasing points for the sake of it. Frivolous shopping defeats the benefits of earning free flights.

iFLYflat earns its keep by charging customers a booking fee. Hui has a team of 10 booking agents, mostly mums who work from home, giving them flexibility with family commitments. They chat constantly via WhatsApp, which means everyone knows what is happening and deals can quickly be grabbed. This is important because there is no one app that offers free tickets. They have to constantly monitor a number of websites. Deals change from one minute to the next, and they are limited in number.

Hui says his system gives his team a very good sense of what is a cheap price and what isn't. "We've had some hairy moments, when flights just disappear. But we trust the process that we'll find another flight. It can be quite emotional, but we're steady. This is our job and we do it well. If the flight disappears, we just keep looking. Another one will come up, and the customer will still get to go where they want to go."

He says ideally you need to allow up to three months to book free seats to get the right destinations with the right number of points. More time is needed if you want two seats



Quiet time ... Steven Hui thinks an aircraft cabin is "the best place to think about ideas".

giving clients daily updates."

He says that people often squander their points. "They might have half a million points. They start to think that if they don't spend them soon they might lose their value. Or they might have tried to use them and failed, so they reckon they may as well buy a coffee machine with them. My advice is don't do something crazy with them. Just stick with it."

iFLYflat gets custom through Hui's personal promotion. He uses Instagram prodigiously to post photos of his latest travels. They often feature aircraft interiors, meals and scenic shoots from the air and are invitations for people to join him on board. He also posts travel articles on LinkedIn, many of them destination orientated.

What are his travel preferences? His current favourite airline is Etihad, first class on its A380s.

"They have private compartments, with a bed and a chair. That's the best flying experience of the last year or so. Singapore Airlines is pretty good too."

What seat does he prefer? "Some people want 1A, but I would rather be towards the back, sixth or seventh row, so I can take photos without upsetting others." How can people best use their time? "Podcasts and audio books are my favourites." Does he fear flying? "Missing my flight is probably my worst fear." The thing he likes most about flying? "The lack of interruptions. It's the best place to think about ideas. I always think about new services or benefits we could offer customers."

One big idea Hui has been trying to crack relates to hotel accommodation. "I can get the flights sorted, but hotels are an area I haven't yet cracked. I haven't figured out how to offer cheap deals."

Maybe iLIEflat will be the focus for his next innovation?

**"Don't do something crazy with the points — like buying a coffee machine. Just stick with them."**

or more. "It also pays to be flexible. People might need to be open to flying on different dates, or maybe flying to nearby destinations like Paris and taking the Eurostar to London if a seat doesn't turn up. It can add another element to their holiday that they hadn't thought about. On average it takes four weeks to book a seat. We manage expectations by

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