

# Does Credit Card Perks Matter?

Contributed by Webmaster

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The credit card industry is extremely competitive and thus each credit card company will go all the way out to promote their products by offering a lot of perks and privileges.

One of the most common perks is zero APR for six to twelve months. This perk is becoming so common that many consumers are considering this as standard benefit. However, do check out the on-going interest rate after the promotional period. It is usually quite a large jump, so you have to be mentally prepared and try your best not to carry a balance.

Another one is the waiver of annual fee for the first year. This is a common practice too. Thus, some companies are now offering annual fee waiver for three to five years. In fact, a handful of them are waiving the annual fee on a permanent basis as long as the credit card users are able to meet specific purchase and payment targets.

The reward program is another important component of the credit card deal. The type and range of rewards available can be a decisive factor in keeping existing customer as well as attracting new one. Thus many companies will spend a lot of effort to provide the best rewards for their customers.

A good reward program will offer a lot of flexibility to the credit card users. This includes a low exchange rate, which means the card owners can exchange for rewards with less reward points, which translate to lower expenditure. The rewards should also cover a wide range of products such as movie tickets, home appliances, dining vouchers, spa discount voucher, furniture, or even travel miles.

No card owners want to stick with a card that offer one type of rewards. As an example, if you own a departmental card that allow you to redeem discount voucher for ABC Departmental Store only, this will be too restrictive. It ill be difficult to attract new customers or keep existing customers since there are so many more options available else where.

Besides rewards, some credit card companies also offer other benefits without extra cost. This include personal insurance, travel insurance, rebate at the pump and zero interest installments for big ticket purchase.

Your personal lifestyle is the most important factor in deciding which credit card perks are the best. The right credit card perks can add significant value to you current lifestyle while the wrong one will give you unnecessary headaches.

Stephen Chua is the founder of CreditFavors.com, where you can compare and apply for major credit cards online easily. Visit his credit card blog to get your free copy of the Mini Credit Secrets book and other useful credit tips that can help you save money.

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