

Title:

Are You Earning big time reward points from Australian Credit Cards?

Word Count:

428

Summary:

There are different ways of earning rewards from credit cards nowadays. The different kinds of rewards offered by credit card companies are cash back, discount/entertainment coupons and flyer miles.

Keywords:

credit card rewards, reward points, frequent flyer points

Article Body:

As more and more people turn to using credit cards as the standard mode of payment as opposed to the traditional cash or cheque options, credit card companies are stepping over each other to capture a significant share of this part of the money market. While earlier , one had to pay hefty fees for owning a credit card, an yearly one for using it , and then of course the high interest that had to be paid up in case of late payments, today, many of these have been scrapped as credit card companies bend over backwards to acquire and retain their customers. One of the main features highlighting these changes is the emergence of Reward Credit Cards in the market. Earning rewards from credit cards has become the norm of the day as almost 60 cash back on purchases but this goes up to 5% depending upon scheme to scheme. The cash back is generally paid off at the end of the year in the form of a cheque. This is one of the most preferred ways of earning rewards from credit cards.

Reward Schemes: The consumer can accumulate points based on credit card usage. The more the usage, the more the points which can be accumulated and then used for earning rewards from the credit card. Most companies offer rewards in the form of redeemable gift or discount coupons of certain stores, entertainment coupons for meals or shows or free or discounted gasoline at select stations. Earning rewards from credit cards is the most popular rewards scheme.

Flyer Miles Schemes: Getting flyer miles is another method of earning rewards from credit cards. These schemes let the user accumulate flyer miles which become redeemable for air tickets once a certain amount of points /flyer miles are accumulated. Flyer miles are rewarded based on amount spent through the credit card over a certain period of time. This is the best credit card reward

for business men who need to travel frequently, since it is only large spenders who can accumulate enough points to get any significant flyer miles.

While earning rewards from credit cards seems very tempting at first, some points do need to be kept in mind for getting the best out of credit card rewards. First of all, make sure that the card does not carry an annual fee. Secondly, earning rewards from credit cards are profitable only for people who do not let any interest charges accumulate on their cards by paying off their monthly balances on time as interest rates on these cards are higher than average.