

Consolidating credit card debt

Is consolidating credit card debt a good option?

Well, the answer will more often be yes than no. Consolidating credit card debt is often regarded as the first step towards credit card debt elimination. However, even before you move to take first step towards consolidating credit card debt, you must understand that consolidating credit card debt (or balance transfer) is an action that you are taking to eliminate credit card debt. Consolidating credit card debt is not a means of deferring the problem for later.

Consolidating credit card debt is indeed a good option in more than one sense. Not only do you get relief from the rapid increase in your credit card debt, but also get other benefits too. Offers for consolidating credit card debt are in abundance and are very attractive indeed. Almost all the offers for consolidating credit card debt have an initial low APR period during which the APR is generally 0% (or some low figure). In fact, this is one of the main things which make consolidating credit card debt a very attractive option. Besides this low APR, the offers for consolidating credit card debt also include things like no interest rate on the purchases made during first 5 months (or some other initial period) of balance transfer. This is another thing that lowers the speed at which your credit card debt gallops. So these are the two most important benefits that credit card suppliers deploy to attract people into consolidating credit card debt with them. Then there are other benefits which include things like additional reward points on the member's reward program of the credit card you are consolidating credit card debt to. These reward points can be redeemed for other attractive goods/rebates/rewards etc. Sometimes, the new credit card (i.e. the one you are consolidating credit card debt to) might be a credit card that caters more to your current spending needs both in terms of the credit limits and the way you spend your money. For example, the new credit card might be a co-branded one offered by an airline that you have started travelling with very frequently in the recent times and consolidating credit card debt on such a card may open up much more benefits as compared to your current credit card which was based on your needs at the time of you applying for your current credit card. The credit card you are consolidating credit card debt to might open up discount offers to you.