

Is Cash Rebate The Best Credit Card Reward?

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Credit card rewards come in all shapes and sizes. They include free air tickets, priority booking of special events, free movie tickets, discounts for fine dining and many others. However cash rebate is probably the most popular for many people.

Most people, who are entitled for some credit card rewards, would rather exchange their rewards for cash than redeeming other available freebies. Many financial experts also believe that the cash-rebate programs are actually the most straightforward credit card rewards than other type of rewards. The simple the reward system, the less cost it is to the credit card company.

Cash-rebate programs have a wide variety of classifications. It all depends on the type of credit card that consumers have. For example, there are credit card rewards intended for college students such as college savings. For retirees, they have retirement investing rewards.

In a typical cash-rebate program, the credit card company will return a small percentage of the total amount charged to the card back to the cardholders. The percentage can be as high as five percent of your purchases. The rebate is usually reflected in the monthly card statement as a credit item. As an example, a balance of one hundred dollar with a five-percent rebate will result in a final payment of ninety-five dollars.

Usually, the percentage of rebate is higher when the purchases are made in popular categories like gas stations, restaurants, clothing stores and air tickets. A one-percent rebate seems to be the norm for most purchases. However, the rebate percentage differs with different credit cards and it make sense to do some research before getting one.

Some may feel that the cash rebate is not as valuable as other rewards like air tickets. While this may be true but high ticket items such as air ticket usually required a large amount of reward points. This usually translates to large expenditure on your part and it may take you a long time to accumulate the necessary points. In this aspect, the cash rebate option is more attractive as no reward point is necessary to receive the rebate.

To appeal to a larger customer base, many credit card companies also include other rewards that are redeemable by points in addition to the cash rebate. This open up a lot more choices for the cardholders as they can enjoy the rebate and redeem other gifts with points.

Cash rebate is the probably the best reward for those who regularly charge small purchases to their credit card. The saving over the long run can be pretty substantial. For the big spender, high ticket items like air tickets or fine dining are probably more attractive to them.

Stephen Chua is the founder of FindCreditCardsInfo.com, where you can find detail

descriptions on all the major cash

rebate credit cards online. Visit <http://FindCreditCardsInfo.com>

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