

Just 18% of Americans Give their Credit Card a Top Grade When it Comes to Offering Rewards

More Than Four in Ten Would Apply for a New Airline Rewards Card if It Offered Better Perks



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New York, NY – Thinking about the credit card they use most often, among all respondents who were able to give their credit card a grade in terms of the rewards it offers and the process they must go through when redeeming the rewards accumulated, the overall GPA is a 2.47, the equivalent of a C+, according to a new study conducted by Ipsos Public Affairs on behalf of US Airways, Barclaycard and MasterCard.

Fewer than one in five Americans (18%) would give their card an “A” grade. Two in ten (21%) would give their card a “B,” and nearly as many (17%) would grade their rewards credit card as a “C.”

Americans tend to grade their rewards credit cards very differently depending on whether they are using frequent flyer miles to travel this year.

- Just 12% of Americans say that they have already or plan to use frequent flyer miles to book air travel this year, whereas 80% say they are not.
- Among these frequent flyers, over a third of them (34%) give their rewards card the top grade. In contrast, just 17% of those who are not booking rewards travel this year would give their card an “A.”

A majority of Americans (51%) agree that the current economy has made them more conscious of the value and benefits of rewards credit cards, such as an airline co-brand credit card, while a third (33%) disagree. One in six says that they are not enrolled in such programs (13%) or that they are unsure (3%).

- Americans under 35 (61%) or between the ages of 35 and 54 (53%) are more likely than those who are older (43%) to say that they have become more conscious of the rewards they are earning.
- Those who are using miles to book a flight this year are more likely than those who are not to agree that the economic crisis has made them more conscious of the rewards their credit cards offer (66% vs. 53%).
- College graduates (43%), those with a household income of \$50,000 or more (38%) and full-time workers (38%) are among those most likely to disagree.

As few Americans feel that their credit card deserves a top grade in terms of the benefits and reward it offers, it is not surprising that many are willing to apply for a new card that offers better rewards. Nearly half (45%) say that they would apply for a new airline rewards credit card if it allowed them to accrue miles more easily. Similar proportions

would switch to a new airline rewards card if it allowed them to redeem fewer miles when booking award travel than another card (43%) or if they could get first class check-in and preferred boarding, even for economy travel (43%).

- While majorities of adults under 55 say that they would apply for a new card to earn these better rewards, smaller proportions of older adults agree. Just three in ten adults 55 and older would switch cards to accrue miles more quickly (30%), to get first class check-in and preferred boarding (29%), or to be able redeem fewer miles when booking award travel (29%).

These are some of the findings of an Ipsos poll conducted June 25 – 29, 2009. For the survey, a nationally representative sample of 1,000 randomly-selected adults aged 18 and over residing in the U.S. was interviewed by telephone via Ipsos' U.S. Telephone Express omnibus. With a sample of this size, the results are considered accurate within ± 3.1 percentage points, 19 times out of 20, of what they would have been had the entire population of adults in the U.S. been polled. The margin of error will be larger within regions and for other sub-groupings of the survey population. These data were weighted to ensure the sample's regional and age/gender composition reflects that of the actual U.S. population according to data from the U.S. Census Bureau.

When it comes to air travel, Americans find a variety of types of vacations to be appealing:

- Visiting family and friends (54%)
- An ocean beachfront vacation (43%)
- Sightseeing (37%)
- An adventure – such as hiking, biking, climbing, kayaking – vacation (28%)
- A theme park vacation (27%)
- A golf /resort vacation (17%)

While visiting friends and family is the top rated vacation across demographic groups, significant differences do exist among those who find the various destinations appealing.

- Those using frequent flyer miles to travel this year are more likely than those who are not to prefer visiting friends and family (71% vs. 53%), a trip to the beach (63% vs. 43%) , or a golf/resort vacation (30% vs. 15%).
- Visiting friends and family is most appealing to college graduates (63%), parents (60%), married adults (60%), Hispanics (60%), women (58%), and those with a household income of \$50,000 or more (58%).
- Younger adults, particularly those under 35 (45%), are much more likely than those 55 and older (12%) to prefer adventure travel. Adults under 55 are also more likely than those who are older to favor an ocean beachfront getaway (48% vs. 34%).
- Parents are nearly twice as likely as adults without children under 18 to find a theme park vacation appealing (39% vs. 21%).

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For more information on this news release, please contact:

***Nicolas Boyon
Senior Vice President
Ipsos Public Affairs
646.364.7583***

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