

Disappearing features, new reward structures: Industry expert surveys credit card landscape

Beverly Harzog doesn't have a crystal ball to see what credit card bonuses, perks and features issuers might create next to entice new customers, but she does have the benefit of hindsight and experience.

Harzog, a credit card expert and personal finance analyst with [U.S. News and World Report](#), has about 30 years of experience in finance journalism. During her three decades in the industry she's learned, first, that credit card issuers will always change things up and, therefore, that consumers always need to do their research.

Credit card options create better credit card offers

As more credit card options became available throughout the past number of years, Harzog watched credit card issuers grow more willing to compete for the best customers.

"There was a time when we saw bonus offers go up and up as issuers tried to do outdo each other," Harzog explains, adding that [no annual fees](#) or waiving the fee for the first year were also tactics issuers used to attract new clients. "I see a lot of changes because there's so much competition."

In recent years though, she's noticed some pulling back on some of those bonuses and features as the credit card landscape levels out. In particular, she says that there seem to be fewer issuers offering cards that waive the annual fee for the first year, though she insists that a consumer shouldn't write off a card immediately because it comes with an annual fee.

"Just because it [has an annual fee](#) that doesn't mean you don't bother to research it," Harzog explains, adding that she carries a Delta Airlines rewards card that has an annual fee. "You don't want to break even, because that's just too much trouble. I get more back in rewards than I ever pay for those annual fees. The better the rewards, the more likely you are to have an annual fee."

But it's not just rewards that matter when it comes to a credit card, Harzog notes. Extra features should be part of a person's decision to apply for a particular credit card; unfortunately, she's seeing some of those extra features start to disappear.

"Cards are pulling back [on extra benefits] and the reason they say they are is because people weren't using them," Harzog observes. "It's the responsibility of journalists to get that information out there."

"Things like extended warranties, [features] like that are very important," Harzog contends, explaining that many credit cards, particularly those at the level of Visa Signature, for instance, offer a multitude of perks, such as auto rental insurance coverage and more, that aren't necessarily top-of-mind when people are applying for a card. "There are a lot of [extras] that are travel-related. You've got to read the

fine print. When you're looking at the perfect card for yourself, look at the extra features. Sometimes, people get dazzled by that signup bonus."

Even though there are certain aspects to credit cards that seem to be changing for the worse, Harzog remains optimistic that there are certainly plenty of reasons to be excited about what credit cards can offer the average consumer.

For instance, Harzog says she doesn't expect introductory [0% APR periods](#) on purchases or balance transfers to disappear, which is especially good news given that interest rates are on the rise.

She's also intrigued by an increase in rewards cards aimed at specific lifestyles and spending habits.

"I'm seeing rewards go more on lifestyle things [such as] dining, Uber, Lyft," she explains. "I'm seeing a trend away from the general type to cards getting into these niche markets like dining. I think that's kind of exciting."

More options means consumers need to be paying attention and taking advantage of all the ways they can gather information and compare credit cards through resources like [CardRatings](#) and U.S. News and World Report, Harzog explains.

"You really have to do a sort of spending audit of your life... and if you match a credit cards rewards program to the type of expenses you have, that's when you clean up and can really profit from your credit cards," she says. "I would like one that offers personal services, [but] what is a dream for me, may not be a dream for someone else."

Even though change is inevitable when it comes to credit card offers and features, the bottom line remains the same:

"It's not that different in terms of what consumers need to know," Harzog maintains. "Even today, people need to get information so that [they] can make the most of their money."