

Credit Cards - Credit where it is due

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CREDIT CARDS - *Credit where it is due*

Ever wondered why does anyone need a credit card? We all surely know what credit cards are and why they hold Importance in our financial lives. Besides that, we also know how they help in building our credit score. But do we really need a credit card? Let us examine if we do. We all have some important things in our lives that we take care of on an everyday basis, people who are close to us or associated with us and are financially depended on us. The need for money can arise anytime and thus one may have to take loans or borrow money. In this case, having good credit is really vital.

Positive credit history makes one an attractive borrower and opens doors to more financial opportunities. Some legitimate reasons to borrow money can arise if you or anyone related to you is pursuing a higher education and considering the cost of college rising faster than inflation, you may have to consider taking a credit. Have any stories related to your history with credit cards? [Click here](#) and share them with us by writing a review!

In 2016, the average U.S. household carried \$49,905 in student loan debt. Therefore, having good credit ensures one to qualify for student loans with the lowest interest rates and favorable terms, making it much easier to pay them back on time.

Another important reason to take credit arises when you wish to buy a home. And since, ownership is the cornerstone to a dream of many Americans, for those without a good credit score, this dream fails to turn into a reality. For example, the best mortgage rates and most affordable loan terms are only reserved for people who have an excellent credit score of 720 and above, which again explains why credit cards are needed to have a good credit score for facilities like this.

Furthermore, many job seekers raise their chances of landing a new job based on their credit scores and it is possible to be denied a job due to negative entries with one's credit reports.

Now that we know why many of us use credit cards, let us inform you about certain technicalities about having credit cards your banks have not or are not informing you about:

SOME TECHNICALITIES YOUR CREDIT CARD ISSUERS ARE NOT TELLING YOU!

Credit cards are a perilous deal to make. Before availing the facility of the line of credit, make sure you are in your full ability to face some serious challenges posed by this financial tool. If you miss payments and skip paying your bill in full, you could land in big trouble!

That is, if you don't know the secrets credit card companies keep to themselves. Here is a list for your convenience:

The issuer generally writes credit cards with interest-free if you can pay with no annual fees

Whenever you use your credit or debit card, a vast network of complex electronic algorithms takes place in the hindsight where the merchant pays a fee of around 2% to 5% of the total transaction which is split between the banks, the card issuer and payment processing network which help your bank in generating millions of dollars in profits for each year.

So even if you opt for having a *no annual fee* credit card, and not pay a single penny of interest, your bank will still remain in profit if you keep using your card regularly.

If you keep these secrets in mind, you are surely going to stay above whatever your banks are up to and without a doubt remain out of the debt trap.

Having mentioned that, let us now focus on how you can choose the right credit card for yourself:

HOW CAN YOU CHOOSE THE RIGHT CREDIT CARD?

Choosing the right credit card may be tough, but very effective in ways that can make your financial life much simpler. Credit cards are a blessing, but it completely depends on how you use them, which means that your **social lifestyle** is a determining factor of your financial lifestyle. They offer a world of benefits and are not just convenient final tools, but have also become a life accessory.

For example, if you are a person, who socializes regularly, eats out and entertains, then opt for a card which offers you a better dining experience and greater discounts and rewards at restaurants and similar places.

Another factor to consider while choosing the right credit card is, **knowing about what features do you want** especially as credit cards offer a large variety of features such as Utility bill payments, zero liability on stolen cards, fuel recharge wavers, Easy EMLs, welcome bonuses, and insurance cover. Hence wisely compare different credit card issuers before choosing the right one.

The third factor which helps you determine the right card for you is that you should **know about how much the banks charge for all the facilities they give you** and also the fact of how much are you willing to pay. Before making the decision, compare and choose carefully while keeping such factors in mind.

CONCLUSION

There are a lot of things that can have a huge positive impact on your financial life and certain factors that can lead you to a bad debt trap. But on further inspection, we get to know that it is totally up to the individual on how they use their credit cards. Smartly managing your funds can land you a huge success whereas, on the other hand, spending relentlessly can land you in big trouble!

Bankquality.com helps you in taking the right step. [Register Now](#) on our website and read various reviews on credit card experiences from people across the world and then choose the best for yourself!

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