Consumers’ satisfaction with the rewards they earn on their credit cards varies significantly across programs, and in some cases cardholders say calling a customer service representative is easier than simply redeeming online, according to a major new study by the Financial Services Group at Lightspeed Research.

The study, based on a nationwide survey of 8,406 rewards cardholders as well as actual credit card spending and rewards data drawn from Lightspeed’s behavioral tracking panel, traces differences in redemption choices and the customer experience across 18 leading cash, travel, and points rewards programs.

While cash back -- in the form of check or statement credit -- is the leading type of award redeemed on most cash cards, there is substantial variation across leading products.

For example, only 48% of Discover cardholders redeem for cash back -- many others redeem for a gift card (26%) or an Amazon purchase (17%).

Rewards for cash cards are most likely to be redeemed online (81%), but as many as one-fifth of travel program (20%) and points card (21%)redemptions are done through a customer service representative. Notably, however, points cardholders who redeemed by speaking to a person were more likely than those who redeemed online to rate the process as “extremely easy” (81% vs. 71%) -- and they were much happier with the process than co-brand travel cardholders (42% rating as extremely easy).

Although less than one-fifth of points cardholders also opt for cash back when redeeming rewards, they are significantly less likely than cash rewards cardholders to rate the cash back as an “extremely good value”.

The extent to which cardholders perceive the redemption process as easy or difficult has a significant impact on the likelihood that a rewards card will remain top of wallet, and the perceived value of redemptions is consistently the single most important driver of overall card satisfaction, based on Lightspeed’s analysis of cardholders’ attitudes and redemption experiences.

Chase Freedom and Chase Marriott Rewards rank highest in terms of cardholders’ satisfaction with what they receive when they redeem rewards. Discover also ranks high on both redemption satisfaction and ease of redeeming rewards.

For more information, contact:
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Credit Card Rewards Redemption Study

Lightspeed Research | Financial Services Group
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In this Report:
The study, based on a nationwide survey of 8,406 rewards cardholders as well as actual credit card spending and rewards data (not self-reported) drawn from Lightspeed’s behavioral tracking panel, traces differences in redemption choices and the customer experience across 18 leading cash, travel, and points rewards programs.

Overview:
Executive Summary
Summary: Rewards Card Rankings on Key Metrics
Reward Redemption Experience: Cash Cards
Reward Redemption Experience: Travel Cards
Reward Redemption Experience: Points Cards

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Percent of Cards that are Customer’s Primary Card
Drivers of Primary Card Status
Average Monthly Spend and Balances: Cash Cards
Redemption Choices: Cash Cards | Satisfaction with Redemption Award
Ease of Redeeming Rewards
Drivers of Satisfaction with Rewards Program
Continued Use of Card After Redemption
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Percent of Cards that are Customer’s Primary Card
Drivers of Primary Card Status
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Drivers of Satisfaction with Rewards Program
Continued Use of Card After Redemption
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Section 3: Proprietary Points Cards
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Overall Satisfaction with Card | Reasons for Satisfaction with Card (Unaided)
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