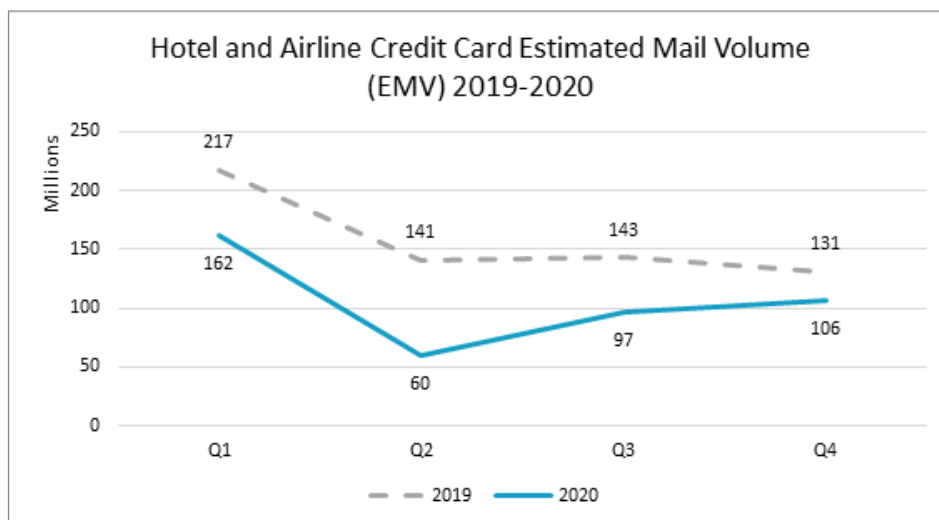




Is confidence returning for travel credit cards to promote their travel perks and benefits again?

By Jessica Duncan, March 2021

By the end of 2020, Competiscan observed a return of travel credit card offers nearing pre-pandemic levels. This was an encouraging sign, and interestingly the recovery of travel card marketing in Q4 2020 outpaced the credit card industry overall. Does this mean issuers are anticipating that consumers are ready to take advantage of a lucrative travel card offer and plan that much needed trip?



Media Channel: Direct Mail | Sector: Credit Cards | Audience: Consumer | Added Between January 2019 and December 2020 | Category: Payment Cards | Primary: Primary | Mailing Type: Acquisition, Follow-Up, Upgrade/Cross-Sell, Win-Back | Affinity/Association: Affinity/Association | Affinity/Association Category: Travel | Affinity/Association Sub-Category: Airline, Hotel/Resort

Travel credit cards had the steepest hill to climb with recreating their value proposition during 2020 and spent much of their efforts repositioning their cards to offer added everyday value. Issuers like American Express quickly pivoted and began heavily promoting cards like their Hilton Honors American Express Card. This product was well suited to stay relevant throughout the pandemic since along with an array of Hilton-based perks, the card also offered 5X points on U.S. supermarkets, restaurants, and gas purchases, along with no annual fee.

During 2020 we saw American Express increase their sign-on bonuses and remain consistent in marketing their Hilton Honors credit card. These efforts have not let up.

American Express recently launched a campaign referred to as their “Power Pair Promotion” which offered a \$100 statement credit PLUS 100K bonus points AND 0% APR on purchases for the first 12 months. This offer was also packed with raising awareness about the perks of the status that comes with being a cardmember and included a nod to the accolade received for best hotel loyalty program from The Points Guy.

Travel Perks Return to Lead Headlines

It became more apparent as we neared the end of Q1 2021 that issuers were less apprehensive about leading with messaging that promoted travel benefits and offers like companion fares and free night stays. The marketing materials reflect the sentiment that after months of the pandemic, many consumers are likely thinking about booking their next vacation.

Earn future free nights in these 4 ways
 March 2021 Email, American Express Hilton Honors Card

Promoting features like miles that don’t expire and translating how rewards equate to free nights were key tactics aimed at giving consumers confidence about what they could gain and what risks they were avoiding by taking advantage of the offer.

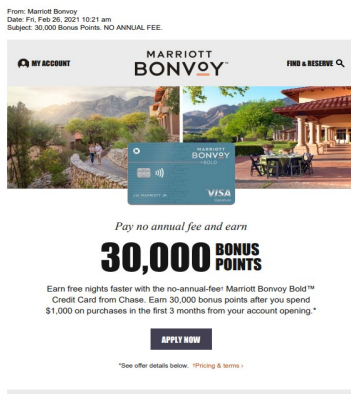
Travel on your mind? Earn 70,000 bonus miles that don’t expire after you spend \$2,000 in purchases on your new Card in the first 3 months.
 March 2021 Email, Delta SkyMiles Gold American Express Card

Earn up to 4 Free Nights with the NEW Wyndham Rewards Earner Card
 March 2021 Email, Barclays Bank / Wyndham Rewards Visa

Are No Annual Fee Travel Cards Gaining More Market Share?

Some consumers may still be apprehensive about planning their next trip, which may cause hesitation with committing to a premium travel card that often carries a higher annual fee. Therefore, we saw a number of new and existing no annual fee travel rewards credit cards promoted, including the new United Gateway Card from Chase.

Chase also used “no annual fee” as a lead marketing strategy for their Marriott Bonvoy Bold Card. Not only is this product benefit conveyed in all caps in their subject line, but they also make reference to it three times throughout the body of the email, including a tagline that states “YES TO VACATION VIEWS, NO TO ANNUAL FEES.”



Pay no annual fee and earn 30,000 BONUS POINTS

February 2021 Email, Chase Bank / Marriott Bonvoy Bold credit card

YES TO VACATION VIEWS. NO TO ANNUAL FEES.†

Earn unlimited points on stays, other travel expenses and everyday spending. And since your points don't expire when you keep your Card active,† you can redeem for free nights and more when the time is right.

Notably, Competiscan saw a sizeable shift in the distribution between airline and hotel travel card offers in Q4 2020. Historically, airline offers have dominated the travel card category, but in Q4 2020 it was nearly a 50/50 split between the two categories. Likely, issuers felt stronger about the attractiveness of their hotel cards while airline travel was still waning in interest before the rollout of vaccinations began to pick up.

We now see more consumers returning to airports and while the road ahead might still be long for consumer confidence to entirely return to what it once was with traveling, one thing is certain - travel card programs are hedging their bets that if they continue to offer lucrative sign-on offers, well-rounded rewards programs, and flexibility, their cards can once again pique the interest of the consumer market.

For more information on credit card trends, Competiscan clients can view our archive of reports and insights [online](#).

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