

6 credit card hacks that will save (or earn) you money

By Kristen Frisa

Credit cards hold many advantages - they're a great way to protect your purchases, track your spending and conveniently pay for your day-to-day spending. Credit cards also can help you build a good credit score, which is helpful when you need a mortgage or other loan.

But credit cards aren't just for spending. Used wisely, they also can help you *save* money. Here are six hacks to get your card to put money in your pocket.

1. Meet your minimum spend.

Many rewards cards come with a sign-up bonus - an extra cache of points that you receive upon signing up for the card. The catch: many of these sign-up bonuses require that you spend a certain amount to unlock the points, miles or cash back.

While reaching your minimum spend is not a hack per se, there are tricks to finding ways to meet it. Be smart with your shopping so you reach or exceed your minimum spend while also benefiting from your purchases. You can try these three "hacks" for meeting a minimum spend:

- **Buy gift cards.**

If your new card requires you to spend \$1,000 in the first three months, charge your normal amount on groceries during those three months. Then, during that initial period, purchase gift cards from your grocery store for items you'll need anyway, such as a gift card to the store itself, a gas gift card, restaurant gift cards (if you often eat out), or card issuer-branded gift cards, such as a Visa gift card, which you can use anywhere.

Then, in the months following the minimum-spend period, use your gift cards as often as possible - it will be like you prepaid your spending for the next couple of months.

- **Charge your bills.**

Try connecting some regular bills to the card, if possible, especially higher-payment bills such as utilities. Just be sure to set up autopay for the credit card bill, or pay off your bill as soon as you charge a bill to it, so you don't forget to pay the balance and end up paying interest. It's also worth checking if you'll be charged an extra fee for paying with your card

- **Pay for your friends.**

Another way to rack up the charges is to team up with a friend or family member and offer to pay for their purchases for the first few months you have your card - provided they pay you back. Go with them to the grocery store, the gas station or wherever they may be spending, and swipe your card instead. You can ask them to pay you back via cash or check, but even better may be to set up a

mobile P2P payment system, such as PayPal. That way you can transfer the funds to your bank immediately.

Be careful with minimum spends, though. If it's not in your budget, do not get that card, advises money coach Judith Cane.

You also should make sure you don't sign up for two (or more) cards with high spending minimums.

"One card's requirements may conflict with another's," which could lead to spending too much on one card or missing the requirements on either or both of the cards, says **Steve Bridge, money coach with Money Coaches Canada.**

"There is a danger of getting swept up in the pursuit of points," says Bridge. "A perk is only a perk if you needed that product anyway."

2. Take advantage of travel perks.

If you're planning a trip, consider a travel rewards credit card. Often, these cards will offer a sign-up rewards bonus that can pay for your entire flight, but even if you don't use the bonus for a planned-for trip, you likely will use a travel card's perks whenever you travel.

For instance, many travel credit cards offer free checked luggage or priority seating. You might even get access to airport lounges or concierge services.

Additionally, you might get travel protections, such as trip interruption/cancellation insurance, travel health insurance or baggage insurance.

3. Use your card's built-in protections.

Credit cards often offer protection on regular purchases, too, not just travel. These protections can include extended warranties and purchase insurance, or price protection.

These protections can come in handy if you're buying, say, a big-ticket item and the salesperson is pushing a pricey warranty on you, or if you simply want to extend the manufacturer's warranty on that new TV. You may also be able to insure certain items, such as home electronics - if they're damaged or stolen within 90 days of purchase, you can get a refund.

And with price protection, if you buy an item, and the price goes down within 60 days, you can recoup some of the cost.

4. Try your hand at churning.

It's exciting when you find a great sign-up bonus - so exciting, in fact, that you may wish to do it again. Surprisingly, you may be able to. Welcome to the world of card churning.

When you churn, you sign up for a credit card with a huge sign-up bonus, then once you have the bonus points in the bank and have used them, you close the card and open the card again (or another card with a sign-up bonus) in a few months.

You also can try doubling down on a great deal by getting your spouse to sign up for the card. Or, if you have your own business, sign up for a personal card, as well as the business version.

5. Save interest costs with a balance transfer card.

If you're carrying a balance on a credit card, try transferring your debt to a balance transfer card. Many cards offer no interest on balance transfers for at least the first year.

A balance transfer card can help you save money on interest, which you can then apply toward the principal and pay the debt down faster - and, eventually, get rid of the monthly bill altogether.

There are a few things to watch out for when transferring a balance, though. First, you'll likely have to pay a balance transfer fee, usually about 3 per cent of the balance.

Secondly, Cane says, you need to have a plan. If you transfer your balance to a card that offers no interest for a year, you should pay a twelfth of the balance each month so that, at the end of the year, it's paid in full. If not, you could be left paying an even higher interest rate on the balance than you were before.

Finally, consider setting up an automatic payment on the balance transfer card, because one missed or late payment could result in losing the 0 per cent interest rate.

6. Get a cash back card.

Perhaps the most obvious way to make your credit card work for you is to sign up for a cash back card.

Many of these cards come with low or no annual fees, at least for the first year, and can earn you as much as 5 per cent cash back on purchases. You can choose a card that offers cash back on specific categories, such as gas or groceries, or a card that gives you cash back on all purchases.

If you choose a card with an annual fee, make sure the cash back you earn throughout the year is equal to or more than the annual fee, so that you profit from the card.

Play the card game wisely.

You can try these methods to take advantage of credit card rewards and perks, but don't overload your wallet or it could get confusing.

"Playing credit card shuffle is fine if you have the time and will pay attention to deadlines and required spend amounts," Bridge says. The more cards you have, the more likely you are to miss out on the very rewards you were seeking.

"To get the most out of perks, consolidate your cards and stick to the ones that are most pertinent to your lifestyle," Bridge says.