

Issuers lean into travel across segments to drive spending

Article

The news: Two major US credit card issuers are enhancing their travel portfolios:

- **US Bank added a commercial travel card and platform for mid-market businesses.** The Commercial Rewards Card, designed for businesses with \$10 to \$150 million in annual revenues, uses US Bank's 2021 acquisition of **TravelBank**. It automates businesses' travel and

expense platforms and offers things like rebates, cash flow management, preferred rates, and waived booking fees.

- **Capital One is trialing a location-specific sign-up bonus for its mid-tier Venture Card, per Thrifty Traveler.** Customers who apply from QR codes at select airport kiosks (with location services on) can earn 100,000 miles after spending \$5,000 in the first three months. The incentive is a 25,000-mile increase over the standard bonus.

What's behind the moves? Travel spending is buoying issuers' businesses.

- While business travel's return has been slow, international business bookings for fall 2023 are **just 10% below 2019 levels**, per ForwardKeys data published [by](#) Reuters, with a full recovery projected in 2026. This gives providers that invest in travel now a potential early mover advantage.
- On the consumer side, [travel spending is outperforming](#) sectors like luxury goods. And with many consumers planning to travel and increase their travel spending, it should propel issuer growth.

Why it matters: Amid an overall slowdown in credit card spending growth as a response to macroeconomic conditions, [developing new travel services](#) could help providers stand out to boost customer acquisition.

- Sign-up bonuses are a [top reason customers apply for cards](#). Targeting travelers—and then serving them differentiated features, like Capital One's enhanced travel platform and [concierge service](#)—could create a runway for growth.
- Mid-market businesses require efficiency more than ever. Pairing commercial card programs with other features so businesses can access more from a single provider could drive appeal and bring in business.