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Warehouse clubs help consumers save on both everyday purchases and bulk products for an annual membership fee, but which big-box retailer offers better value — Costco or Sam's Club?

Costco vs. Sam's Club: Memberships & product prices compared

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Warehouse clubs like Costco and Sam's Club are essentially supersized retail stores, selling groceries, clothing, supplements, sporting goods, furniture, electronics, gasoline, and a host of other products — sometimes in bulk and often at a notable discount compared to other retailers.

The only catch is that you can only shop at these big-box stores if you are a fee-paying member.

For certain people, a wholesale club membership is a no-brainer. Warehouse membership is particularly popular among those with large families and folks who frequently need to purchase items for large group events (sports, clubs, companies, religious groups, etc.). For customers like these, the annual cost of a wholesale club card is often easily outweighed by the savings that come with access to a discounted bulk retailer.

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The two largest wholesale clubs in the U.S. — Costco and the Walmart-owned Sam's Club — have quite a lot in common. They both have locations in most U.S. states, sell similar arrays of products, charge similar membership fees, and perhaps most importantly, they both have a food court in every store so that inclined customers can indulge in a post-shopping snack or treat to top off their visit.

Despite their similarities, however, Costco and Sam's club aren't the same. Here, we take a side-by-side look at the two warehouse clubs to see how they stack up in terms of membership prices and benefits, product prices, perks, and more.

WHICH WAREHOUSE CLUB MEMBERSHIP IS CHEAPER?

The first thing most prospective warehouse shoppers want to know is which brand offers the cheaper membership.

Each of Sam's club's memberships is \$10 cheaper than its Costco counterpart.

At the basic level, a Costco Gold Star membership is 20%

Costco vs. Sam's Club: Memberships & product prices compared

	Costco	Sam's Club
Basic membership fee	\$60	\$50
Premium membership fee	\$120	\$110
U.S. locations	604	600
States without stores	RI, WV, WY	AK, OR, RI, WA
Employees	316,000	Unknown
Members	132,000 (as of '24)	69,000 (as of '22)
Founded	1983	1983
2023 revenue	\$242.3 billion	\$84.3 billion
Store brand	Kirkland	Member's Mark
Ownership	Public (NASDAQ: COST)	Subsidiary of Walmart (NYSE: WMT)

Comparing products

Here are a few of each brand's products and their online prices (as of June 2024)

	Kirkland	Member's Mark
Paper towels (2-ply)	\$22.99 (12 rolls)	\$19.98 (15 rolls)
48 AA batteries	\$15.99	\$17.98
Laundry detergent	\$19.99 (194 fl oz)	\$15.98 (196 fl oz)
Canned chicken breast (6 count)	\$14.99	\$11.98
Minced garlic (48 oz)	\$8.49	\$5.43
Olive oil (2L)	\$25.99	\$21.78

more expensive than a Sam's Club Club membership, while at the premium level, a Costco Executive membership is 9.09% more expensive than a Sam's Club Plus membership.

Both companies occasionally offer promotional membership discounts or rebates to new members, but Sam's Club tends to do so more often.

Here's a closer look at each club's membership tiers, pricing, and benefits:

COSTCO MEMBERSHIPS: OVERVIEW, COSTS & BENEFITS

Costco offers two different membership tiers: Gold Star, the company's basic membership, and Executive, the company's premium membership. Both tiers come with two membership cards that grant members access to any of the brand's big-box warehouse stores, and both tiers can also be purchased by businesses for the same prices. Business members can add additional membership cards to their account for \$60 each, while individual members are capped at two cards per membership.

Costco's executive members earn 2% cash back on purchases (including Costco Travel purchases) with an annual cash

back limit of \$1,000. This means that Costco Executive members earn cash back on the first \$50,000 they spend at the chain each year. If an executive member spends at least \$3,000 in a year, they will earn at least \$60 in cash back — enough to pay for the difference between a basic and executive membership.

Costco's cash-back rewards are mailed out once per year (about three months prior to membership renewal) and can be redeemed in-store toward a member's next purchase.

Costco's executive members also receive additional discounts on some of Costco's in-house services as well as services offered by Costco's corporate partners. These include check printing, travel booking, insurance (life, home, pet, and auto), auto care (both at Costco and at partner mechanics), bottled water delivery, and payment processing (for businesses).

Costco has a 100% satisfaction guarantee on their memberships, which means customers who choose an executive membership but don't feel their cash back and service savings for the year justified the additional \$60 in membership fees can request a partial re-

fund.

Membership tiers and fees:
Gold Star membership: \$60 per year; Executive membership: \$120 per year

SAM'S CLUB MEMBERSHIPS: OVERVIEW, COSTS & BENEFITS

Sam's Club offers two different membership tiers: Club, the company's basic membership, and Plus, the company's premium membership. Both tiers come with two membership cards that grant members access to any of the brand's warehouse stores. Sam's Club no longer issues business memberships. Members of each tier can add additional membership cards to their account for \$45 each.

Sam's Club Plus members, like Costco Executive members, get 2% cash back on all purchases at the club's stores, but the Sam's Club annual cash-back limit is lower at \$500, meaning members stop earning cash back once they spend \$25,000 in a year. Members who spend at least \$3,000 at Sam's Club per year earn enough cash back to pay for the price difference between membership tiers.

Cash back rewards from Sam's Club are automatically

loaded onto members' cards once per month, so there is no need to bring a rebate check into the store to use them as is the case with Costco's cash rewards.

Sam's Club Plus members also get access to a number of additional discounts not available to ordinary club members. These include discounts on generic pharmaceuticals (most generics are \$4-\$10), 20% off glasses, free shipping on contacts, and \$4 off same-day delivery.

One major perk that comes with Sam's Club's Plus membership that is noticeably absent from Costco's Executive membership is free standard shipping on most items purchased online or on the Sam's Club app. Another Sam's-only Plus benefit is early shopping access to certain stores before they open to other club members.

Membership tiers and fees:
Club membership: \$50 per year; Plus membership: \$110 per year

ARE GROCERIES AND OTHER PRODUCTS CHEAPER AT COSTCO OR SAM'S CLUB?

When it comes to inventory, Costco and Sam's Club usually stock similar products — and often at similar prices. That being said, when there is a price difference on a comparable product, Sam's Club usually ends up being the cheaper option.

In 2023, AARP investigated the prices of 30 comparable grocery items at each chain and found that, across their sample, groceries at Sam's Club are around 18.36% cheaper than those at Costco by weight. Some of the items they compared included rotisserie chickens, wild salmon filets, baked beans, mayo, rice, pasta, eggs, pretzels, and orange juice. Which store brand is cheaper: Kirkland or Member's Mark? Each chain also offers its own store-brand products; Costco's line is called Kirkland, and Sam's Club's line is called Members' Mark.

Costco partners with major companies — including Bumble Bee (tuna), Diamond Naturals (dog food), Duracell (batteries), Huggies (diapers), Reynolds (aluminum foil), Starbucks (coffee), and others — to produce branded products for its Costco-exclusive Kirkland line.

Many of Sam's Club's Member's Mark products are produced by its parent company, Walmart, while others are produced by partner companies, much like Costco's Kirkland line. Sam's Club doesn't disclose what these partner companies are, but rumored manufacturers include Energizer (batteries), Purina (dog food), Tyson (chicken), and Wrangler (denim).

The two store's product lines are sometimes comparable in price, but Sam's Club's Member's Mark products are usually cheaper than their Kirkland counterparts.

THE TAKEAWAY

For most warehouse club enthusiasts, location is the most important factor in deciding whether to join Costco or Sam's Club. After all, many big-box members shop at their preferred warehouse club for its convenience. If you're a busybody with a large family, a large shopping list, and little time to spare, you can't go wrong by choosing whichever chain has a location closest to your home or workplace.

Both chains offer significant savings over traditional retailers, at least for those who shop often and in large amounts.

If both chains have convenient locations, and budget is a big factor, however, Sam's Club may offer a little more bang for a member's buck:

Both of its membership tiers are \$10 cheaper than their Costco counterparts. Sam's Club's Plus membership comes with free shipping and exclusive, lower-traffic shopping hours, whereas Costco's executive membership does not. Sam's Club's Member's Mark products tend to be cheaper than Costco's Kirkland products (with some exceptions). Sam's Club's non-store-brand products, including their groceries, tend to be cheaper than (or equal in price to) Costco's (with some exceptions).