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Warehouse Club Face-Off: The Overall Savings

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BEYOND THE BULK FOOD, cavernous shopping spaces and almost guaranteed savings (consumers save an average of 30% per item at warehouse clubs, according to a fall 2008 study by industry publication Warehouse Club Focus), warehouse clubs like Sam's Club, Costco and BJ's do have some distinct differences. And that could mean a big difference in savings for shoppers.

While the most obvious disparity is the annual membership fee – \$50 at Costco, \$45 at BJ's and \$40 at Sam's – in-store prices and policies play an even bigger role when it comes to your bottom line at checkout.

That's why it's important to compare prices on the items you need most frequently. A gallon of skim milk at Sam's Club, for example, costs \$1.88, while Costco charges \$2.29. Need to stock up on Secret deodorant? At BJ's, it's 81% cheaper than at the supermarket, while it's 67% less at Sam's Club.

Another factor: coupons. BJ's is the only warehouse club to accept manufacturers' coupons, which can give its prices an edge over the competition. (There are times, however, when combining those coupons with the sales in the weekly circular can result in even better deals at your local supermarket, says Teri Gault, founder of shopping site The Grocery Game.)

Nonmembers who want to try out a warehouse club will also have to weigh the surcharge they'll pay at checkout. Costco charges nonmembers 5%, Sam's Club tacks on 10%,

and BJ's, 15%. Clubs usually permit nonmembers to purchase alcohol and prescription medications without having to pay a fee.

SmartMoney.com went shopping for household staples and other items shoppers might regularly purchase to see which stores offer the best savings. We compared prices for 17 items from three warehouse clubs in the New York City metro region against one another and those at local stores, including supermarket chain C-Town, Rite Aid, Petco and K&D Wines & Spirits for items the supermarket didn't carry. Because warehouse clubs tend to carry bigger sizes, prices were adjusted for a unit-by-unit comparison where necessary. We also factored in manufacturers' coupons where available, since both BJ's and local stores accept them.

The results: Even for nonmembers, warehouse clubs offer plenty of good deals, with some of the best savings on over-the-counter medications, personal-care products and pantry staples. There were exceptions to that rule, however – most notably, bell peppers at the warehouse clubs were almost twice as much as they were at the supermarket, and prescription cholesterol medication was slightly more expensive at one of the clubs than at a chain pharmacy. The winner? Sam's Club's prices were consistently among the best, although BJ's coupon policy made it a serious contender in many categories.

Here's our side-by-side shopping list.

Warehouse Club Price Comparison*

Item	Supermarket	BJ's	Costco	Sam's Club
Skim milk, one gallon	\$3.29	\$2.09 Savings: 36%	\$2.29 Savings: 30%	\$1.88 Savings: 43%
Eggs, 1.5 dozen	\$2.79	\$2.99 Added Cost: 7%	\$1.50 Savings: 40%	\$2.93 Added Cost: 5%
Strawberries, 2 lbs.	\$5.98	\$3.99 Savings: 33%	\$3.50 Savings: 41%	\$3.48 Savings: 42%
Bell peppers, six count	\$2.97 (on sale)	\$5.99 Added Cost: 102%	\$6.99 Added Cost: 135%	\$5.88 Added Cost: \$98%
Boneless, skinless chicken breasts, 10 lbs.	\$29.90	\$22.29 Savings: 25%	\$29.90 No Savings	\$19.70 Savings: 34%
Skippy Creamy peanut butter, two 40 oz. jars	\$14.26	\$7.39 Savings: 48%	\$6.99 Savings: 51%	\$6.04 Savings: 58%
Claritin allergy medication 90-count (over-the-counter)	\$69.97 (after \$5 coupon)	\$29.99 (after \$5 coupon) Savings: 57%	\$34.49 Savings: 51%	\$31.74 Savings: 55%
Lipitor 10mg cholesterol pills, 90-count (prescription)	\$255.97	N/A	\$259.79 Added cost: 2%	\$250.72 Savings: 2%
Charmin Ultra Soft toilet paper, 36 rolls	\$31.22 (after a 25-cent coupon)	\$18.74 (after a 25-cent coupon) Savings: 40%	N/A	\$17.88 Savings: \$43%
Tide Original liquid detergent, 170 oz.	\$31.93 (after a 35-cent coupon)	\$20.14 (after a 35-cent coupon) Savings: 37%	\$20.99 Savings: 34%	\$20.97 Savings: 34%
Secret Invisible Solid women's deodorant, four-pack	\$20.96 (after a \$1 coupon)	\$3.79 (after 2 \$1 coupons) Savings: 81%	N/A	\$6.83 Savings: 67%
Huggies Step 4 diapers, 176 count	\$71.11 (after a \$1.50 coupon)	\$37.99 (after a \$1.50 coupon) Savings: 47%	\$42.79 Savings: 40%	\$36.43 Savings: 49%
Poland Spring water, 35 bottles	\$10.19	\$4.19 Savings: 59%	\$4.99 Savings: 51%	N/A
Pepsi, 36 cans	\$14.97	\$9.49 Savings: 37%	\$9.49 Savings: 37%	\$9.10 Savings: 39%
Folgers Classic Roast ground coffee, 48 oz.	\$17.72 (after a 50-cent coupon)	\$8.49 (after a 50-cent coupon) Savings: 52%	\$8.99 Savings: 49%	\$8.39 Savings: 53%
Grey Goose vodka, 1.75 l	\$68.99	N/A	\$59.99 Savings: 13%	\$57.82 Savings: 16%
Purina Dog Chow, 50 lbs.	\$31.23 (after a \$1.50 coupon)	\$21.49 (after a \$1.50 coupon) Savings: 31%	N/A	\$22.58 Savings: 27%

*Sam's Club member prices are from the Secaucus, N.J., location. BJ's member prices are from the East Setauket, N.Y., location. Costco member prices are from Brooklyn, N.Y., location. Nonwarehouse club prices are from New York locations of C-Town, Rite Aid, Petco and K&D Wines & Spirits. Prices have been adjusted per unit for comparison.