Ep #207: Chase Sapphire Preferred® vs. Chase Sapphire Reserve®: Which Should You Get?



Full Episode Transcript

With Your Hosts

Alex Payne, Jess Field, and Pam Lorg

Points Talk®

Ep #207: Chase Sapphire Preferred® vs. Chase Sapphire Reserve®: Which Should You Get?

Alex: Chase Sapphire Preferred® and Chase Sapphire Reserve®. Two cards with very similar names but very different benefits. Listen in as we take a deep dive into both and help you decide which one makes the most sense for your situation.

Welcome to *Points Talk*®. We are three moms who've discovered how to leverage credit card welcome offers to get hundreds of thousands of dollars of travel expenses for nearly free. We've used credit card points and miles to take vacations to places like Hawaii, Paris, Greece, Maldives, Japan, and so much more. And the best part? We each still have 800 plus credit scores. Imagine being able to take the vacation of your dreams for nearly free. It's totally possible, and we're here to show you how.

Alex: Hey, I'm Alex.

Pam: And I'm Pam, Alex's mom.

Jess: And I'm Jess. Let's Talk Points. It's no secret that we love Chase Ultimate Rewards®, and we often recommend the Chase Sapphire Preferred as the best beginner card. But based on some recent changes, the Sapphire Reserve might actually be a better choice now for some people. We are going to get into the details of each of these cards, see which one makes the most sense for you. Maybe both do.

But before that, our Black Friday sale on Points Talk Premium ends tomorrow, November 18th. Things change fast in this hobby, and we keep you updated in real time on Points Talk® Premium. Subscribe now and get 25% off the annual plan forever. Check out the link in the show notes to join us.

Pam: Okay, let's jump into the details about the cards and the offers. We do have an older version of this episode. We talked about this before, but when we recorded that one, you could only have either the Chase Sapphire Preferred or the Chase Sapphire Reserve, not both. And now, you can have both. Both allow you to transfer directly to airline and hotel transfer partners like Hyatt, Southwest, United, really some of the best partners.

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With the Sapphire Preferred, which is, we recommended it to all of our beginners. It was our favorite beginner card. This is the standard offer that you'll usually find on that card. 75k points after spending $5k in three months. It has a $95 annual fee, and you get a $100 annual hotel credit for a hotel stay booked through Chase Travel℠ Portal. So that kind of offsets that annual fee.

Sapphire Reserve is a lot different. The standard offer is 100k points after spending $6,000 in three months. It has a whopping $795 annual fee, and that makes a lot of people say, yeah, I'm never getting that card. But it has some credits and benefits that totally offset that, and it's become really probably one of my favorite cards.

So it does have a $300 annual travel credit, and it's super, super easy to use. All you do is charge your travel expenses, whatever, on that card, and you get a statement credit. You don't have to call anybody, you don't have to do anything. It automatically recognizes it, it automatically gives you the statement credit.

You get a $500 credit for stays of two nights or more with The Edit. So you get two $250 credits. And I have found that I'm using this more and more. Now that we have some changes with Hyatt, I'm actually liking all these other credits and have been able to use them very efficiently and enjoyed them.

There's an up to $300 in dining credits with Sapphire Reserve® Tables. This too is really easy to use, especially if you live in a bigger area. For me, I don't have a use for it in Fort Collins, but I'm always going to bigger cities. And we were in Chicago. I think we used two or three of ours. We had so much fun. We were ordering so much food. It was like…

Jess: They had to roll us out of there. Like, I have never been more full from a meal, I don't think, than I was at that restaurant.

Pam: Yeah. So it's really, it's great. Up to $300 in StubHub credits. I know you guys have used those a lot. I think I've used one of mine. Complimentary subscriptions to Apple TV and Apple Music. Up to $35 in DoorDash credits each month. I mean, these are really, these are things I actually use. So that's why I like it so much. And there's even some more that we haven't talked about.

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Jess: We could spend the entire episode listing every single credit on this card, but I tried to narrow it down to the top ones, and then you can use our Benefits Tracker if you want to see every single credit.

Pam: Yeah, and by the way, Jess, kudos on that Benefit Tracker. It is awesome. If you're not using our free tools that we have, you got to get on the website and start using them. They are great. Okay, Alex is going to talk about the differences between the cards because there are some big differences that now make us like one more than the other.

Alex: Yeah. So before I get into the differences, I think that before, it used to be you couldn't have both cards. It was one or the other. Now you, like my mom mentioned before, you can hold both of them. You can earn a welcome offer on both of them. And I think it makes sense to keep both of them. Maybe not for everybody, but I do think for a lot of people it makes, there's an argument to be had to keep both. And maybe you don't need to keep both, but maybe your Player One has one and Player Two has the other.

So the biggest difference between these cards is the Sapphire Reserve lets you transfer your points 1:1 to Hyatt. With the Preferred, it's a 4:3 transfer ratio. That is actually huge. And that, I think for every single one of us, is the reason why we will always have a Sapphire Reserve, is because we value Hyatt so much and getting that 1:1 transfer ratio is so important for us.

So that is why the Sapphire Reserve is our new keeper card. I actually had never had this card until, I think I got it this summer sometime.

Pam: I think we're all pretty new to it.

Alex: Jess had it when it first came out.

Jess: I'm on my third one. Sorry.

Pam: You are? Oh, you trailblazer.

Alex: Then they have different earn rates as well. And this is why I think it can make sense for people to have both of them, is because you're going to earn in

different categories. So the Preferred gets 2x on all travel. Anything that codes as travel, you're getting 2x. The Reserve gets 4x on flights and hotels booked directly, 1x on any other travel.

I actually had someone send a DM the other day. They're like, I used my Reserve to book these tickets, and they coded as this and not travel. And I only got 1x. I'm like, well, actually, even if it codes as travel, you're getting 1x on that because it's not flights and hotels. That's the only accelerator in the travel categories for the Reserve.

But for me, 4x on flights and hotels is huge. Even though we use points for the majority of our travel, there are still flights that I pay for. You know, if it's especially domestic flights, maybe if I'm by myself traveling or cheaper flights. And so that is huge. And the Reserve has really good travel benefits, like insurance-type stuff. And so booking, that is my go-to card for booking flights and hotels directly every single time.

The Preferred is good, 2x is good for everything else. So that'd be a case where it's like, okay, I'm going to put my flights and hotel on my Reserve, but maybe my rental car is going to go on my Preferred. Or, we're going to talk in a minute, your vacation rental, for sure you want to put on your Preferred.

So the Preferred earns 3x at gas stations, EV charging, vacation homes, like I just mentioned, top streaming services, and online grocery. So this covers a lot of people's biggest spending areas. And that's why I think the Preferred still is a keeper card because, you know, that's where we're spending most of our money is probably gas and groceries. And I, for one, love not going into the grocery store. I am all about online grocery order. So that works out great.

And then they both earn 3x on dining. And yeah, that's like really the differentiators between the earn rates on these cards. So I definitely think it makes a really good case to have both. Like for myself, I have, I actually have both right now just because my annual fee hasn't come up for my Preferred yet. But I've had considered, like, well, maybe I won't keep my Preferred, and we'll just keep Mitch's Preferred. And because we probably don't need both because

you can combine your points between your Player One and your Player Two as long as you're in the same household.

Then Sapphire Preferred points are worth up to 1.75 cents each when you redeem them in the Chase Travel Portal with Points Boost. The Reserve is up to two cents each. So you do get a little higher earn rate or redemption rate with the Reserve in Chase Travel Portal.

And then the other huge differentiator between these cards is the Reserve gets lounge access to Priority Pass™ and Sapphire Lounges. The really great thing about this is it's for the cardholder and two guests. There are very, very, very few cards that offer free access for guests nowadays. So for a family, this is huge. And we, we love the Sapphire Lounges. I know my mom and I have been to a couple together. We went to the one in San Diego.

Pam: Oh, I love, they have become one of my favorites now. I really like them.

Alex: Yeah. So we did the one in San Diego. It was my mom got my, we were her guests- myself and my six-year-old. And then we've been to the one at LaGuardia, the three of us, and then my 10-year-old was with my mom. So they're really nice. You go in, you can order at a QR code. It's nice because they also offer kid-friendly food. So you could order like chicken nuggets and fries. And that's really nice because in my experience, sometimes these lounges have a little more elevated food that maybe an elementary school-aged kid is not going to be thrilled about. So I really appreciate that.

All right. And then as far as the rules for getting these cards again, Jess had mentioned she's on her third Sapphire Reserve. Unfortunately, that is not something that we can all replicate. She got in getting those cards before these new rules came into place. So now there's a once-per-lifetime rule. So you know, if you're like, I'm going to get the Preferred, and then I'm going to close it, and then four years later get it again. That does not work anymore. Now it's the once-per-lifetime rule. We think that is more like an every-10-years rule. It hasn't been long enough to, I mean, it's just about getting there. What, did the Reserve come out 10 years ago now?

Jess: Yeah.

Alex: Yeah, it just celebrated 10 years.

Jess: I think next, I think in 2027, I'm going to be able to test this theory for Ted because I think he got it in January of 2017. So I think I'm going to be able to see if that works out or not.

Alex: So you will, if you apply for this card and you're like, I don't remember how long it's been, maybe you're confused, like, I don't remember which one I had because it was maybe five years ago.

Alex: So in the marketing terms, it'll say, like, “This credit card is unavailable to you if you currently have one open. The new card member bonus may not be available to you if you previously held this card or received a new card member bonus for this card.”

And then if you do apply, a pop-up should appear that lets you know, hey, you're not going to get the welcome offer on this card. You can still apply and, like, maybe you had the Reserve and you want the card again. You can still apply for it, and you could get it, and you can get approved for it, you just won't get the welcome offer. And so a pop-up will appear, and at that point, you can cancel the application, or you can move forward with it. So that is the kind of nice thing is you're not like taking a bunch of risks. There should, in theory, the pop-up should appear letting you know if you qualify for the bonus or not.

Jess: All right. So I'm going to go over some considerations to decide which one of these to apply for, or maybe you eventually want to get both. So the first one is, do you transfer a good portion of your points to Hyatt? So for us, when this news came out, what was it, a few months ago- that Chase was moving, you know, the Sapphire Preferred and the Ink Preferred® to a 4:3 ratio for Hyatt- I was like, well, I already loved my Sapphire Reserve, but this just became a keeper card forever for me, or at least for the next nine years until I can get another one. But then the rules are going to change five times between now and then.

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Alex: They'll have a new card. Who knows? They could even have a new card or something in 10 years.

Jess: So the only way to maintain that 1:1 transfer ratio to Hyatt is with the Sapphire Reserve personal or business card. We're not covering the business card in this episode, but I have the personal card; Ted has the Sapphire Reserve business card. We will each keep those forever thanks to that 1:1 ratio. And even, even Bilt is moving 4:3 starting January 1st. And so the Sapphire Reserve cards are literally going to be the only way to transfer 1:1 to Hyatt for any card.

I transfer practically, I would say 95% of my Chase points, I transfer to Hyatt. For that reason, it is worth me keeping this 1:1 ratio. If you have never transferred a Chase point to Hyatt and you have no interest in staying at Hyatts, this differentiator is not going to be as significant for you. But for the three of us, I would say we all probably transfer over 90% of our points to Hyatt. And so for that reason, this one, you know, keeping the Sapphire Reserve is a no-brainer.

Another one is, do you travel frequently? The Reserve is a premium card, right? You can tell because it has a $795 annual fee. It's made for travelers. You know, it gets the 4x on flights and hotels booked directly. It gets the lounge access. It gets the $300 travel credit. I love, like Alex said, I love that the lounge access includes two guests. Cards like the Venture X, which also has a high annual fee, not as high as this one, you no longer get free guests with that card for lounges. And so I love that the lounge access is generous.

Here's the thing, I was going to say, if you don't travel that much, but I assume anyone listening to our podcast probably does travel a lot or at least has a desire to travel a lot. So I don't know how many, maybe if you only travel, if you take one big trip a year and that's it, maybe you can't really justify, you know, paying that extra annual fee. But for us, the Sapphire Reserve is a no-brainer.

The other one is, do you redeem points in the travel portal often? So when Chase introduced Points Boost, I feel like that really changed how we view the portal. I think before we pretty much never ever booked through the portal. And now with these options of The Edit and getting up to two cents per point in the portal, we find ourselves booking more frequently than we used to. It's still not

our go-to way to book, but I would say I book, especially hotels, more frequently through the portal than I used to. And being able to get up to two cents per point on the Reserve makes that even more valuable to me. So if you're booking through the portal a lot, you know, that difference could make a difference.

And then the last question I had for everybody, I'll go first, but is… Alex kind of already answered this, but would you ever have both a Sapphire Reserve and a Sapphire Preferred?

And so I do not currently have both, but I have the Reserve personal and Ted has the Preferred personal. And I really think we're going to keep it that way. There is an argument to make like, oh, I could cancel his Preferred. He has the Reserve business card. He doesn't really need both. But I really like the option for that 3x on Airbnbs and VRBO because we do occasionally book those, so being able to earn 3x is really nice. We have an EV car, and so I like the option of getting 3x on our charging when we take our road trips.

And then the other thing is the $100 credit for a hotel stay automatically offsets that $95 annual fee, right? And we travel enough that I know there is going to be one night throughout the year that we're going to need to pay cash for a hotel somewhere, and being able to use that $100 credit is really nice, booking through the portal. There's no minimum night stay. There's no, like, it has to be part of some portfolio. It could literally be the Holiday Inn Tulsa, Oklahoma. I could book one night there and get $100 off.

And so for us, I think it makes sense to keep both. I'm planning to keep my Sapphire Reserve personal. I'm planning to keep, I'm planning to have him keep his Sapphire Preferred personal for the foreseeable future. I don't think we each need to have, I don't think I need to have a Sapphire Reserve and a Sapphire Preferred, and he needs to have a Sapphire Reserve and a Sapphire Preferred. But like you said, I think one of each in the family works well.

Alex: Yeah, I mean, I've kind of already answered. So I'm just going to say I agree with everything you said. One thing for us that's interesting is Mitch has never had the Sapphire Reserve personal or business card, actually. He hasn't

had either one of those. I have had both now. And so at some point, I'm going to be applying for him to get the Reserve.

I don't see me keeping it probably for him, just because I very rarely book a Hyatt stay through his account. Like, there's been a couple of times where he's traveled without me, like once in the last few years. And so I'm like, you know, we'll, I don't know. I think he already has some points in his account. I'm, I don't even remember. I could transfer points to his account, which is nice because now Hyatt lets you do that digitally. And so it makes it so much easier for me to move points from my account and then put them in his account. There is the limit of every, what, you can do it once every 30 days.

Jess: It's once a calendar month. So you could technically do it like October 31st and November 1st, but then you're…

Alex: And there is limits. I think there's a max, like you can send 525,000 and you can receive 525,000, which I think that's plenty. I don't see us needing more than to do more than that. I do think it's kind of funny though, how they come up with 525,000.

Pam: That is interesting.

Jess: That is so random.

Alex: I'm like, why not just 500,000 or like 550,000? I don't know, it's all, yeah, it would be kind of random too. Anyway, so I don't really feel this pressure that we both need to have a Reserve long term, but I will be getting him one at some point just because might as well get those points for him. But my long-term plan is me to keep the Reserve because I'm the one booking Hyatt stays and they're my account, I'm the one who has a Hyatt Globalist status. And then him having the Preferred.

But I'm glad you brought that up, Jess, because I still need to add my Preferred as, like, my saved payment method on my app for my electric car. So then I, and I don't charge very much outside of home, but when I do, it'll be, it's nice to just automatically earn the 3x. Then my husband has a gas car, and so I'm like,

here's the Preferred; you're using this every time you go to buy gas. Like, you don't even have to think about it. And so I do really like the those new, and these are changes that they just made a few months ago where we get these earn rates, you know, with the 3x gas, vacation homes. Super happy about the vacation homes one. So 100%, I am definitely keeping both cards long term, but just one for each of us.

Pam: And then for me right now, my husband does currently have both of them, and I'm, and I just have the Reserve. I have a hard time getting rid of the Reserve because, like I said, I like this card. I like the credits and benefits, and so I'm able to get more value than what I'm paying. I think once I see that I'm not getting that much value or I'm not using say my Edit credits, then that will be, that will change.

Right now, I am getting enough value out of it that, you know, I'm probably going to keep it because I'm always looking for hotels to stay, and I really want to branch out from Hyatt. So I like that. One of us to have the Preferred, so obviously he's going to keep that one. I think eventually at some point I'll get rid of the Reserve for him, but I don't know if I'm just being lazy or if I'm just really getting,

Alex: You just love your credits. Like you and your credits.

Pam: I do. I think it's fun. I'm a credit queen.

Alex: You are the credit queen for sure. And I am like credit overload. And so I'm so tired of credits, and you are like, you're very good at your credits.

Jess: It's the hobbyist, extreme couponer in her.

Alex: It is.

Pam: It is. It totally is. It's, yeah. So the last question is: if we could only choose one, which one are you choosing? I think this is going to be, this is going to be mind-blowing. CSR, absolutely. And it is because, you know, I make up all those credits. And it is the only card to have that 1:1 ratio with Hyatt. And, you know, so I'm hanging on to that one tightly.

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Alex: Yep, Chase Sapphire Reserve for me too.

Jess: What's funny is in the last episode we recorded about this where you could only have one, I'm pretty sure we all said the Sapphire Preferred. It's because, at the time, for a very long time, the Sapphire Reserve had a $550 annual fee, but the welcome offer was only 60,000 points. And we were like, 60,000 points for a $550 fee? Like, that's ridiculous. Well, now they've bumped the standard offer up to 100,000 points. And even though they raised the annual fee along with it, they also added, like you said, all these credits to help offset that fee.

And so here I am, you know, 2015 Jess started opening these travel rewards cards and refused to open any card with an annual fee for like the first six months. And here I am like, please give me the $795 annual fee card. It is my favorite, and I will keep it forever. So, you know, don't be afraid to change your mind on things.

Pam: Yeah, absolutely. So, and you know what? We're not saying, oh, you just need to get that, the Chase Sapphire Reserve if you can only get one card. You really want to have both cards at some point because you really want the welcome offer on both. So you definitely want to have both of them and then decide what to keep. I think certainly your guys' plans- one Preferred and one Reserve is the most normal for people. I'm just a little bit abnormal about it.

But just, we're just saying that you can't go wrong with either the Chase Sapphire Preferred or the Chase Sapphire Reserve. Both of them earn our favorite type of points. Both of them transfer to our favorite hotel brand, Hyatt. But only one has maintained that 1:1 transfer ratio to Hyatt. And for that reason, the Chase Sapphire Reserve is a keeper card for all three of us. And, you know, unless they really change things, that's the one we're holding in our little fists tightly.

So if you've enjoyed today's episode, please leave us a review and share the episode with a friend. And thank you so much for your support.

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