

Butler Life Hacks Series: Credit Cards & Travel Hacking

DJ Strouse
Feb 22, 2016



WENDY'S OLD FASHIONED HAMBURGERS
GLASGOW DELAWARE

#195 OUT
99 MD COKE 127.71

TOTL 127.71
VOUC 127.71

THANK YOU

JUAN N

0129 18:51 #02 DEC.31'05 REG0001



WENDY'S OLD FASHIONED HAMBURGERS
GLASGOW DELAWARE

128 medium
cokes
@ ~\$165

#196 OUT
29 MD COKE 37.41

TOTL 37.41
VOUC 37.41

THANK YOU

JUAN N

0130 18:53 #02 DEC.31'05 REG0001

WENDY'S OLD FASHIONED HAMBURGERS
GLASGOW DELAWARE

256 medium
cokes
@ ~\$330

#125	IN
50 MD COKE	64.50
78 MD COKE	100.62

TOTL	165.12
CASH	170.00
CHNG	4.88

THANK YOU
NATALIE

0132 15:46 #05 NOV.02'05 REG0001



256 coupons to cut

**4 domestic RTs
@ ~\$82 each**





2 nights @
Park Hyatt Tokyo





3 nights @
Rome Cavalieri

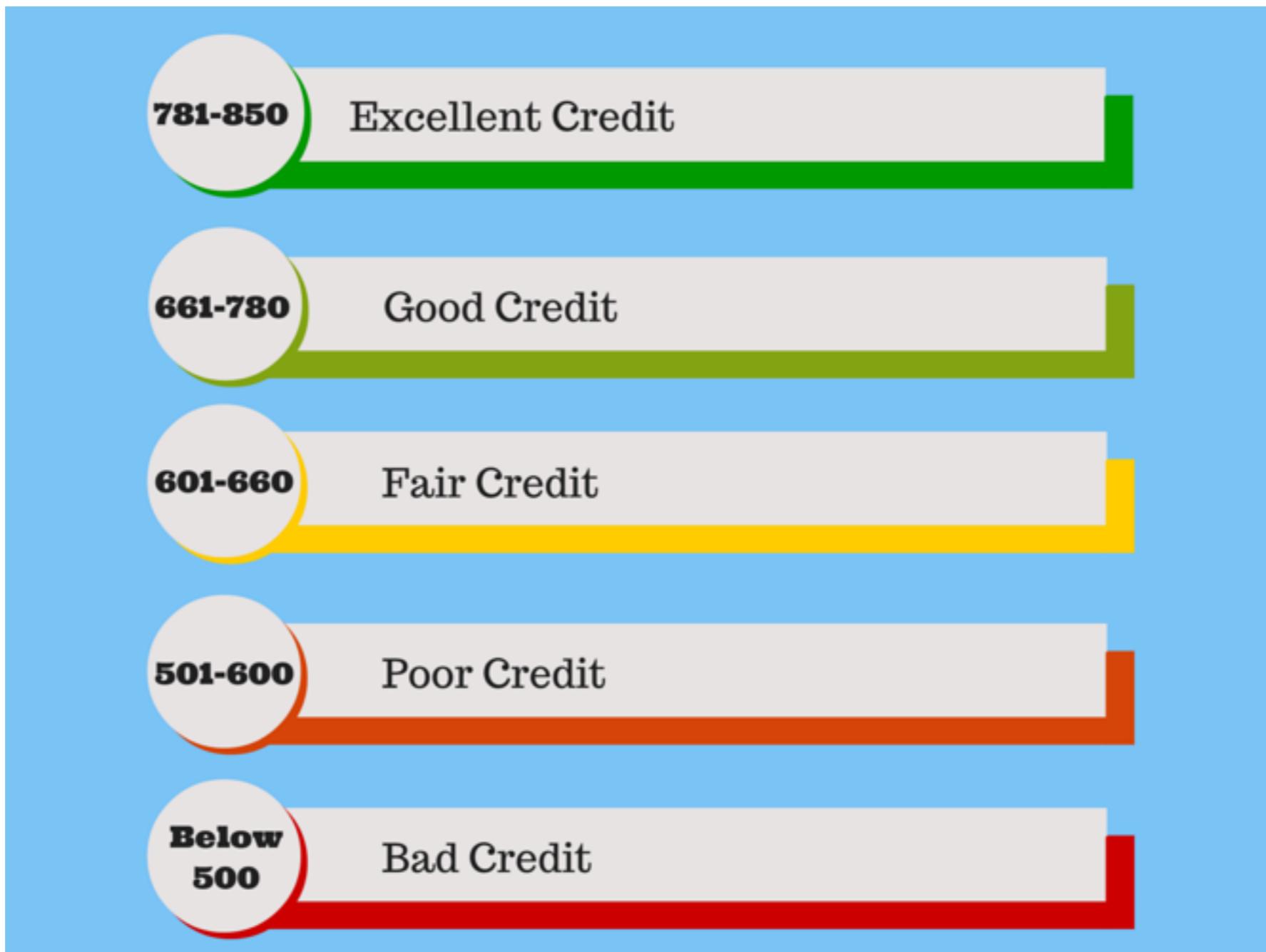


**2 Lufthansa
business class
SFO-TXL**

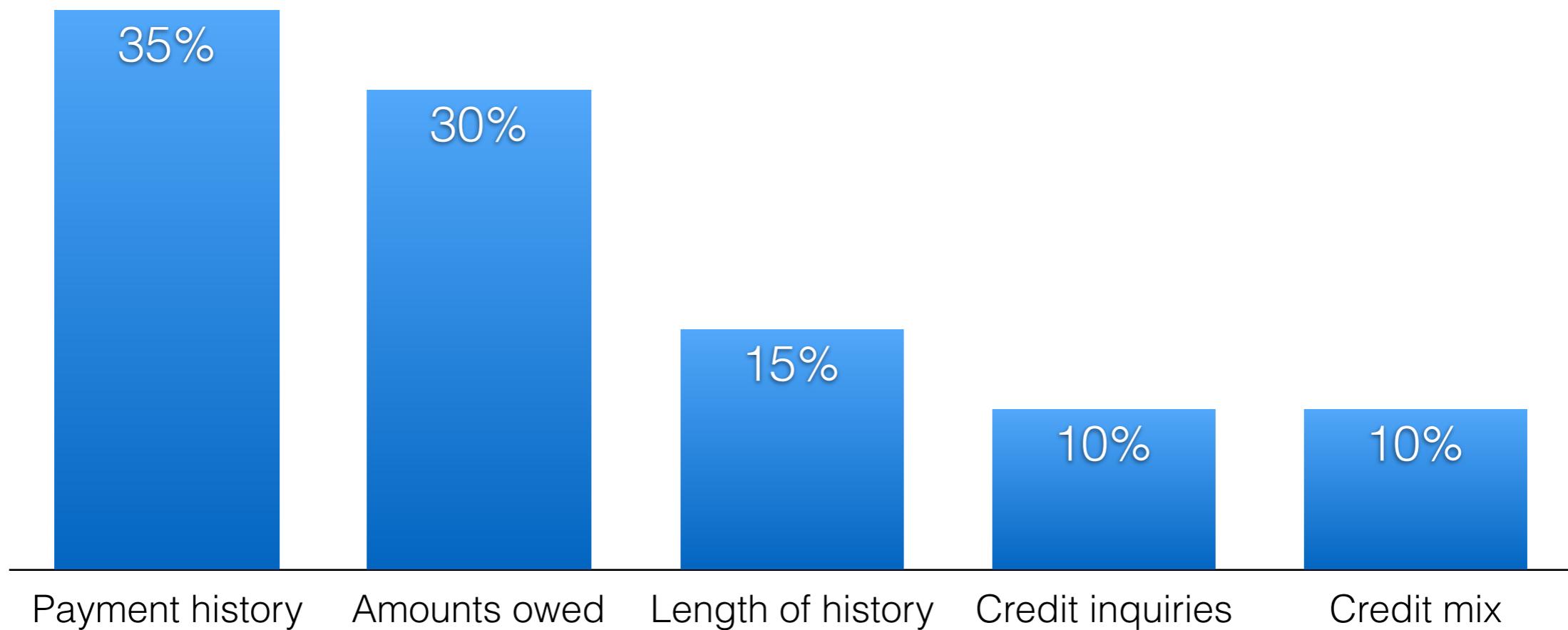
Overview

- Credit scores: what helps and hurts your credit
- Credit cards: basic types and specific good ones
- Airline miles & hotel points: how to earn & use them

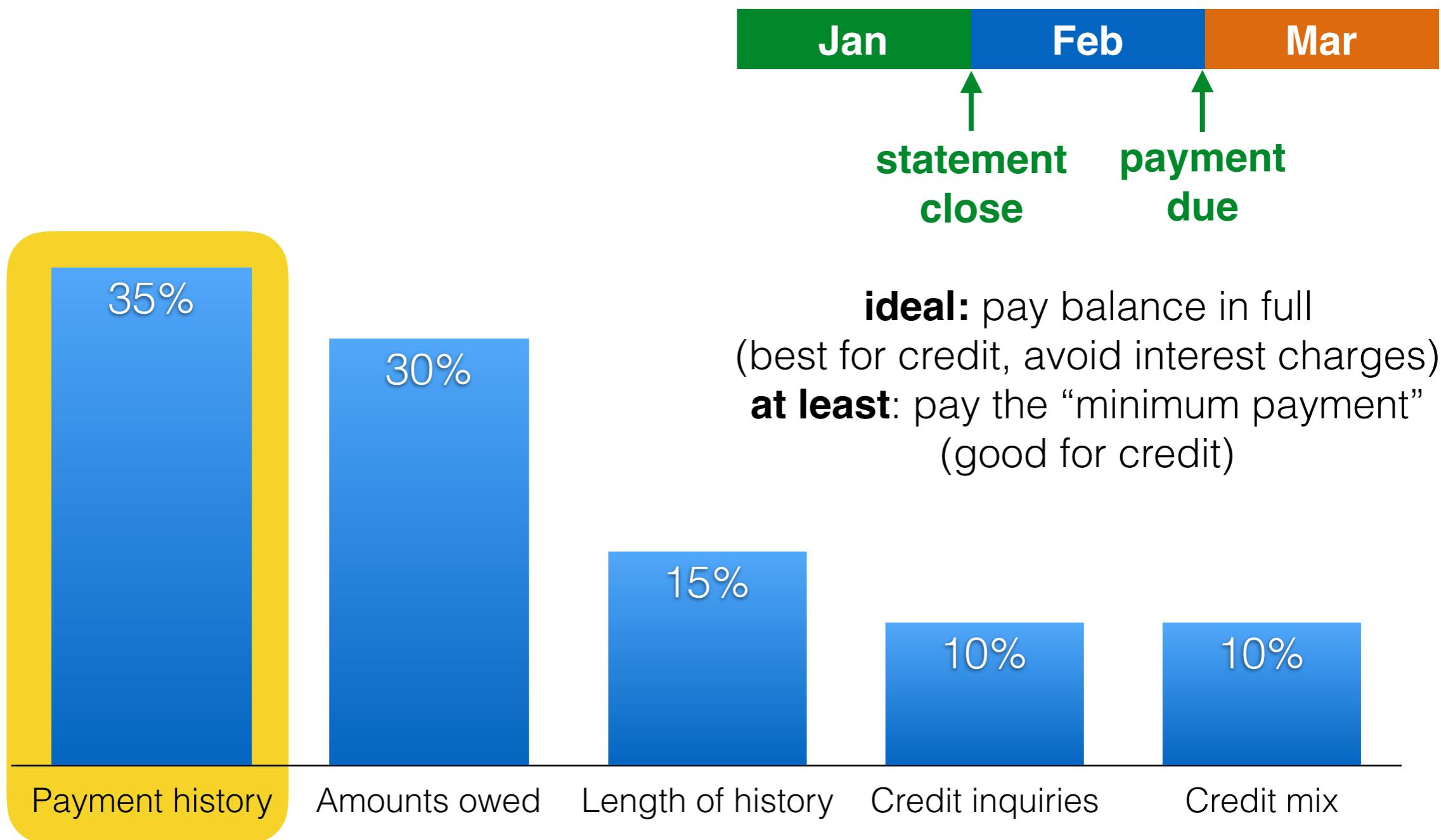
FICO credit scores



FICO credit score factors

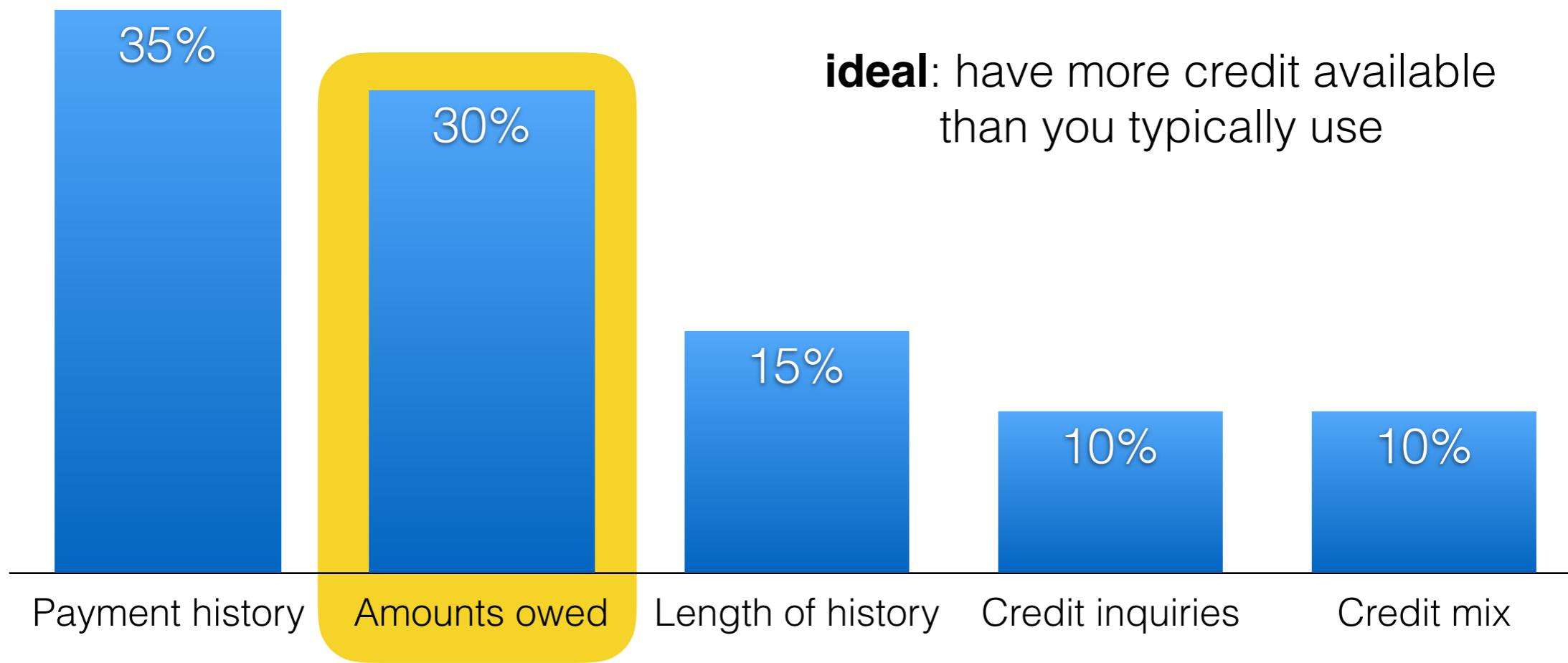


FICO credit score factors



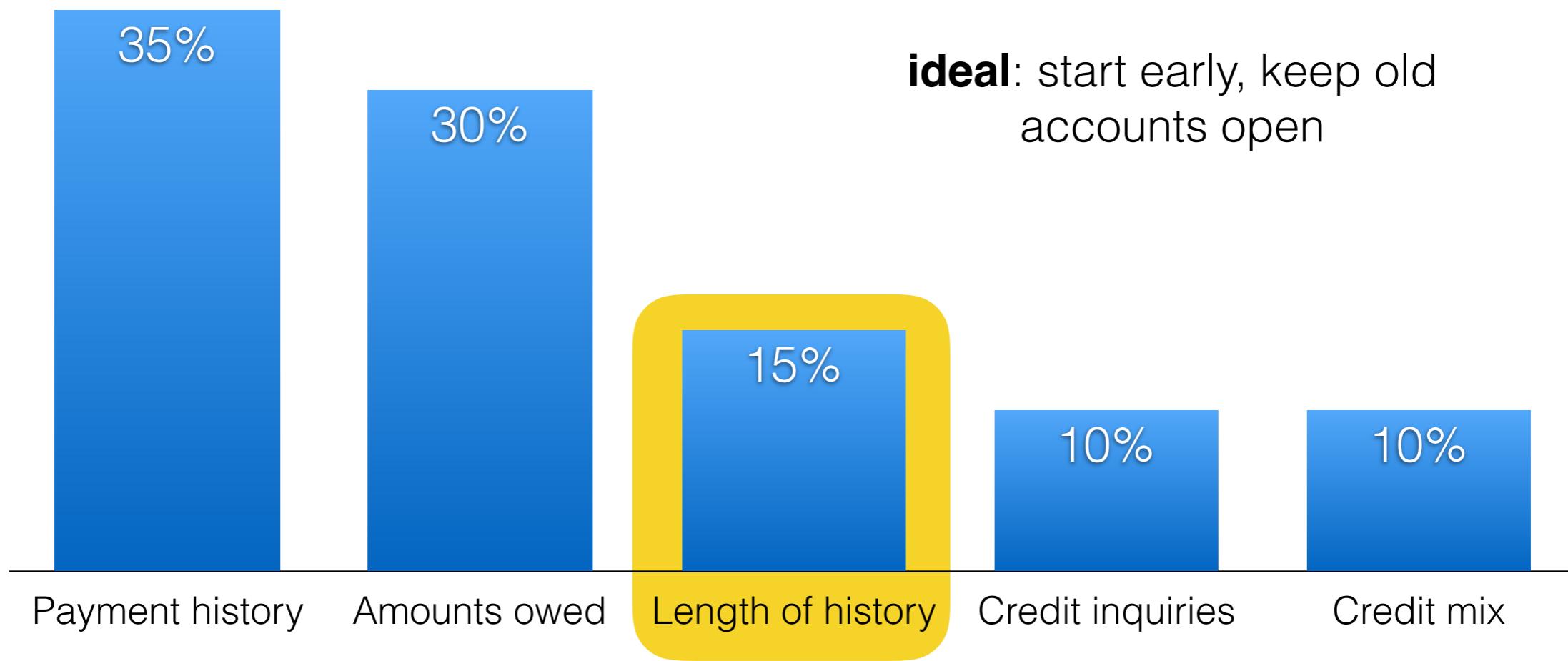
FICO credit score factors

credit utilization ratio = $\frac{\text{amounts owed}}{\text{available credit}}$

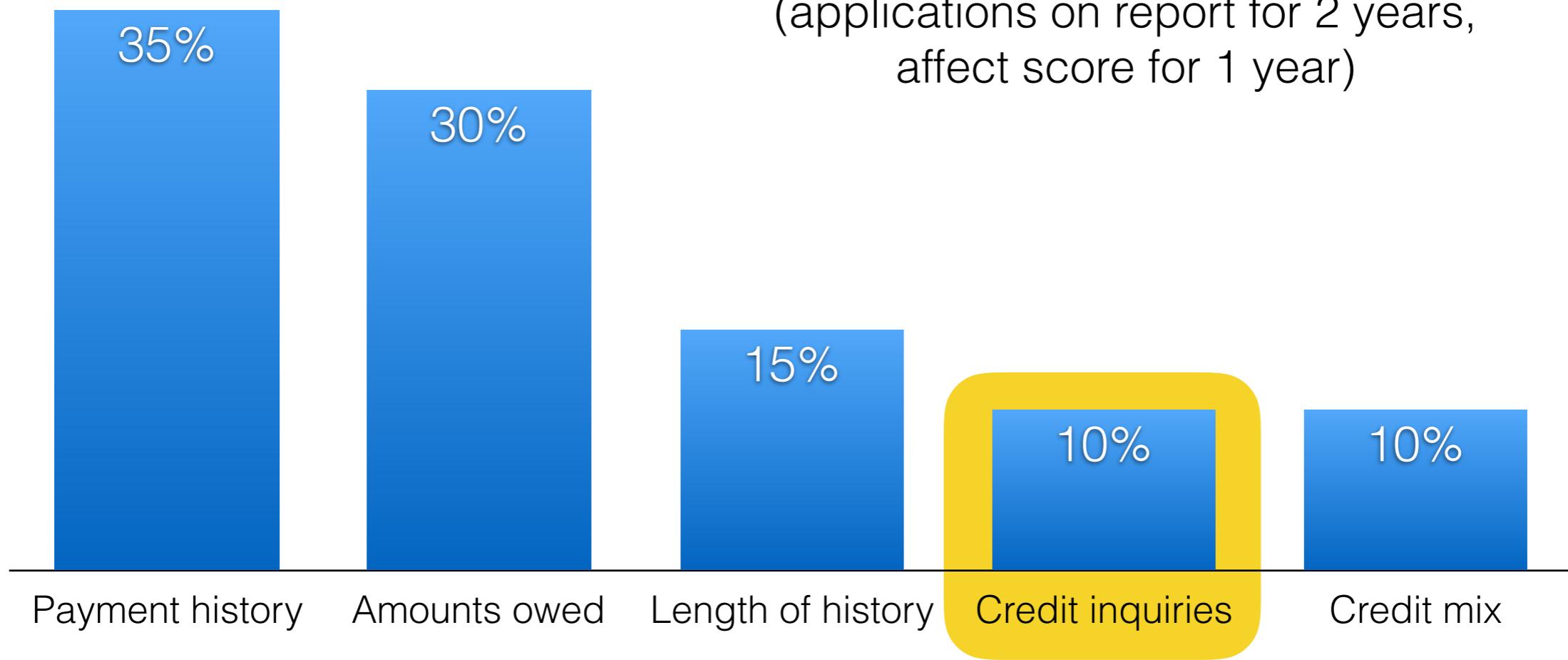


FICO credit score factors

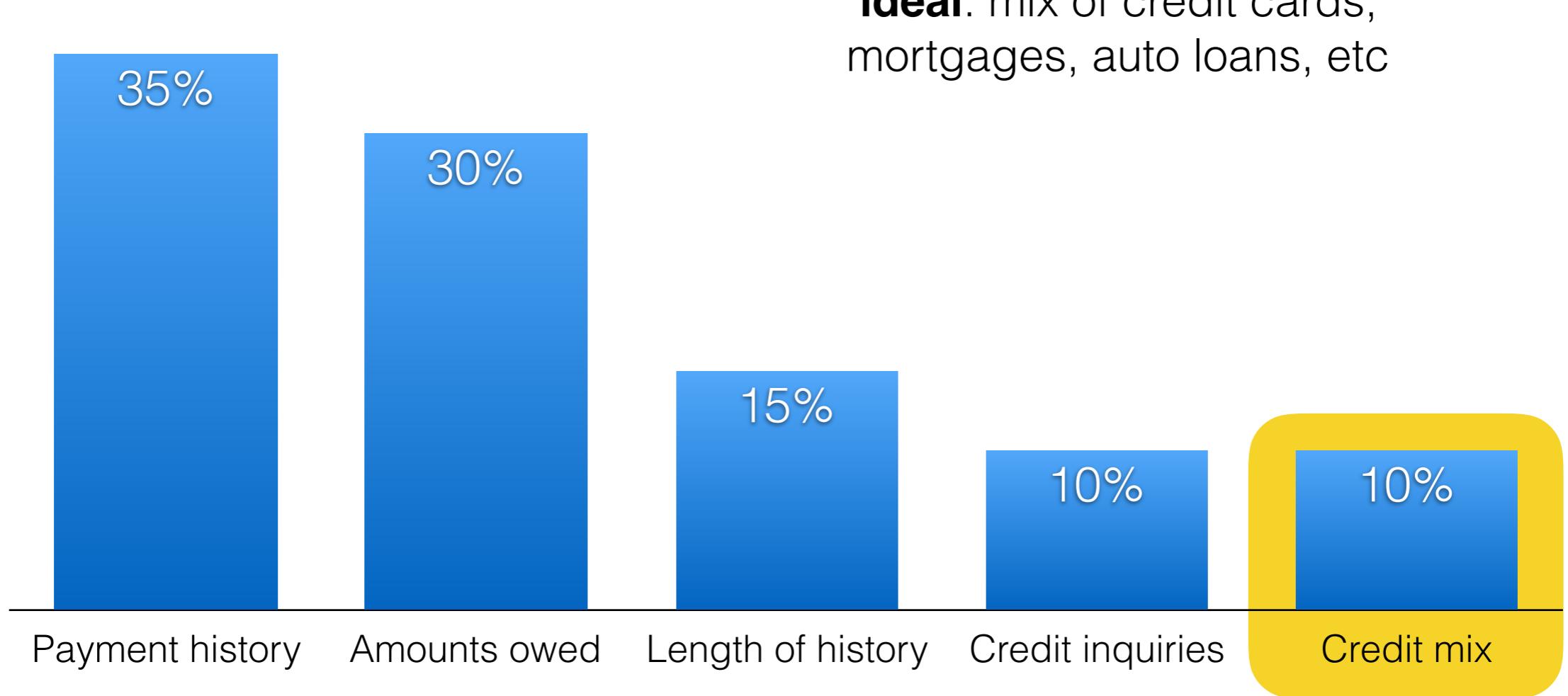
average, oldest, and newest
account age are all included



FICO credit score factors



FICO credit score factors



FICO key takeaways

- pay your balances off in full every month (or at the very least, don't miss payments)
- have more credit available than you typically use, and keep your credit utilization ratio low (aim for <30%, 1-10% ideal)
- start early!

3 basic types of cards

- **Cashback cards**
 - earn cashback on every purchase
 - statement credit or transfer to bank account
 - main advantage: simplicity, cash can be used for anything
- **Airline/hotel rewards cards**
 - earn airline miles or hotel points on every purchase
 - main advantages: high signup bonuses, special perks with associated airline/hotel
- **Flexible rewards cards**
 - earn flexible points which can be transferred to a variety of airline mile or hotel points programs
 - main advantages: high signup bonuses, flexibility, devaluation protection

3 basic reasons to sign up

- **Earning on spend**
 - earning on general spend
 - earning on bonus categories (e.g. restaurants, travel, groceries, gas, taxis/Uber)
- **Signup bonus**
 - one-time bonus for spending amount X in the first Y months (e.g. \$3k in the first 3 months, sometimes just 1st purchase)
 - good example: 50k+ miles or 2 nights at expensive hotel
- **Card perks**
 - airline examples: lounge access, food/drink discounts, free checked baggage, priority boarding/check-in
 - hotel examples: elite status, potential room upgrades, lounge access, free breakfast, 4th night free, annual free night, spa credit
 - others: Global Entry fee waiver, Boingo wifi, rental car upgrades, Amex offers

All miles are not created equal

Starwood	2.3 (cents/mile)
Chase	1.9
Amex	1.8
Citibank	1.7
Alaska	1.7
United	1.6
American	1.6
Hyatt	1.4
British Airways	1.2
Delta	1.2
Southwest	1.2
Marriott	0.8
IHG	0.6
Hilton	0.4

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flexible

airlines

hotels

A couple of myths

You should never pay annual fees.

A couple of myths

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You should consider whether a card's fee is justified by its earning on spend, signup bonus, and other perks.

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You should cancel a card you don't want right after you get the signup bonus.

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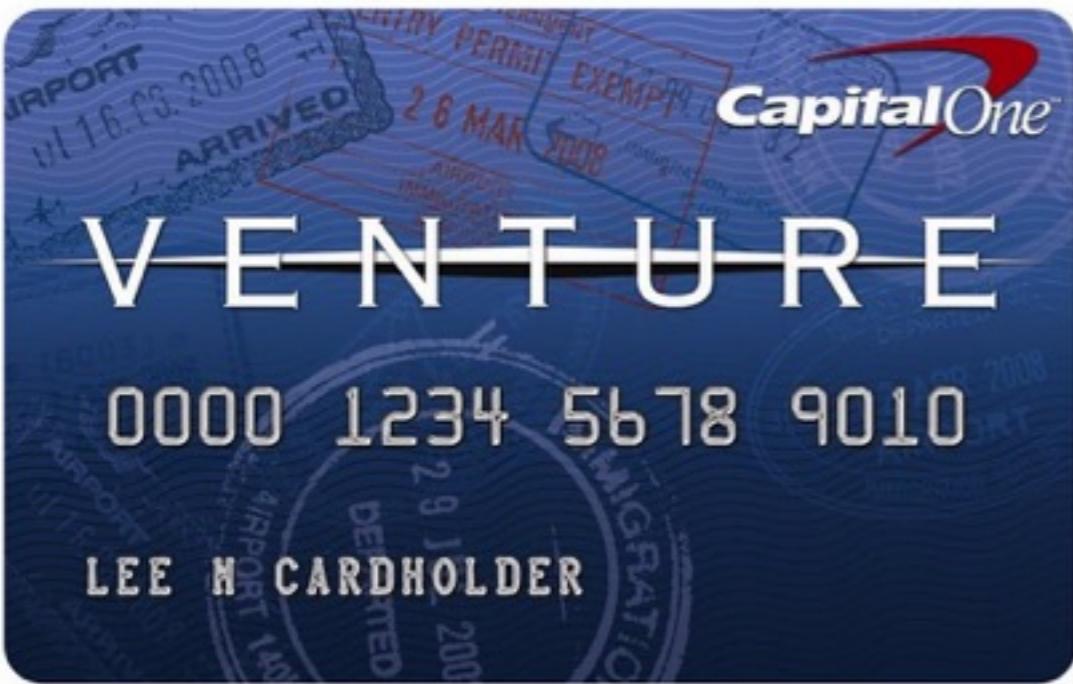
~~You should cancel a card you don't want right after you get the signup bonus.~~

You should wait at least until the next annual fee is due as to not spoil your relationship with the bank.

Questions to ask yourself

- Do you prefer a completely hands-off approach? Or are you willing to do some legwork?
- Where do you fly and on what airlines? Are you interested in business/first class travel?
- Where do you tend to need hotels? Do you want high-end properties or just a bed?
- What do you spend most of your money on?
- Do you travel internationally frequently?

Best cashback cards



CapitalOne Venture

2% everywhere

(as credit for travel purchases, no min)

signup: \$400 after \$3k in 3m

fee: \$0 1st year, \$59 after

Citi Double Cash

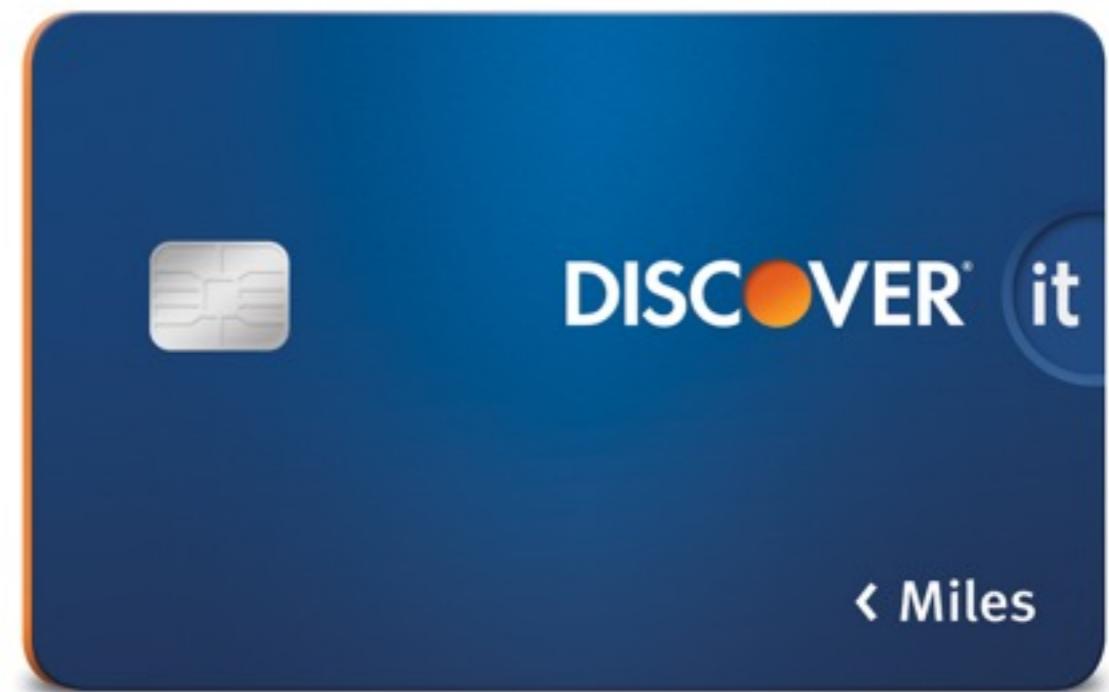
2% everywhere

(as statement credit or check, \$25 min)

signup: none

fee: none

Best cashback cards



Discover It

5% in quarterly bonus categories
(e.g. restaurants, Amazon, gas), 1% else
(as statement credit or check, no min)

signup: 1st year cashback doubled,
\$50 if referred (email me!)

fee: none

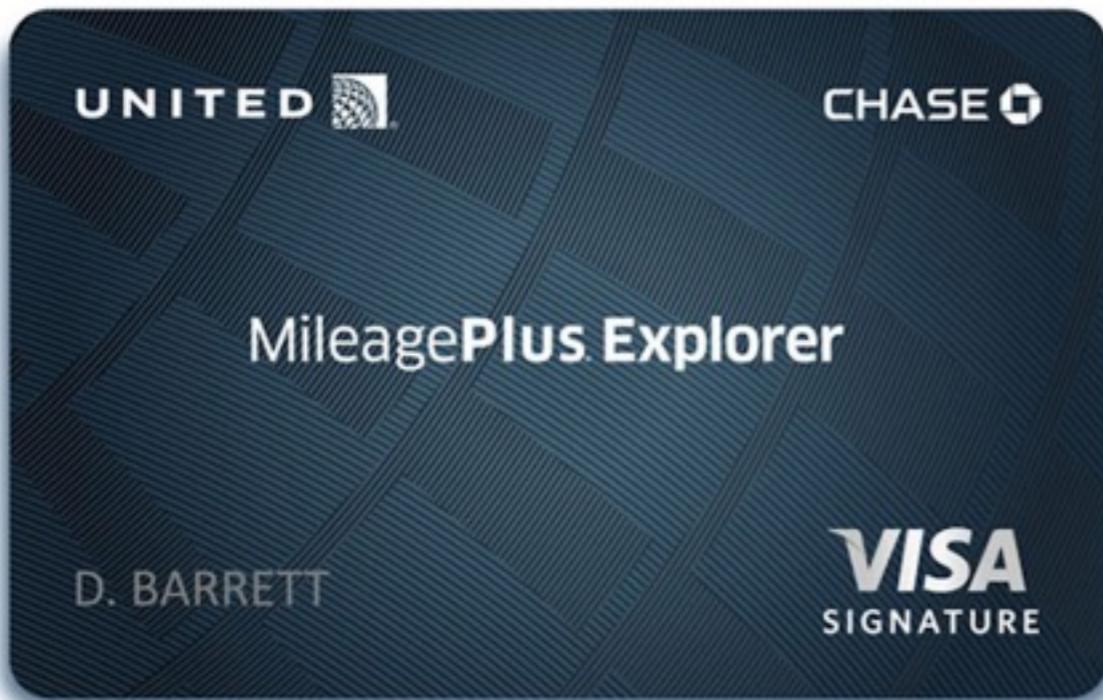
Discover It Miles

1.5% everywhere
(as travel credit or check, no min)
perks: annual \$30 in-flight wifi

signup: 1st year cashback doubled

fee: none

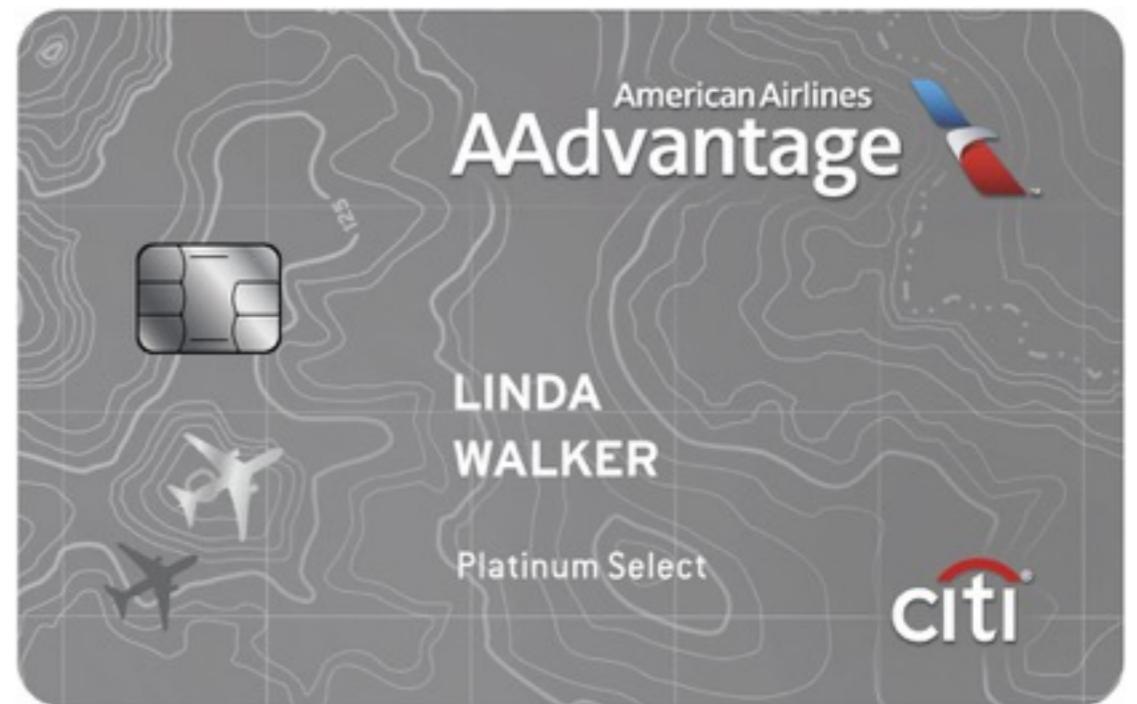
Best airline cards



Chase United MileagePlus Explorer

2mi/\$1 on United, 1mi else
perks: 1 free bag, priority boarding,
2 lounge passes per year
best signup: 50k for \$2k in 3m, extra
5k for adding authorized user
fee: \$0 1st year, \$95 after

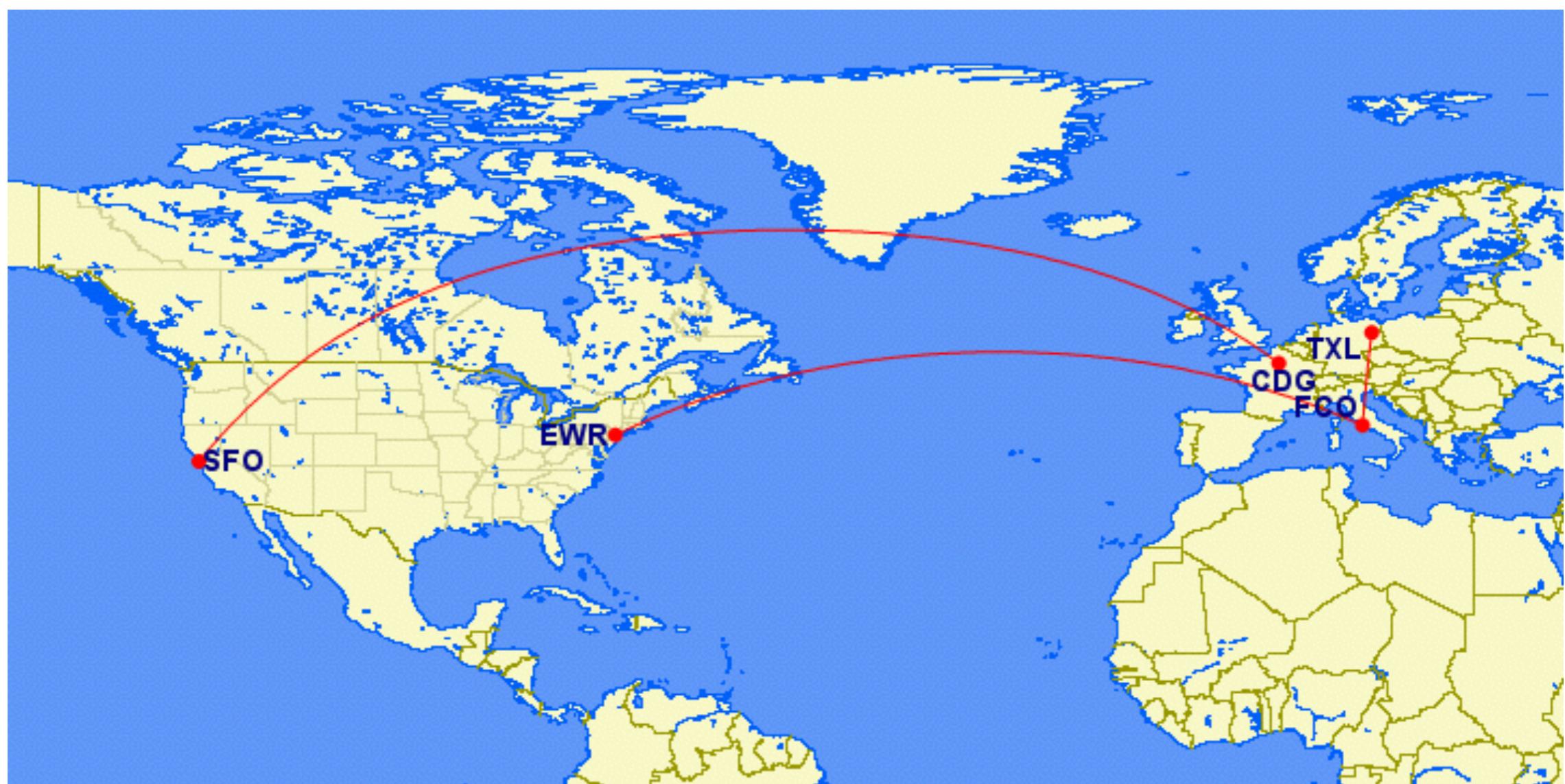
example economy RT to Europe with
usage: stopover & 2 open jaws for 60k



Citi AAdvantage Platinum Select

2mi/\$1 on AA, 1mi else
perks: 1 free bag, priority boarding,
25% off in-flight purchases
best signup: 50k for \$3k in 3m
fee: \$0 1st year, \$95 after

business OW to Tokyo for 60k



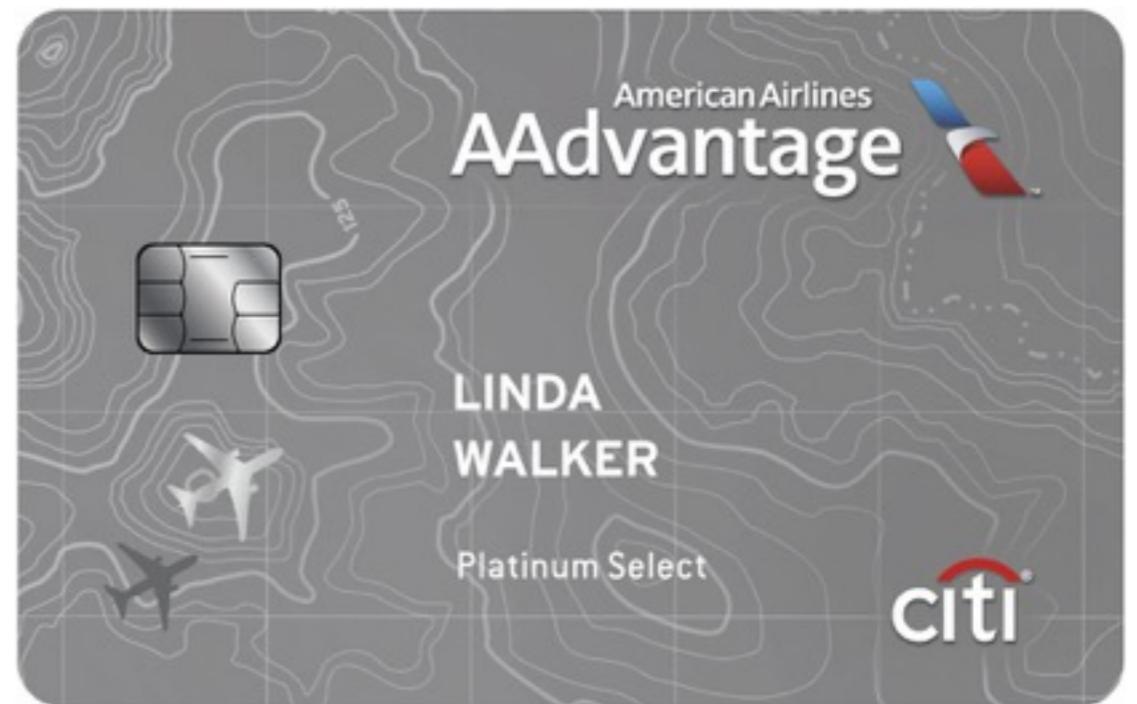
Best airline cards



Chase United MileagePlus Explorer

2mi/\$1 on United, 1mi else
perks: 1 free bag, priority boarding,
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best signup: 50k for \$2k in 3m, extra
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example economy RT to Europe with
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best signup: 50k for \$3k in 3m
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business OW to Tokyo for 60k

The image shows the interior of an airplane cabin, specifically the business class section. The seats are arranged in a staggered layout, facing forward. Each seat is a wide, lie-flat configuration with a dark wood-grain patterned fabric. The headrests are light grey with integrated headrest covers. Between the rows of seats are large, light-colored overhead bins. The floor is a dark grey carpet. In the foreground, the open tray table of a seat is visible, showing a small bottle and a grey ashtray. The cabin has a modern, minimalist design with recessed lighting in the ceiling.

AA
business
class

Best airline cards



Chase British Airways

3mi/\$1 on BA, 1mi else

perks: none

signup: 50k for \$2k in 3m,
extra 25k at \$10k & \$20k in 1st year

fee: \$95

example
usage:

economy OW <650mi
on AA for 7.5k

Chase Southwest Rapid Rewards Premier

2mi/\$1 on Southwest, 1mi else

perks: 6k annual bonus,

companion pass at 110k miles in a year

best signup: 50k for \$2k in 3m

fee: \$99

50k worth ~\$750-900 in flights
(at 1.5-1.8 cents/mile)

More airline cards

- **Bank of America Alaska Airlines:** 25k 1st purchase
- **Chase United Club:** United lounge access
- **Citi AAdvantage Executive:** AA lounge access
- **Amex Delta cards:** varies
- **Barclaycard Lufthansa Premier:** 50k for \$5k in 3m
- **Bank of America Virgin Atlantic:** 75k for \$12k in 6m

Best hotel cards



Chase Hyatt

3p/\$1 on Hyatt, 2p dining+, 1p else
perks: Platinum status (bonus points+),
annual free night at category 1-4
signup: 2 free nights for \$1k in 3m,
extra 5k for authorized user
fee: \$0 1st year, \$75 after

example 2 nights @ Park Hyatt Tokyo
usage: (nightly rate: \$700-\$1k+)



Citi Hilton Reserve

10p/\$1 on Hilton, 5p flights+, 1p else
perks: Gold status (bonus points+)
best signup: 2 weekend nights
for \$2.5k in 3m
fee: \$95

2 nights @ Conrad Maldives Rangali Island
(nightly rate: \$1.3k-\$1.6k+)



Park Hyatt Tokyo



Best hotel cards



Chase Hyatt

3p/\$1 on Hyatt, 2p dining+, 1p else
perks: Platinum status (bonus points+),
annual free night at category 1-4
signup: 2 free nights for \$1k in 3m,
extra 5k for authorized user
fee: \$0 1st year, \$75 after

example 2 nights @ Park Hyatt Tokyo
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10p/\$1 on Hilton, 5p flights+, 1p else
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2 nights @ Conrad Maldives Rangali Island
(nightly rate: \$1.3k-\$1.6k+)



**Conrad Maldives
Rangali Island**



**Conrad Maldives
Rangali Island**

Best hotel cards



Chase IHG

5p/\$1 on IHG, 2p dining+, 1p else
perks: Platinum status (point bonus+),
annual free night anywhere
best signup: 80k for \$1k in 3m
fee: \$0 1st year, \$49 after

example *InterContinental London Park*
usage: Lane: 60k (\$500-600+)

Chase Marriott

5p/\$1 on Marriott, 2p dining+, 1p else
perks: Silver status (point bonus+),
annual free night at category 1-5
best signup: 80k for \$3k in 3m,
fee: \$85

Ritz Carlton NY, Central Park: 70k
(nightly rate: \$800-1.2k+)



Intercontinental Hong Kong

Best hotel cards



Chase IHG

5p/\$1 on IHG, 2p dining+, 1p else
perks: Platinum status (point bonus+),
annual free night anywhere
best signup: 80k for \$1k in 3m
fee: \$0 1st year, \$49 after

example *InterContinental London Park*
usage: Lane: 60k (\$500-600+)

Chase Marriott

5p/\$1 on Marriott, 2p dining+, 1p else
perks: Silver status (point bonus+),
annual free night at category 1-5
best signup: 80k for \$3k in 3m,
fee: \$85

Ritz Carlton NY, Central Park: 70k
(nightly rate: \$800-1.2k+)



Ritz Carlton New York Central Park

More hotel cards

- **Chase Fairmont:** 2 free nights after \$3k in 3m
- **other Amex/Citi Hilton cards:** 50k-80k signup
- **Chase Ritz Carlton:** 140k after \$3k in 3m, Gold status
- **Barclaycard Wyndham:** 2-3 free nights anywhere
- **US Bank Club Carlson:** 85k after \$2.5k in 3m

The 4 flexible point programs

Starwood Preferred Guest (2.3-2.5 cents)

best partners: AA, Alaska, Singapore, Korean, SPG
20k SPG = 25k partner miles (25% bonus)

Chase Ultimate Rewards (1.9-2.1 cents)

best partners: United, Hyatt, BA, Singapore, Korean

Amex Membership Rewards (1.8-1.9 cents)

best partners: BA, Air Canada, Air France, Singapore

Citibank ThankYou Points (1.6-1.8 cents)

best partners: Singapore, Air France, 1.6c towards AA

Best flexible points cards



Chase Sapphire Preferred

2p/\$1 on dining/travel, 1p else
perks: car rental insurance
best signup: 50k for \$4k in 3m,
extra 5k for authorized user
fee: \$0 1st year, \$95 after

example 2 nights @ Park Hyatt Maldives:
usage: 50k (nightly rate: \$1k+)



Chase Freedom

5p/\$1 on quarterly bonus categories
(e.g. restaurants, Amazon, gas), 1p else
best signup: 20k for \$500 in 3m,
extra 2.5k for authorized user
fee: none

example 3 nights @ Grand Hyatt Santiago:
usage: 24k (nightly rate: \$300+)

Park Hyatt Maldives



Best flexible points cards



Chase Sapphire Preferred

2p/\$1 on dining/travel, 1p else
perks: car rental insurance
best signup: 50k for \$4k in 3m,
extra 5k for authorized user
fee: \$0 1st year, \$95 after

example 2 nights @ Park Hyatt Maldives:
usage: 50k (nightly rate: \$1k+)



Chase Freedom

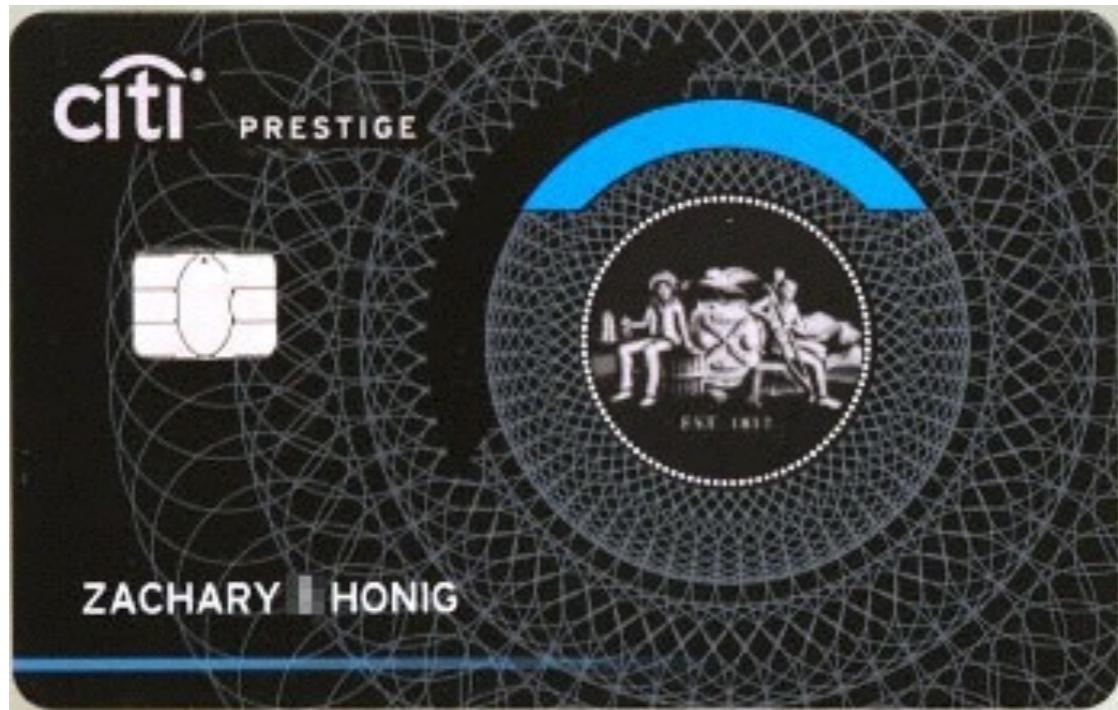
5p/\$1 on quarterly bonus categories
(e.g. restaurants, Amazon, gas), 1p else
best signup: 20k for \$500 in 3m,
extra 2.5k for authorized user
fee: none

example 3 nights @ Grand Hyatt Santiago:
usage: 24k (nightly rate: \$300+)



**Grand Hyatt
Santiago**

Best flexible points cards



Citi Prestige

3p/\$1 flights/hotels, 2p dining+, 1p else
perks: 4th night free at any hotel, \$250
airline credit, AA lounge access plus
others worldwide, Global Entry fee waiver
best signup: 50k for \$3k in 3m
fee: \$450

*example
usage:*

\$800 in AA flights



Citi Premier

3p/\$1 on travel, 2p dining+, 1p else
best signup: 50k for \$3k in 3m
fee: \$0 1st year, \$95 after

*JFK-Frankfurt Singapore
Suites Class: ~57k*

Singapore Suites



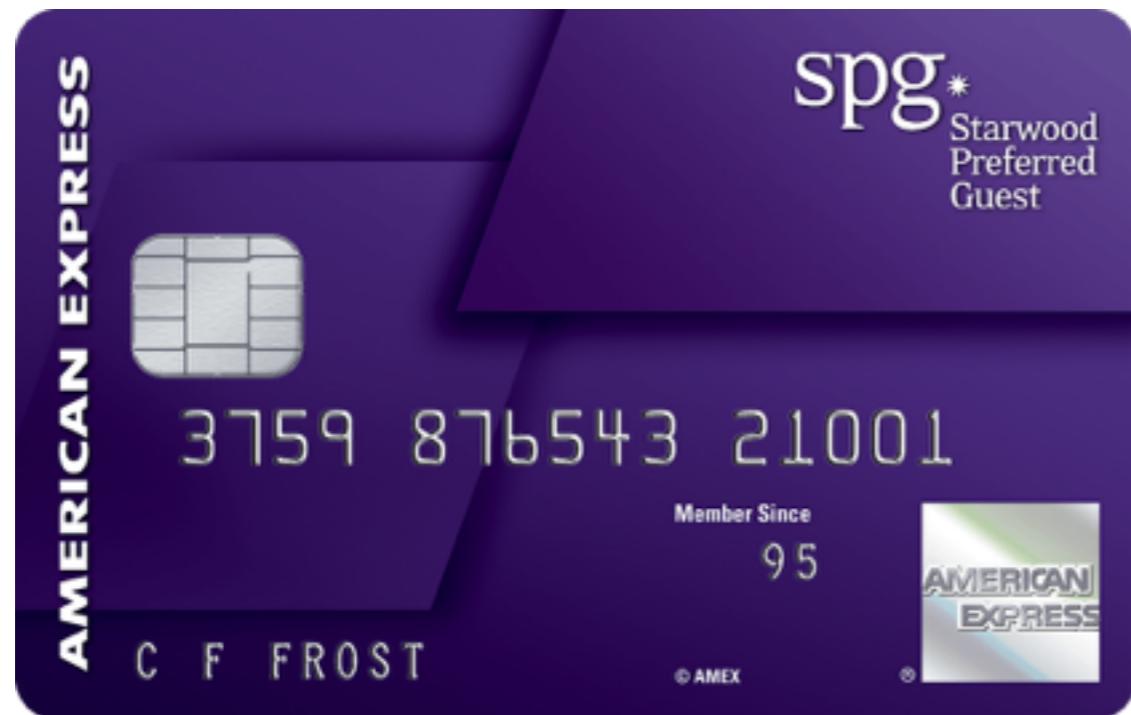
Singapore
Suites





**Singapore
Suites**

Best flexible points cards



Amex Starwood Preferred Guest (SPG)

2p/\$1 on Starwood hotels, 1p else
perks: unlimited Boingo wifi, Amex offers
best signup: 30k for \$5k in 3m
fee: \$0 1st year, \$95 after

example usage: 5 nights @ Westin Georgetown:
48k (cash cost: \$1.5k-2k)

Amex Everyday Preferred

3p/\$1 on groceries, 2p gas, 1p else,
50% bonus after 30 transactions/month
perks: Amex offers
best signup: 30k for \$2k in 3m
fee: \$95

2 economy RTs <650mi on AA: 30k



**Westin
Georgetown**

More flexible point cards

- **Amex Gold Rewards:** 3p on flights, 50k signup
- **Amex Platinum:** many perks like Prestige

Getting started

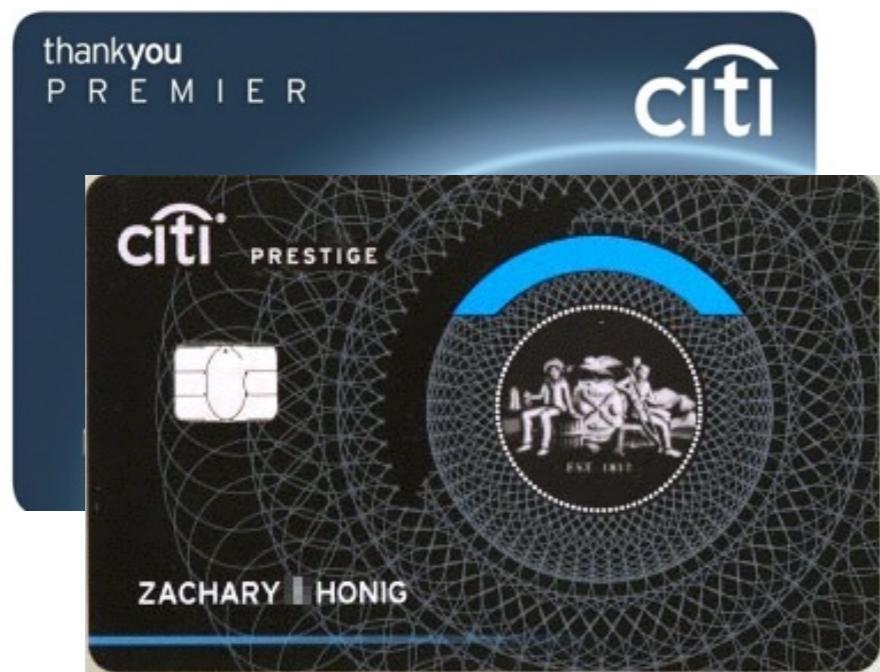


Getting started



**next: any Chase cards
you want (due to 5/24 rule)**

Getting started



Useful resources

- **The Points Guy:** blog
- **One Mile at a Time:** blog
- **View from the Wing:** blog
- **Award Wallet:** app for tracking miles/points
- **Triplt:** travel itinerary organizer
- **Me:** dstrouse@princeton.edu

Questions you might ask

- Can I get a signup bonus more than once?
- How many credit cards can I have?
- How do I know when to use miles/points vs. cash?
- How do I search for flight/hotel awards?
- Do miles/points expire?
- Can I book travel for friends/family?