

# BEST CALLING PLANS

## Small fees add up

Finding the right calling plan is easier than ever. That's because the plans are becoming simpler. Long-distance, roaming, and calls on nights and weekends —important features that used to add significantly to overall costs—are now almost always folded into the basic monthly fee.

Still, it is possible to get trapped in the wrong calling plan and spend many times more than the \$49 monthly average.

To understand how various factors can affect the bottom line on your cell-phone bill, see Dollars & Sense, page 19. The table on that page was developed with the help of TeleBright Corp., a Maryland-based phone-rate tracking company that provides data for interactive plan selectors on ConsumerReports.org.

Two examples show how seemingly minor details add up:

**For families.** Nextel's national Get Connected More 600 plan costs \$56 a month; T-Mobile's FamilyTime plan costs \$70. But we estimate that a family of four making 1,800 minutes of regular voice calls monthly would actually spend \$65 more per month on the Nextel plan.

The T-Mobile plan winds up costing



less because its base price includes two phone lines; Nextel's includes only one. Each extra line is \$10 per month cheaper on T-Mobile. T-Mobile's plan also provides 200 more peak minutes. The T-Mobile plan is even slightly less expensive than the Cingular FamilyTalk 700 plan at \$50, again because of differences in the cost of additional lines and the allotment of peak minutes.

**Closely matched.** Even plans with the same basic rate can cost different amounts. Consider the Cingular Super-Home 900 and T-Mobile Get More 3000 regional plans. Both cost \$50 a month and come with generous amounts of peak minutes. But we estimate that a frequent user, racking up 1,200 minutes of calling a

month, would actually pay \$6 a month more with the T-Mobile plan. The main reason: It's one of the few that carries a charge for long-distance calls made from outside the home calling area.

### HOW TO CHOOSE

Here are the issues to keep in mind when shopping for a calling plan:

**Understand the important factors.** The basic fee, the home calling area (the territory where you don't incur roaming charges), and the allotment of peak-time minutes matter greatly with any calling plan (see First Things First, below). Be sure those factors meet your needs first. Then look at the other details, such as the cost for additional minutes or roaming.

**Stay with the carrier you like.** If you're satisfied with the phone service you have, keep the carrier but change the plan to try to keep the bills in line. It almost never makes sense to change carriers just for a cheaper calling plan. In our view, good service generally outweighs good rates.

So it is that the prospect of better service with Verizon, highest-rated in our 12-city survey, may be worth the added

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### First things first Decide how much you want to spend, then find the most minutes for your money.

#### BASIC MONTHLY FEE

The more minutes of calling time or the broader the calling area, the higher the basic fee. Fees range from about \$30 for regional plans offering only a couple hundred minutes of calling time to almost \$200 for a nationwide plan with unlimited calling. Decide how much you can afford to spend each month, then look for the biggest bucket of minutes at that price.

#### HOME CALLING AREA

This is the territory where you can dial calls without incurring roaming charges. Roaming, if it applies, costs 50 to 80 cents per minute. A national calling plan, with no roaming or long-distance charges, is the right choice for many people.

#### ANYTIME MINUTES

Also called peak minutes, these apply when rates are highest, typically during weekday daylight hours. Expect to pay 25 to 45 cents per minute if you exceed your allotment of anytime minutes. When comparing plans, go for the one with the larger number of anytime minutes even if it means paying a higher monthly fee, to minimize what you might spend for extra minutes.

MONEY  
ADVISER AD  
US

SUBSCRIPTION  
AD  
CANADA

## THE BOTTOM LINE ON CALLING PLANS

We asked TeleBright Corp., a leading source of information on telephone service, to select representative plans from each of the major national carriers and calculate the cost for three types of user:

- **The casual user** who uses 300 minutes of calling time a month, half at peak times and half on nights and weekends; the usage includes 45 minutes of long-distance and 6 minutes of roaming.
- **The frequent user** who uses 1,200 minutes a month, with 840 peak minutes; we also assumed 84 minutes of long-distance and 36 minutes of roaming.
- **A family of four** who together use 1,800 minutes, 1,080 of which are on nights and weekends. Roaming accounts for 18 minutes; long-distance, for 144 minutes.

The plans shown here were available in the Chicago area in late November 2003. They're meant only as examples, not as Ratings. Given the intense competition that exists among carriers as a result

of number portability, you can expect to see other special deals and new calling plans frequently.

### HOW TO USE THE TABLE

- If you're trying to find a calling plan for the first time, the table gives you an idea of the monthly cost you can expect. If you think your usage may fall between what we've estimated for casual and frequent use, be generous. Choose a plan with more peak minutes than you think you'll need, to minimize extra-minute charges.
- If you want to change carriers, use the table to gauge how competitive the new carrier's plan is likely to be.
- If you know that your usage comes close to our examples, then you can begin your quest for an economical calling plan with the ones we've selected. Subscribers to ConsumerReports.org can use a selector powered by TeleBright.com to help choose a plan.

### Within types, in order of estimated monthly cost.

Plan name	Estimated monthly cost	Basic fee	Included minutes		Extra-minute cost	Roaming	Long-distance	National plans
			Peak	Off-peak				
<b>CASUAL USER</b>								
<b>T-Mobile</b> Basic Plus	\$33	\$30	300	Unlimited	40¢	49¢	-	•
<b>AT&amp;T Wireless</b> mLife Local \$29.99	34	30	250	Unlimited	45	69	-	
<b>AT&amp;T Wireless</b> mLife National \$29.99	34	30	200	Unlimited	45	69	-	•
<b>Cingular</b> SuperHome 300	35	30	300	5,000	45	79	-	
<b>Cingular</b> Nation GSM 250	35	30	250	5,000	45	79	-	•
<b>Sprint PCS</b> Free and Clear Nationwide 300	38	35	300	Unlimited	40	50	-	•
<b>Verizon Wireless</b> America's Choice 300	39	35	300	Unlimited	45	69	-	•
<b>Sprint</b> Free and Clear Area-Wide	48	45	1,000	Unlimited	50	50	-	
<b>Nextel</b> National Instant Connect 500	50	50	500	Unlimited	40	-	-	•
<b>T-Mobile</b> Get More 3000	62	50	3,000	-	35	49	20¢	
<b>FREQUENT USER</b>								
<b>Sprint</b> Free and Clear Area-Wide	63	45	1,000	Unlimited	50	50	-	
<b>Nextel</b> National Instant Connect 1000	70	70	1,000	Unlimited	40	-	-	•
<b>T-Mobile</b> Get More Plus	78	60	1,000	Unlimited	40	49	-	•
<b>Cingular</b> SuperHome 900 w/ Rollover	78	50	900	5,000	39	79	-	
<b>Sprint PCS</b> Free and Clear Nationwide 1000	83	65	1,000	Unlimited	40	50	-	•
<b>T-Mobile</b> Get More 3000	84	50	3,000	-	35	49	20	
<b>AT&amp;T Wireless</b> mLife Local \$59.99	85	60	1,050	Unlimited	40	69	-	
<b>AT&amp;T Wireless</b> mLife National \$59.99	85	60	850	Unlimited	35	69	-	•
<b>Verizon Wireless</b> America's Choice 700	93	60	700	Unlimited	40	69	-	•
<b>Cingular</b> Nation GSM 1000 w/Rollover	98	70	1,000	5,000	39	79	-	•
<b>FAMILY OF FOUR</b>								
<b>T-Mobile</b> FamilyTime Plan (includes 2 lines; \$10 per extra line)	99	70	800	Unlimited	35	49	-	•
<b>Cingular</b> Nation GSM FamilyTalk 700 w/Rollover (\$10 per extra line)	102	50	700	5,000	39	79	-	•
<b>Sprint PCS</b> Free and Clear Nationwide 700 (\$20 per extra line)	127	50	700	Unlimited	40	50	-	•
<b>AT&amp;T Wireless</b> mLife Family National \$49.99 (\$20 per extra line)	128	50	700	Unlimited	40	69	-	•
<b>Verizon Wireless</b> America's Choice FamilyShare 700 (\$20 per extra line)	140	60	700	Unlimited	40	69	-	•
<b>Nextel</b> National Get Connected More 600 (\$20 per extra line)	164	56	600	Unlimited	40	-	-	•

### What the numbers mean

**Estimated monthly cost** is our estimate of the total cost for each plan, based on the usage pattern we set. **Basic fee** is the carrier's initial monthly charge. **Included minutes** lists the peak (weekday, daytime) minutes included in the plan and the off-peak (night and

weekend) allotment. **Extra-minute cost** is the charge for calls that exceed the allotment of peak or off-peak minutes. **Roaming** is the per-minute charge for calls made outside the home calling area. **Long-distance** is almost always included in the basic fee.

expense of a Verizon calling plan. That's a decision you need to make.

**Think national.** National calling plans have become so inexpensive that they're worth considering first, even if you don't travel often. However, national plans often include fewer anytime minutes than regional plans do. So if you plan to use the cell phone during business hours—for a lot of daytime, midweek calling—then look first at regional plans.

**Try sharing.** If two or more family members use cell phones, consider a family plan that lets everyone share a pool of minutes and minimize the monthly fee. Family plans add \$10 to \$20 to the basic monthly fee for each additional phone. However, it may be hard to keep tabs on overall usage. Sprint, T-Mobile, and Verizon let you monitor overall usage on a Web site or by punching in a code or calling the carrier's customer service office.

**Watch the extras.** Seemingly minor add-ons can add up. They include directory assistance (about \$1.25 per call, plus airtime charges), text messages (10 cents each, or about 2 cents each in plans that let you buy them in bulk), "multimedia"

messaging, such as sending cell-phone snapshots (25 cents each), and customized ring tones (99 cents each). If you expect family members to send and receive more than a handful of text messages monthly, choose a plan that lets you buy them in bulk. There are plenty of

**MORE THAN 40 PERCENT**  
of the ConsumerReports.org  
subscribers surveyed said  
they **CHANGED THEIR PLAN**  
in the past year, in most cases  
to increase the number of  
minutes in the base plan.

other charges that can increase the size of your bills.

**Opt for larger buckets of minutes.** If you're buying your first cell phone, give yourself a generous estimate of the

amount of calling you'll do. Keep in mind that you pay for incoming and outgoing wireless calls.

A \$30 plan offering 300 peak minutes translates into an average of 10 minutes of phone time per day before extra-minute charges of 40 cents per minute or more kick in. It may make sense to take a \$40 plan with 400 peak minutes. If you take the cheaper plan but underestimate usage by even 1 minute a day, you'll spend more than if you took the \$40 plan in the first place.

If you already have a wireless phone, use your recent bills to help estimate your needs. If you miscalculate, you should be able to switch later to a plan with the same carrier that better matches your calling pattern.

**Consider prepaid.** Prepaid plans are best suited for parents who want to control their children's usage, those with a credit problem, or as an emergency-only service. Using a prepaid plan is like using a prepaid phone card; you buy the amount of calling time you want every month or so. There is no long-term contract. Prepaid plans vary widely, but all include free long-distance and most include roaming.

AT&T's GoPhone, sold in electronics and department stores and on the AT&T Wireless Web site, is more like a subscription service than a prepaid plan. When you sign up for GoPhone, you select the amount of calling time you want and give AT&T permission to debit your bank account or credit card automatically to replenish your account. GoPhone plans range from \$19.99 for 80 anytime minutes to \$49.99 for 550 minutes, with unlimited nights and weekends.

With other carriers, you generally buy chunks of time—in stores, by phone, or online—as you need them.

Two national companies specialize in prepaid plans: Virgin Mobile charges 25 cents for the first 10 minutes daily, then 10 cents per minute. TracFone offers a wide range of options, from \$17.99 for 60 days/30 minutes to \$149.99 for 365 days/300 minutes. TracFone's phones also have a useful monitor that displays the number of unused minutes.

## talkthetalk

### ALPHABET SOUP: CELL-PHONE TERMS

**Analog** The original type of wireless technology. An important backup for emergencies, but being phased out.

**CDMA** Code Division Multiple Access. The format used by Sprint, Verizon, and some regional carriers. It assigns a digital code to keep the calls separate.

**Cellular** Also known as mobile or wireless. It's a call-handling system composed of a network of antennas. A call is relayed from antenna to antenna.

**Cellular band** The part of the radio spectrum originally allocated for mobile-phone use. See also PCS band.

**Dual band** Denotes a phone that can operate in the cellular and PCS bands, which can broaden coverage.

**Dual mode, tri-mode, multinetwork** Denotes a phone that can use at least one digital format, analog technology, or both.

**GSM** Global System for Mobile Communications. A digital format that's widely

used in Europe and Asia. It keeps calls separate by assigning a slice of time to each caller. Used by AT&T and Cingular.

**IDEN** Integrated Digital Enhanced Network. Used only by Nextel in the U.S.

**PCS band** Personal Communications System band. A portion of the radio spectrum allocated to mobile-phone use. Sprint and T-Mobile are the largest companies in the PCS band.

**PTT** Push to Talk. Allows a cell phone to be used like a walkie-talkie.

**Roaming** The common practice of seeking a signal from a "partner" carrier to handle a call outside your home area.

**SMS** Short Message Service, or text messaging. Lets you send short text messages from one cell phone to another or from the Internet to a cell phone.

**TDMA** Time Division Multiple Access. The digital format used mainly by AT&T Wireless and Cingular. Similar to GSM.