

How to Cut Your Monthly Cellphone Bill to \$10 or Less

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Have a ten-spot? You can have a cellphone and pay just \$10 per month for unlimited talk and text from Republic Wireless. You prefer free? FreedomPop has a monthly plan for you: 200 free voice minutes, 500 MB of free data and 500 free texts. Want more? Pay \$5 and that gets you unlimited talk, text and data.

The catch? It's a big one: Data must travel not over cellular networks, but through Wi-Fi hotspots that have to be in the carrier's network, which in FreedomPop's case is said to include outlets such as McDonald's and Best Buy.

If you're at a Phoenix Light Rail stop and want to check the arrival time of the next train via the *NextRide* website, forgot about it, with either Republic Wireless or FreedomPop — there's no Wi-Fi at the station, meaning no data for you at those ultra-low rates.

There's something of a small stampede to offer Wi-Fi-centric calling. Rumors are plentiful — though unconfirmed — that mighty Google has under development a Wi-Fi-based phone system, and even if that initiative goes nowhere, many others already are sniffing this space. In New York, giant Cablevision has said it will soon offer Wi-Fi calling for \$30 per month (\$9.95 for Cablevision Optimum Online customers), and that sounds pretty good when mainstream cellular carriers charge upward of \$40 and often as much as \$100 per line. Industry analysts have said they expect other cable operators to take a similar plunge.

Already, many of us are using Wi-Fi to call. Republic Wireless and FreedomPop claim several hundred thousand customers each. (In comparison, Verizon Wireless alone has more than 100 million customers.)

Is Wi-Fi calling any good? In limited testing, yes — even better than cellular in fringe service areas. A strong Wi-Fi signal is required, but when that is available, Wi-Fi calling is usually satisfactory. Avi Greengart, research director at Current Analysis, said, “initially” — that is, a few years ago — “the voice quality on Wi-Fi calling was pretty bad. It's much better now, more than adequate.”

That's helped by the fact McDonalds, Starbucks, Panera and a long line of coffee shops and restaurants offer free Wi-Fi, as do many hotels. At least in big cities, we are nearing Wi-Fi ubiquity that may make the lack of cellular less of a deal killer.

Even so, people worry about what happens when there is no Wi-Fi, and that helps make the most popular plan at Republic Wireless — taken by about half of customers, CEO David Morken says — the \$25-per-month that adds cell service by buying capacity from Sprint. There's unlimited talk and text over cellular and Wi-Fi, along with unlimited data over Wi-Fi and, as needed, 3G — slower than 4G, now considered cellular state of the art, but in some parts of the country, all that is available. (And in other parts, 4G is only marginally faster.)

Morken, incidentally, says only 4% of Republic Wireless customers opt for the \$5 per month, Wi-Fi-only plan; second most popular (at 37% of users) is the \$10-per-month unlimited talk and text over cellular and Wi-Fi, with Wi-Fi data only.

Republic Wireless offers a patent-protected way for a call to be handed off from Wi-Fi to cellular and vice versa. Part of the genius of cellular is that as a caller moves, the call is handed off seamlessly from tower to tower, making dropped calls uncommon now in much of the country. With Wi-Fi calling, it's a different story: Lose signal in a call on, say, Google Voice and it is history. Not so with Republic Wireless, and what to watch with new entrants is if they have mastered call hand-offs that maintain connections.

Another catch with FreedomPop and Republic Wireless is the limited choice of devices. With FreedomPop, new users can bring their own devices, but it has to be from a short list that includes the Samsung Galaxy S4 and Apple iPhone 5. With Republic Wireless, a device has to be bought, and iPhones are not on offer. Customers can use Motorola phones such as the Moto X (\$399), Moto G (\$149) and Moto e (\$99). In that respect — although Republic Wireless touts itself as no contract — customers have skin in the game.

For whom does Wi-Fi calling work? Greengart said, emphatically, “not business travelers.” If you are out and about a lot — arguably even in your own town — cellular just may be the winning network. But, said Greengart, “for a student, for a teenager, this can make a lot sense. You really can save money.”

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