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## **New age approach for cell phone market**

### **Seniors 'last untapped segment' for wireless customers, but 'buyer beware'**

By Gregory Karp, Tribune reporter

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If you think Bluetooth is a rare dental condition and an app is what you eat before the entree, you might not be a candidate for today's high-tech, whiz-bang smart phones. Instead, you might be happier with a mobile phone geared toward seniors.

Those phones typically don't have Web-surfing capability, GPS maps and video games but instead have large buttons, oversized digital readouts and hearing-aid compatibility, along with a relatively simple calling plan.

Though senior-friendly phones aren't new, their lower prices and variety are. A recent price skirmish among wireless companies means seniors can get an easy-to-use cell phone and cheap service to go with it, said Mac Haddow, senior fellow on public policy for the independent and nonprofit Alliance for Generational Equity.

Telecommunications analyst Roger Entner of Recon Analytics called senior citizens "the last untapped segment" of wireless customers.

Though about 90 percent of Americans ages 18 to 49 own cell phones, only 57 percent of seniors 65 and older have them, according to the Pew Research Center. And fewer than one-fourth of wireless phones are purchased by adults 55 and older, according to the latest numbers by market research firm NPD Group.

Heightened interest recently among wireless phone companies to sell to seniors has meant more offerings and lower prices, Entner said.

Seniors can get a simple cell phone for about \$15, with service as low as about \$7 a month, according to an analysis by AGE's Senior Advocate Health & Safety Project. AGE said it conducted the analysis because price is often cited as a reason an estimated 13 million to 19 million U.S. seniors don't own cell phones, said David Herman, spokesman for the Alliance for Generational Equity.

"We're in an environment where a lot of senior citizens are having to decide between rent and medicine or medicine and food, and dollars are critical," Herman said. "The less expensive we can make this, the more people we're going to have that will use a service they desperately need."

Elizabeth Marshall, 82, of Cazanovia, N.Y., gushes about her new rose-colored Motorola phone. "It's very attractive," she said.

She said she got the phone free from Consumer Cellular and pays \$10 a month for phone service with no free minutes. She pays a rate of 25 cents per minute.

"I'm on Social Security, and funds are tight," Marshall said. "I didn't want to go and get a high-priced thing."

Marshall, who has a slight hearing problem, said she likes that she can turn up the ring and the volume on the earpiece.

"Seniors as a group have either embraced technology or are kind of scared of it," Herman said. "Larger keyboard, the (oversized) readouts, compatibility with hearing aids — these are the critical factors. It's not whether they can text their buddy on Facebook."

As far as for calling plans, the group looked at only prepaid plans, which refers to a pay-as-you-go system. That's opposed to being committed to a contract plan and their pricey bucket of calling minutes many seniors might not use, Haddow said.

"We just couldn't find one that looked good," he said of contract plans.

Prepaid plans have no penalties if users decide to exit the plan early, and prices include all fees and taxes that are tacked on to the monthly bills of contract plans.

The Citizens Utility Board, an Illinois consumers group, found in a study of cell phone bills that consumers on a contract plan had an average of about six hours of unused minutes left over each month.

"One of the biggest enemies for seniors, and anyone, is a needlessly bloated calling plan, a plan with way too many minutes that charges them way too much money for calls they're never going to make," CUB spokesman Jim Chilsen said. "The cell phone market is like the Wild West; it's buyer beware. It's especially true for seniors, who might not have as much cell phone usage and only need an emergency phone."

An option for seniors on a very tight budget might be a free cell phone and "lifeline" service.

Someone receiving financial aid from state or federal programs, such as public housing assistance, food stamps or Medicaid, might qualify for a free cell phone and service instead of a free landline home phone. They also might qualify if their household income is below the poverty guidelines set by their state or the federal government.

To learn more, check out lifeline wireless providers such as SafeLink (800-378-1684, or safelinkwireless.com) and Assurance (888-321-5880, or assurancewireless.com). Lifeline wireless service is available in 31 states.

And if a senior needs a mobile phone for only emergencies, they can carry any charged wireless phone. Calls to 911 are connected, even without a calling plan.

Here are three prepaid phones recommended by the alliance, which looked at only nationally available wireless providers that offer nationwide coverage without roaming charges. It said it has no connection with these companies.

•**Jitterbug by GreatCall.** Jitterbug, known for its simple phones and senior-friendly calling features, such as a simulated dial tone and operator assistance, sells for \$99. The cheapest plan, with 50 minutes of talk time, costs about \$15 a month. It charges a one-time setup fee of \$35. Information: 800-918-8543, greatcall.com

•**Doro PhoneEasy by Consumer Cellular.** Two senior-model phones for \$25 and \$30. Plans as low as \$10 per month for no included minutes — charged at 25 cents per minute used. One-time activation fee of \$35. AARP discount of 5 percent on plans and 30 percent on phone accessories. Information: 888-345-5509, consumercellular.com

•**Senior Value Cell Phone by Tracfone.** Senior-friendly Samsung T155G phone costs about \$15. The least-expensive option for service, which averages about \$7 per month, involves spending \$20 for 60 minutes of talk time that lasts 90 days. After 90 days, more minutes must be added to keep phone service active, even if the user doesn't need more minutes. No activation fee. Information: 800-867-7183, tracfone.com

Price differences among the three services are small for higher-volume callers, the AGE study said. All are about \$20 per month for more than 100 minutes monthly.

Of course, many seniors, especially those of the baby boom generation, might be more tech-savvy and have money to get a phone and plan with more functionality. In that case, a touch-screen smart phone might be the way to go, Entner said. Users navigate the device with intuitive finger pushes and swipes, which makes them easy to operate despite their robust capabilities.

Dirk Landis, 66, of Hinsdale, retired about a year ago and thought he would give up his company smart phone, Apple Inc.'s iPhone. He figured he wouldn't need all the features it has, such as constant access to e-mail and on-the-go maps.

"But now, I'm just plain addicted to it," he said.

He likes being able to look up information on the go.

"When we're on a road trip and say, 'Hey, what's that?' I say, 'Let's Google it and find out.'"

As for needing bigger buttons or bigger text? "I just use bigger glasses," he said.

## **Shopping tips**

**Use prepaid.** Most seniors don't need the many minutes included with an expensive contract-based cell phone plan, which also includes fees for canceling service before the contract expires.

**Don't overbuy on phone features.** Look for big buttons, a clear digital readout with oversized numbers, simple functions and hearing-aid compatibility. These features will serve users better than bells and whistles they will never use.

**Shop around.** Companies might charge very different prices for similar phones and service.