



# Mobile phone tariffs

Between them, our three volunteers saved more than £350 a year simply by switching to a better mobile phone tariff. Here's how you can do the same

## Charles

Charles's calls are mainly off-peak. We saved him nearly £100 a year by recommending he change from an Orange PAYG deal, which currently costs him £20 a month, to Vodafone Smartplus PAYG, which would cost him £12 a month.

## Zoë

Zoë makes about 100 minutes of calls a month on her old tariff. We suggested she move from an Orange Everyday 50 12-month contract, costing her about £25 a month, to a T-Mobile U-Fix off-peak deal, costing just £16 a month.

With the help of our independent switching calculator, you, like our members above, can save money on your mobile calls. We guide you through the mobile maze, whether you're upgrading, changing provider or trying to decide between contract and pay as you go (PAYG).

### THE BASICS

To get you started, here's a quick tour of the main pros and cons of PAYG, contracts and the new hybrid deals.

PAYG deals are particularly suitable for the under-18s: there's no credit check and you have ultimate control over how much you spend, with no monthly fee attached. But they offer only a limited choice of handsets, which can be more expensive than contract phones, and some providers require a minimum top-up: O2, for example, requires you to top up by at least £10 each month.

Contracts come with free or cheap phones plus inclusive calls and texts; their call charges can also be cheaper than with PAYG. However, you have to agree to a minimum 12- or 18-month contract, which usually involves signing a direct debit form.

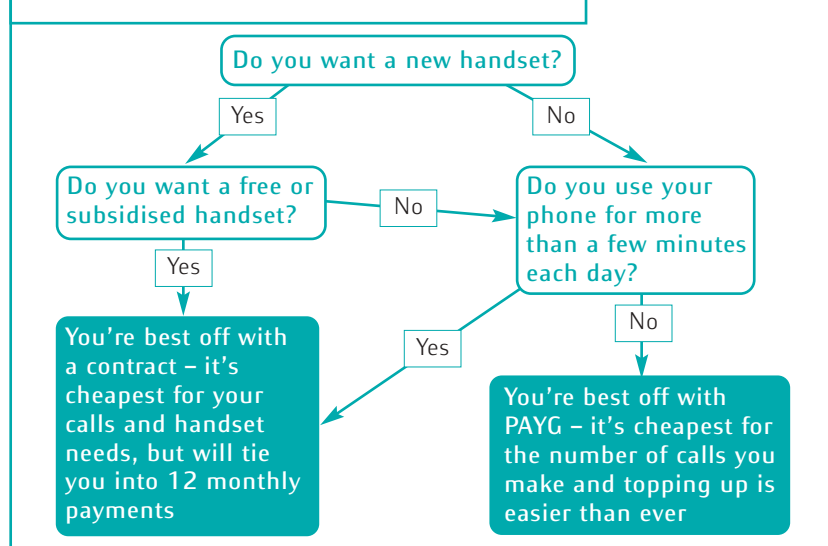
You might decide that a hybrid deal – a combination of both PAYG and contract tariffs – is best for you. Fresh No Line Rental Ever from The Carphone Warehouse, for example, works like PAYG but allows you to exceed your credit. You can opt to receive an alert when it's used up but you could still run up a bigger bill than you intended – Fresh says its alerts are 'for guidance only' and accepts no responsibility if they fail or are late.

T-Mobile also offers a hybrid deal: U-Fix is a contract with a fixed fee and a limit on calls but with the flexibility to top up when your minutes run out. You can get a free phone and inclusive calls and texts, but you have to sign up for 12 months and you get fewer free minutes than on similar contracts.

### NEW DEVELOPMENTS

Most contract deals now offer inclusive minutes that can be used at any time of the day to call any mobile network. This is good news for many

## To PAYG or not to PAYG?



## Using your phone abroad

Using your mobile abroad can be costly, due to high call costs and paying to take calls as well as make them. The European Commission has set up a website to help you cut the cost ([www.europa.eu.int/information\\_society/roaming](http://www.europa.eu.int/information_society/roaming)). Some forward planning can also save some money.

- Find out which foreign network is cheapest before you leave. Then select it when you arrive.
- An international calling package can be added to your tariff, allowing you to roam for less.
- For longer stays and repeat visits to the same country, buy a local network PAYG Sim card from a mobile phone retailer or online before you go, and check that your phone's usual Sim card isn't locked.

and internet downloads each month. However, although 3 is currently offering very cheap calls, its 3G handsets aren't very reliable. In August 2005, we revealed that almost one in three handsets on this network developed a problem within 12 months.

The arrival of simple, low-cost tariffs from the likes of EasyMobile and Tesco has seen PAYG deals become cheaper. These 'virtual' networks buy airtime from the main providers and resell it under their own brand name.

### HOW DO YOU USE YOUR MOBILE?

Deciding how you use your mobile is crucial to getting the best deal. Who you phone and when affects the cost of the call as much as how long you spend on the phone. So we've designed four categories of user: simply choose the one from the table below that fits you best to find out when a contract becomes cheaper than PAYG, and which tariffs are likely to be cheapest for you. We haven't included any deals from 3 in the table, as we have found the network to be unreliable and unpopular (see 'Tackling faulty mobiles', August 2005, p16).

### MONEY-SAVING TIPS

- Retailers such as The Carphone Warehouse are a good starting point, as they offer deals from all the main networks. But also try the networks' own shops and smaller independents – they'll have different deals.
- Look online. Networks' and retailers' internet deals are often better than their in-store offers, though you'll have to manage the account online and won't necessarily be able to keep your number.
- Insurance can be costly for limited cover, so check your home contents insurance before signing up to a policy offered by your network provider: you might already be covered.
- Add a 'bundle' to your price plan and pay a set price for a specific number of extra calls or messages each month. It's cheaper than paying for them separately.

If you're on a contract:

- Make sure the inclusive minutes cover the types of call you typically make.
- If you don't use all of your inclusive minutes each

## Siobhan

We saved spontaneous user Siobhan more than £150 a year by suggesting she replace an Orange 12-month contract, costing her £45 a month, with an Orange Direct Plan 300 deal, with a bundle of 30 texts, at £32 a month.

of us, but it also means the minimum cost has gone up: the cheapest Orange tariff is now £19 (an increase of about £4 over the last couple of years). You might also find that providers try to tie you in for longer. While 12-month contracts used to be the norm, most networks now offer 18-month contracts too, in exchange for cheaper monthly line rental or handset deals.

So just what will your money get you? At the cheaper end of the scale, Vodafone offers 25 minutes of inclusive calls to any network for £15 a month. Spend £100 a month with 3, on the other hand, and you'll receive a mind-boggling 2,000 inclusive minutes, plus 300 texts, and picture and video messages, emails

## Getting the best deal

	Type of user			
	Careful	Flexible	Spontaneous (or emergencies only)	Dependent
When you make calls	Nearly all calls off-peak	Mostly off-peak but occasionally at peak times	As many peak calls as off-peak	Mostly peak calls
Who you phone	More landlines than mobiles. Mobile calls are mostly to same network	Landlines and mobiles equally. More calls to same network than others	More landlines than mobiles. Mobile calls are to any network	Landlines and mobiles equally. Mobile calls are to any network
When contract is cheaper than PAYG	If you make more than six mins of calls a day	If you make more than six mins of calls a day	If you make more than nine mins of calls a day	If you make more than six mins of calls a day
Typical cheapest 12-month contracts (excluding contracts offered by 3)	T-Mobile Everyone 200 off-peak tariff. Cost: £15 a month	OneTel OnePlan 60. Cost: £24.37 a month	Orange Direct Plan 300 mins plus 100 texts. Cost: £30 a month	Orange Direct Plan 200 mins plus 100 texts. Cost: £26.74 a month

## Too good to be true

We've squinted at the small print of those too-good-to-be-true special offers so you won't be caught out.

### HALF-PRICE LINE RENTAL

This usually means paying the full amount for your line rental and then claiming your money back at specific times. Lots of these deals require you to take out an 18-month contract and if you upgrade during this time, you may lose eligibility.

### HUNDREDS OF FREE MINUTES

This may apply only to off-peak calls to landlines or the same network. They expire if you don't use them within a certain time.

### FREE UPGRADE

This is an easy way for your provider to tie you into another contract. It may mean a more expensive tariff, too.

### FREE TEXTS AND PICTURE MESSAGES

If you don't use them all each month, you'll probably lose them.

### FREEBIES

This includes things such as free Bluetooth headsets and usually requires you to sign up to a longer and more expensive contract in return.

month, you're not on the right deal. Look for a cheaper contract or consider PAYG.

- If you regularly exceed your inclusive minutes, you could save by moving to a pricier tariff that incorporates more minutes.
- Think carefully before signing up to an 18-month contract. Your usage could change or the tariff might be less competitive in a year's time.
- If you're on PAYG:
- You could be better off on a contract if you spend £20 or more a month on top-ups.
- Buying a Sim-only pack will enable you to switch provider if you want to keep your handset.
- Check the small print. Some providers will switch you to a more expensive PAYG tariff if you're not making enough calls.

## HOW TO...

### ... find a new tariff

If you're in the middle of a contract, you'll be limited to choosing a tariff from your current provider – unless you pay a hefty 'get-out' penalty. Once your contract's up, though, you can move to any network provider you like.

- 1 Decide how you use your phone, using the table on p19 to guide you.
- 2 Choose between PAYG and contract, using the flowchart on p18 to help you decide.
- 3 Log on to [www.switchwithwhich.co.uk/](http://www.switchwithwhich.co.uk/) mobiles and compare the cheapest contract and PAYG tariffs. It will also give you your options if you're currently tied into a contract. Switch with Which? is completely independent, updated every month and compares more than 300 deals.

### ... upgrade

- 1 Find out which phones are free for new customers – use brochures and search online.
- 2 Ask your current provider what handset deals it can offer you.
- 3 Use the information you've collected from other companies to haggle with your provider for a better phone for free.
- 4 If this doesn't work, say you'll switch and ask for your porting authorisation code. This allows you to take your number with you. You should then be put through to the loyalty team, which will probably offer you a better deal to stay.

If you want to stay with the same network, you can get a cheaper phone by leaving and joining again – but you won't be able to keep your number.

### ... switch provider

- 1 Ask your current provider for your porting authorisation code.
- 2 If you're keeping your handset and changing to PAYG, ask your provider to unlock your phone (you may have to pay a fee of around £20 for this) so you can use other networks' Sim cards.
- 3 Give the porting authorisation code to your new network provider.
- 4 Cancel your old contract. Don't cancel the old phone before porting your number – your phone must be active while the transfer takes place (which can take three to ten working days).

## Your rights

If you have a complaint that you can't resolve directly with your network provider, contact Cisas (the Communications and Internet Services Adjudication

Scheme) or the telecomms ombudsman Otelio. All networks must belong to one of these redress schemes. For details of how to contact them, see p72.

### ... find the best deal for a specific handset

1 Sometimes the lure of a shiny new handset comes before cost (see our latest Best Buy handsets on p56). But be prepared to do a bit of legwork and you can still save money.

2 Don't be tempted to take out a more expensive tariff just to get a free phone or a bigger discount. You'll usually be better off paying more for the phone and choosing a tariff suited to the calls you make.

3 As with shopping for a tariff, try several different sources, including high-street retailers and online sites, for the best deals available. If you're a PAYG customer, the latest, top-of-the-range phones may not be widely available – they tend mainly to be offered with contracts – but you might be able to find a deal online if you're prepared to search.

## 3G

The latest 3G (third generation) technology allows faster internet access, video messaging and calling.

3G services have added a whole new dimension to tariffs where you pay for the volume of data that you download rather than call time. You can choose a special 3G tariff, add a data bundle (where you pay a set price for a specific amount of data) to an ordinary tariff, or pay as you use.

Vodafone offers 3G tariffs for between £30 and £60 a month, which give inclusive call time, texts, video calls and 3G services such as sport clips, news and games. 3 also offers tariffs with

inclusive downloads, video calls and messages, starting at £35 a month, and Orange gives inclusive video calls with some of its tariffs.

Alternatively, adding a data bundle to your normal tariff for around £10 a month will get you between five and 12 megabytes (5MB allows you to download roughly 500 mobile web pages). This option is available with most networks but if you plan to use the services only occasionally, you'll probably be better off paying as you use for around £3 per MB.

For more information on 3G services, see this month's mobile phones report on p56.