



CELL PHONES

There is little doubt that cell phones have become an integrated part of how we live. The technology found in the phones themselves has come a long way in its short existence. With so many options, plans, and features to choose from, it is important to find the product that best meets the needs yet is also within the budget of the consumer.

Key Terms

In order to better understand cell phones, consumers need to be familiar with some key terms. These terms are words that can be seen at stores or online where cell phones may be purchased.

- **3G & 4G** - General terms that refer to new wireless technologies which offer increased capacity to access music, video and other capabilities over digital wireless networks. (3G is short for 3rd Generation)
- **Application (app)** - Downloadable video games, wallpaper, social networks, utility, program, or almost anything that adds a function or feature to a wireless handset which are available for free or a fee.
- **Bluetooth** – A technology that allows users to connect wirelessly between two electronic devices at short range. It is often used to connect a phone to a user’s headset. The technology also allows the transfer of data from one device to another.
- **Camera** – Most phones come with a built-in feature that will take and then store photos or videos in the phone’s memory. The quality (resolution) is measured in terms of pixels or megapixels.
- **Contract** – An agreement between the cell carrier and consumer legally binding the consumer to terms that may include such information as cancellation options, length of contract in months or years, fee structures, and upgrade options.
- **Conventional Phone** – A device that is used primarily for talking and texting. Some models may also offer features such as a music (MP3) player and/or built-in camera.
- **Coverage** – The geographic area where the phone can potentially receive and send calls and other services.
- **Family Plan** – A family plan allows a family to share a common pool of minutes across several lines. Members of the same family plan are also able to call each other for free. Family Plans start with two active lines. More can be added for a monthly fee per added line; usually up to 4 or 5 lines total.
- **Individual Plan** – An individual plan provides a pool of minutes to be utilized by only one active line. All upgrades or features are only applied to the one specific line.
- **Insurance** – a fee-based plan offered by carriers that may cover the loss or damage of a phone. In addition to the monthly insurance payment, most claims require a payment called a deductible.
- **Location Based Services (LBS)** - Location Based Services refers to a broad range of services that are based on (or enhanced by) information about the physical location of a user and/or device. Typical location-based services for consumers might include real-time turn-by-turn directions, the location of the nearest gas station or motel, or social networking services. What makes the service location-based is that it knows your location automatically, without entering a zip code.
- **Memory Card** - Many phones have slots that accept memory cards, typically microSD, to expand storage capacity by as much as 32GB. The removable cards can also serve as an easy way to shuttle files between your phone and other devices--provided that the phone’s maker didn’t bury the card slot behind the battery cover.
- **Parental Control Tools** - Services offered by wireless carriers or third parties that allow parents to limit or monitor their child’s cell phone use. CTIA developed voluntary
- **Prepaid Plan** - This plan allows customers to purchase a pre-determined amount of minutes for a set price and when you are out of minutes you can purchase additional services. Some prepaid plans include text messaging and other wireless data services. CTIA developed the voluntary Consumer Code to help consumers make informed choices when selecting wireless service.
- **Premium Text** - Text to or from a commercial entity that delivers news, information, images, ringtones or entertainment for a fee above standard messaging rates.
- **Privacy Settings** - Ability to determine how much personally identifiable information (PII) is shared digitally.
- **QWERTY** – a traditional typewriter layout of alphabetic keys on the phones keyboard.
- **Smart Phone** - Wireless phones with advanced data features and often keyboards or touch screens. These devices typically have their own operating system and software applications pertaining to games, social



networking, productivity, reference, and more.

- **Speakerphone** - A built-in speakerphone, which allows hands-free use in a car or elsewhere. (But avoid using any phone, even hands free, while driving.)
- **Text (Short Message Service/SMS)** - Short Messaging Service enables users to send and receive short text messages (usually about 160 characters) on wireless handsets. Also referred to as “text messaging.”
- **Wi-Fi®** - Provides wireless connectivity over unlicensed spectrum (using the IEEE 802.11 standards), generally in the 2.4 and 5 GHz radio bands. Wi-Fi® offers local area connectivity to Wi-Fi®-enabled computers and handsets.

Types of Cell Phone Plans

There are an immense number of plans to choose from offering limitless services for every specific use an individual might need. In order to choose the plan that is right for you, it is important to understand the different types of plans and features available.

- **Post-Paid** – These are the most prevalent types of plans in use today. These utilize a contract in which the customer agrees to subscribe to the service for a particular amount of time, usually one or two years. In return the provider renders the service and usually offers phones at discount prices. The subscriber pays a set amount each month for the service, and there is usually a cancellation fee associated with early termination of the contract.
- **Prepaid** – These are becoming more popular as they continue to tailor more to the market niche. Here the consumer is not bound by a contract to the service provider, and minutes are purchased as they are needed. Some find it easier to keep track of minutes this way, and only minutes that are needed are purchased. This type of plan allows parents to give their kids phones without worrying about them racking up a huge bill full of overages. There is however a downside, as most minutes come with an expiration date, and minutes not used by that date are no longer redeemable.

Plan Features

Cell phone service plans offer a cluster of extras including text messaging, picture and video messaging, internet connectivity, games, music, and more. Deciding which extras you need is important in finding a plan that is right for you. Consumers may start with a basic plan and add on these features later, or select a bundle plan that includes the features desired. These extras can however quickly add up to a large bill, so it is important to consider what you need in a plan and compare that to the increased price associated with the extras.

Purchasing Plans

Cell phone plans can be purchased at any service provider’s district store. Branches of all services offered in the area can literally be found in practically every city. Plans can also be purchased online, and existing customers can modify plans or add a line either online or in person at any store.

When purchasing a cell phone plan it is important to know what you are getting and what it costs you. You have to make sure you are getting a good value in the selected plan. You do not want to pay more for the same service you could get elsewhere. It is also important that the plan includes everything you need to utilize your phone for everything that is necessary to you.

If desired, bundling lines together in “family plans” can reduce the cost per line. If your need exceeds one line, it may be a good idea to consider this type of plan. It is imperative to consider multiple companies and compare them against each other. Points of comparison include: number of minutes offered, calling area, service coverage, number of lines, extras included, and of course price. It is paramount to judge the price based on everything included, and to consider the value of the plan based on everything included.

Phone Features

Beyond the plans, there are a number of physical features to consider. Below is a list of major physical features to consider when purchasing a new phone:



- Size – phones come in numerous sizes depending upon the style, make and model
- Style - choices include shapes such as candy bar, clamshell, slider, twist, swivel, dual hinge, and dual slide
- Battery life – the length of time a battery will last while on standby or during talk-time
- Keyboard style / layout – options include QWERTY and 10-key alphabetic keypads
- Hands-free capabilities – the ability to use the device without hands (for example by voice commands and/or Bluetooth)

References and Resources

Information adapted from University of Florida 4-H Youth Development Consumer Choices Contest Study Materials found at:

http://florida4h.org/projects/consumer_choices.shtml

<http://www.consumerreports.org>

<http://cellphones.about.com/od/smartphoneservice/a/cell-phone-service-contracts.htm>

<http://www.wirelessguide.org/buying-guide/index.php>

<http://gizmodo.com>