

## Three good ideas to reduce your monthly phone bill

Consumers are definitely feeling the pinch of increasing prices. From the gas pump to the grocery market, prices are leaping higher. But the phone bill is one place where savvy folks can still save. For most people, phone related expenses are a not insubstantial element in the typical household budget. Even though telecom prices have dropped considerably in recent years, this is still a cost that can be cut through careful planning. The following three strategies will help you accomplish this goal.

### Tip 1: Change to a shared-use plan on your cell phone bill

According to the Kiplinger Letter, the average cell phone bill in the US runs about \$55 a month. You might ask how the average could be \$55 with so many ads for cellular companies promoting \$29 or \$39 plans. Part of the reason is that a few power callers spend \$79, \$89 or more per month. Part of the reason is taxes and miscellaneous charges such as directory assistance. But a crucial reason is the fact that cell phone companies zap you on "overage". Let's say you've got 1,000 peak minutes and this month you reach 1,099. At thirty or forty cents per minute on overage, your cell bill suddenly shoots up \$20. Seem familiar? The next month you hit 900 minutes but there is no corresponding reduction on your bill. Some companies claim to solve this problem for you by allowing you to rollover your. And the rollover does increase your peak minutes quota for the following. But even then, you still get hit with overage if you exceed the increased peak minutes quota.

Shared use plans are the best solution for this problem. Also called "family-plans", these plans allow you to aggregate all of the minutes of two or more users into a bucket. Since variability is usually a function of individual usage patterns, these quotients tend to cancel out. Think of it this way: if you and your spouse both had individual plans for 1,000 minutes and one month you hit 1,100 minutes and your spouse reaches 900 minutes, you're in for overage surcharges to the tune of 100 minutes. If you have a family plan, your total comes in at 2,000 minutes and no overage!

### Tip 2: Try not to use your regular long distance landline provider to make international calls

Most long distance providers offer very good rates for domestic long distance. If you are a frequent user on a good plan you are probably paying less than five cents per minute. The problem is that international rates are still relatively high. For example, fifty cents a minute to South Asia is typical, even if you pay the four to five dollars a month many companies charge for the privilege of getting lower rates.

In recent years, there has definitely been an explosion of superior offerings. Sometimes called "PINLESS" dialing plans, these offerings enable you to call most anywhere in the world at rates 40% to 70% less from your landline or cell without needing to remember a pin code. If you type "cheap international calling" into a search engine you'll see a lot of options. The basic way these services work is that you register one or more phone numbers and input a credit card number. They offer you a toll-free number and when you call this number from a registered phone, you can call any country without needing a PIN code. Using the above example, you could reduce the charge from 50 cents to 15 cents per minute.

### Tip 3: Start using a free conference calling service

For a lot of families, phone charges escalate due to the need to have multiple conversations between family members on the same topics. It is inefficient but this is the way most of us cope. In the last five years, there have been dozens of companies that have launched free conference calling services. All of them work on the same basic principle: they give you a PIN and a toll number to dial. If all participants call the same number and enter the same Pin code, they are put into a group call. Apart from regular toll charges, there are no charges assessed by these companies. If you have a large extended family, one 30 minute call could most certainly substitute for five to ten one-to-one discussions for planning a trip or family event.

Unfortunately, it is usually somewhat of a chore to actually arrange these calls in the first place; consumers often are therefore reluctant to familiarize themselves with the requirements of setting up a teleconference. Rondee is an example of a [free conference calling](#) service which is trying to address this issue. The service offers users a way to schedule the conference on the web, have the invites emailed out and show the responses tracked on the website. As with many corporate grade [conference call](#) companies, Rondee enables calls to be recorded.

With consumer prices escalating, there's not a lot most of us can do to fight back. But phone expense is an area where being smart can lead to saving a lot. Applying these 3 ideas will save the typical user 30% to 50% monthly, or several hundred dollars yearly.

## About the Author

Linda Rogers comments frequently about communication issues. Linda consults to a number of organizations that use communication technologies involving conference calling. Her clients include free conference calling companies such as Rondee.

