

# Budgeting for wireless data on Verizon's new plans

July 5 2011

---

(AP) -- Are you a wireless data glutton or a nibbler?

Many [Verizon Wireless](#) customers will have to figure that out - perhaps as soon as this week - as the country's largest wireless carrier is set to introduce data plans with monthly usage caps.

Here's some help determining which plan will work for you, even if you don't know how many megabytes are in a gigabyte.

[Verizon](#) hasn't said what its plans will look like. But because AT&T introduced capped data plans a year ago and T-Mobile USA eliminated its unlimited data plan in May, this is well-trod ground.

The new Verizon plans will most likely apply only to new customers or people trading up to smartphones. They could also apply to smartphone users buying new phones.

The tricky thing about capped data plans is that few people have a clue how much a megabyte of data is, so they don't know much to sign up for. The phones themselves aren't much help: Although they can tell you how much data you've consumed so far this month, they can't tell you which of your smartphone's myriad functions are responsible.

By contrast, a minute spent talking on the phone is easy to understand, and many people have learned roughly how many minutes they use every month.

For AT&T, the introduction of data caps has gone quite well, but some customers are complaining because their data usage reports are hard to decipher. AT&T says 90 percent of its customers on capped plans stay within the limits, but it won't say how much those who go over end up paying, on average.

Verizon now charges \$30 a month for an unlimited smartphone data plan.

Here's a look at potential caps:

- Less than 200 megabytes per month.

It's possible Verizon could have an entry-level plan for \$10 or so per month with a very low data limit, such as 75 megabytes per month. But any plan with less than 200 megabytes per month should be considered mainly a tease. It will be very hard to stay under the limit.

Email, automatic software updates and other data consumption in the background will easily eat up 75 megabytes in a month. That could leave you paying \$10 or more in overuse fees - more than you would if you had chosen a more expensive plan to begin with. This plan would be Verizon's way of luring people to smartphones. Pick something like this, and pretty soon, you'll find you need a higher data cap.

- 200 megabytes per month.

This is a popular size, offered by both AT&T (\$15 per month) and T-Mobile (\$10). When it introduced this plan, AT&T said 65 percent of its subscribers consumed less than 200 megabytes.

But that was a year ago. The average monthly data consumption for a smartphone user back then was 230 megabytes per month, according to

an analysis of phone bills by The Nielsen Co. In the first quarter of this year, the figure had grown to 435 megabytes per month.

Cisco Systems Inc. has lower estimates than Nielsen: 153 megabytes per month last year and 245 megabytes this year. In any case, the message is clear: a plan that was big enough last year may not be big enough this year. Subscribers seem to be discovering more fun and data-consuming things to do on their phones.

It's still possible to get by on 200 megabytes per month. If you're a light user, stay away from heavy-usage applications such as online music streaming and Netflix video. Use Wi-Fi rather than the phone's cellular network as much as possible. Wi-Fi usage doesn't count towards your data limit.

- 2 gigabytes per month.

This is AT&T's "standard" plan, for which it charges \$25 per month. T-Mobile charges \$20. This will be enough for most people. AT&T said last year that the plan would satisfy 98 percent of its smartphone users. That figure is undoubtedly lower today. If you like to stream online music or videoconference for hours on end, or watch Netflix movies, you'll blow past it.

- 5 gigabytes per month.

T-Mobile charges \$30 for this tier, or \$10 more than the 2-gigabyte plan. Verizon would likely charge substantially more. This would be for those who spend a lot of time on their phones. Laptop cards generally come with this data limit.

What if you don't want to bother with any of this?

Sprint Nextel Corp. still offers unlimited data, seeing it as a crucial way to keep and attract customers who are tempted by an iPhone at Verizon or AT&T. However, offering an all-you-can-eat data buffet gets expensive. Sprint raised the fees for all its smartphones by \$10 per month this winter to \$30.

©2011 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: Budgeting for wireless data on Verizon's new plans (2011, July 5) retrieved 30 April 2024 from <https://phys.org/news/2011-07-wireless-verizon.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.