

T-Mobile to offer new phone deals to people with bad credit

January 22 2015

T-Mobile says it will offer deals on new smartphones to customers with bad or no credit, regardless of how they pay, and charge no interest.

The nation's No. 4 wireless carrier said Thursday that such deals were previously only available to people with good credit. Customers with no or poor credit could only use prepaid accounts, which generally require buying a phone up-front—but now they can purchase new smartphones through installments the same as people with good credit. To qualify for the program, customers must pay for wireless service on time for 12 straight months.

The move follows T-Mobile's announcement last month that it will allow customers to carry over unused cellular-data allotments. Under that plan, customers can stash away unused data allotments for up to a year.

It's all part of a program T-Mobile calls "Un-carrier," meant to describe offerings that go against the grain of longstanding industry practices.

In a blog post, CEO John Legere said 63 percent of Americans have "less than the perfect credit score," which means they are denied the best deals such as "'free' iPhones, zero down or some other screaming deal. So 1 out of every 2 people walks into a store only to find they don't qualify, because they're not 'well qualified.' How insulting is that?"

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Citation: T-Mobile to offer new phone deals to people with bad credit (2015, January 22)
retrieved 25 April 2024 from <https://phys.org/news/2015-01-t-mobile-people-bad-credit.html>

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