

Take Control

Want to watch more of what you like at a price you'll love? Follow our guide to shrinking your cable bill, slashing fees, and switching to streaming.

by James K. Willcox

Hulu

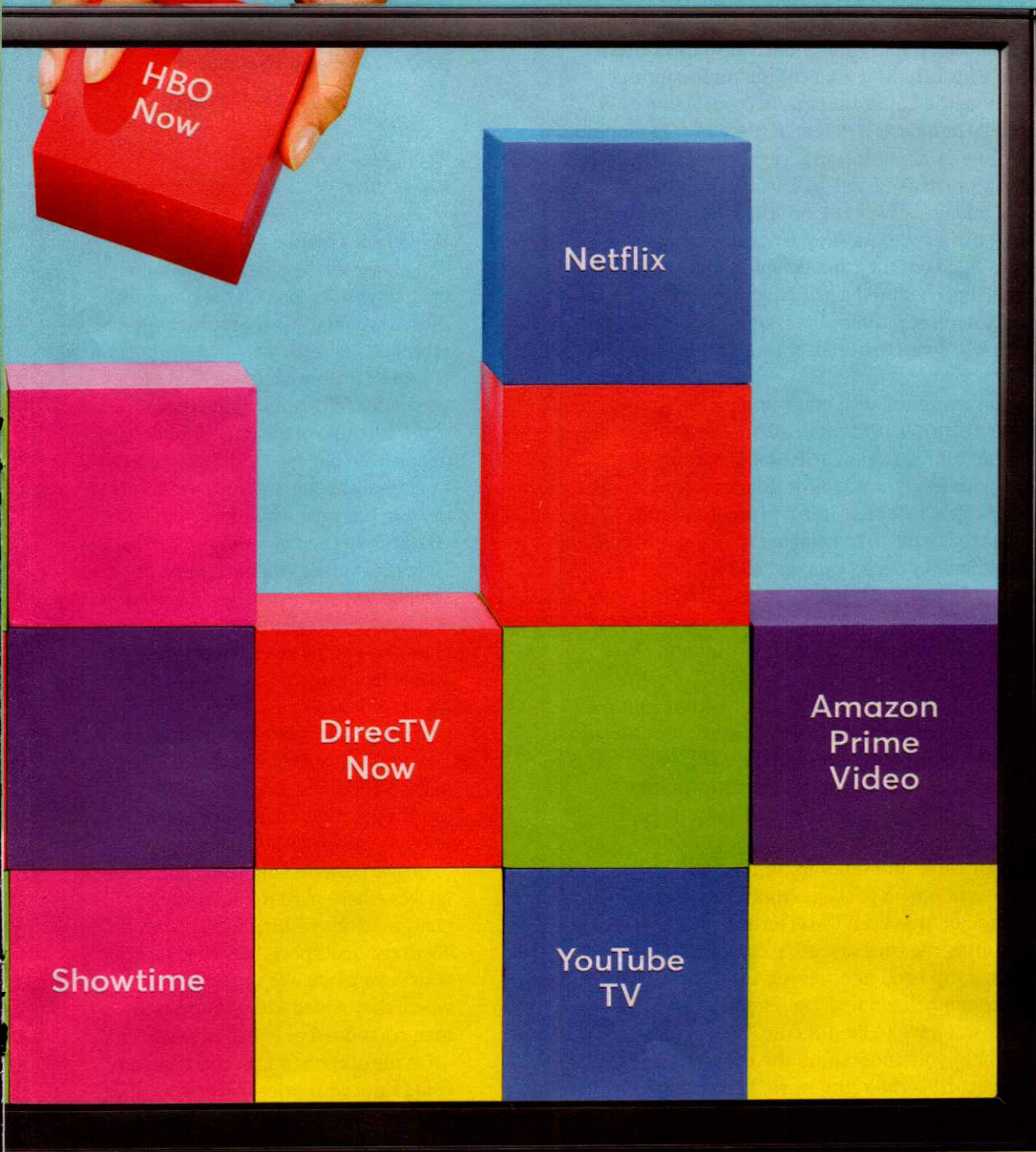
FilmStruck

Fandor

Sling
TV

Fubo

of Cable TV!



LET'S GET STARTED



By late 2017, Lisa and Ken Sharp had finally had enough of their \$180-per-month Verizon Fios bill. And with college tuition for their two daughters on the horizon, the Valley Cottage, N.Y., residents eyed their TV, internet, and phone bundle as a potential place to save money.

The Sharps were a bit nervous about losing access to certain channels and favorite shows such as “Game of Thrones,” and they faced a confusing array of choices. “We explored the various options for months before we took the leap,” Lisa says. Once they made the move, though, they were able to cut their bill by about \$85 a month.

In dumping pay TV, the Sharps joined a growing group of consumers. According to the research firm eMarketer, the number of cord cutters in the U.S. will swell to about 27.1 million in 2018, a jump of 22 percent in just a year.

Rising prices are a big motivation. The average annual bill for TV service rose from \$700 in 2000 to \$1,200 in 2017, according to estimates from the research firm Kagan, S&P Global Market Intelligence, far outpacing increases in wages or inflation. And many consumers are fed up with cable TV’s short-term promotions and unexpected fees, which make it hard to know what they’ll really end up paying. (See “Cable TV’s Sneaky Fees,” on page 36.)

Frustration with cable is nothing new. What has changed is that consumers have so many more choices now, delivered over the internet. You can get a streaming service like Netflix to watch movies and TV series. A handful of companies, including Sling TV and YouTube TV, offer “cable replacement” packages that deliver TV shows from multiple networks, such as HGTV and CNN, as they air. You can even subscribe to a single network, such as HBO. It all comes through the web.

“Over the past year, we’ve seen cord cutting accelerate” thanks to new streaming options, says eMarketer’s principal analyst, Paul Verna. “Suddenly, we have a market with several digital offerings that generally cost less than their cable and satellite counterparts.”

Assembling your own entertainment package from a mix of services can feel liberating. Note, though, that even if you terminate TV service, you won’t be completely cutting the cord to a cable company. That’s because most consumers will still need internet service from the very same company that used to supply them with both internet and TV.

Navigating all of this doesn’t have to be difficult. We’ve created this step-by-step guide to help you understand the options and decide whether cutting the cord is the right move. We’ll show you how to blow up your cable bill and then rebuild a plan with small pieces you choose yourself.

In the end, you’ll be able to customize your TV-watching experience—and probably save money.

1 | Review your bill.

Do you get a bundle of TV, internet, and phone service all from the same company? If so, look for the portion of the bill where the price for each service is broken out separately. The TV portion is approximately what you’ll save from your cable bill if you cut the cord.

If you’re one of the tens of millions of people who pay for TV shows delivered by a satellite company such as DirectTV or Dish, just note what the company charges you each month.

Next, whether you have cable or satellite TV, note what tier of service you have, which determines how many channels you receive. (Tiers may have names like “Standard” or “Signature.”) And check whether you’re paying for premium channels such as Showtime.

If you’re using your cable company to get a bundle of services, it’s hard to predict precisely what you’ll be charged once you drop the TV portion.

On the positive side, you might save on fees—those hard-to-understand charges for everything from broadcast TV to regional sports to the rental of your set-top box. We’ve seen plans where they added \$20 or more, and many of those fees will disappear.

On the other hand, a cable company could raise your price for internet and phone once you cancel the TV part of the bundle. It’s something you’ll have to ask about when you call.

We’ll get to that a bit later.

2 | List your must-have shows and channels.

Your cable package may include many channels you never watch—and a few that you really like. As you design a new, customized TV plan, the goal is to include all of the programming you and your family value without paying for a lot of content you don't care about.

When the Sharps were considering whether to cut the cord, the whole family spent a month logging the shows they watched in a notebook kept on the coffee table. "What we found was eye-opening," Lisa says. "Almost everything we watched was coming in through streaming. At first the girls thought they couldn't live without cable TV, but the reality was that pretty much everything they watched was on either Netflix or YouTube."

Keep your own log, and as you progress through the rest of our steps, you'll be able to judge what mix of options can fill your needs best, and which shows you may be willing to give up to save money.

Once you have all of your family's viewing information laid out, you're ready to explore your options.

3 | Try an antenna.

An antenna—old-fashioned, humble, and inexpensive—is the very first thing to think about if you want to cut the cord. Here's why: Many of us stick with cable or satellite TV mainly to watch broadcast channels, such as ABC, CBS, Fox, NBC, PBS, and Telemundo. Those networks deliver local and national news, sitcoms, crime dramas, baseball games, award shows, and more.

All those channels are available free over the air, in full HD—as long as you live somewhere with good reception and have an antenna. If so, cord cutting might be particularly easy for you.

Antennas don't work well everywhere.

Enter your address at fcc.gov/media/engineering/dtvmaps to see whether you're likely to get good reception.

If the answer is yes, try using an easy-to-set up indoor antenna. (See "The ABCs of Antennas," on page 35.) Just make sure there's a good return policy in case you don't get as many channels as you'd like.

Of course, an antenna won't deliver cable channels, such as AMC or the Food Network. If those are important to you, it's time to shop around.

4 | Check for deals beyond your cable company.

If your household's TV log reveals that you watch a lot of cable news, ESPN, and other cable channels, an antenna won't be enough. In this case, the simplest way to save money might be to switch pay-TV providers.

There aren't many choices in most locations, but you might be able to score a promotional deal if competitors such as DirecTV or Verizon Fios are trying to attract new customers in your area.

Ask for the total cost of a plan, including add-on fees and installation charges, plus the price once the promotion ends. Find out whether you'll be locked into a contract—and what penalty you'll pay if you terminate early.

5 | Compare your channel wish list with cable replacement services.

Let's say you get lousy antenna reception and you want to keep some cable channels—but just a few. And saving money is important to you. The best option may be one of a new breed of streaming services that's really shaking up the TV business and giving consumers new choices.

Services such as Sling TV and Hulu With Live TV aren't like Netflix, where users watch individual shows or movies.

Instead, these cable replacement services provide access to cable channels such as CNN and TBS Network, along with many broadcast channels.

The price is typically around \$35 to \$45 a month for 30 to 60 channels. You can often pay a bit more to get premium channels such as HBO or packages that add channels focusing on such things as Spanish-language content or sports. What's available varies by service, where you live, and even the smart TV or streaming player you use. For instance, you might not get all local broadcasts. (For details, see "Cable Replacement Services," starting on page 38.)

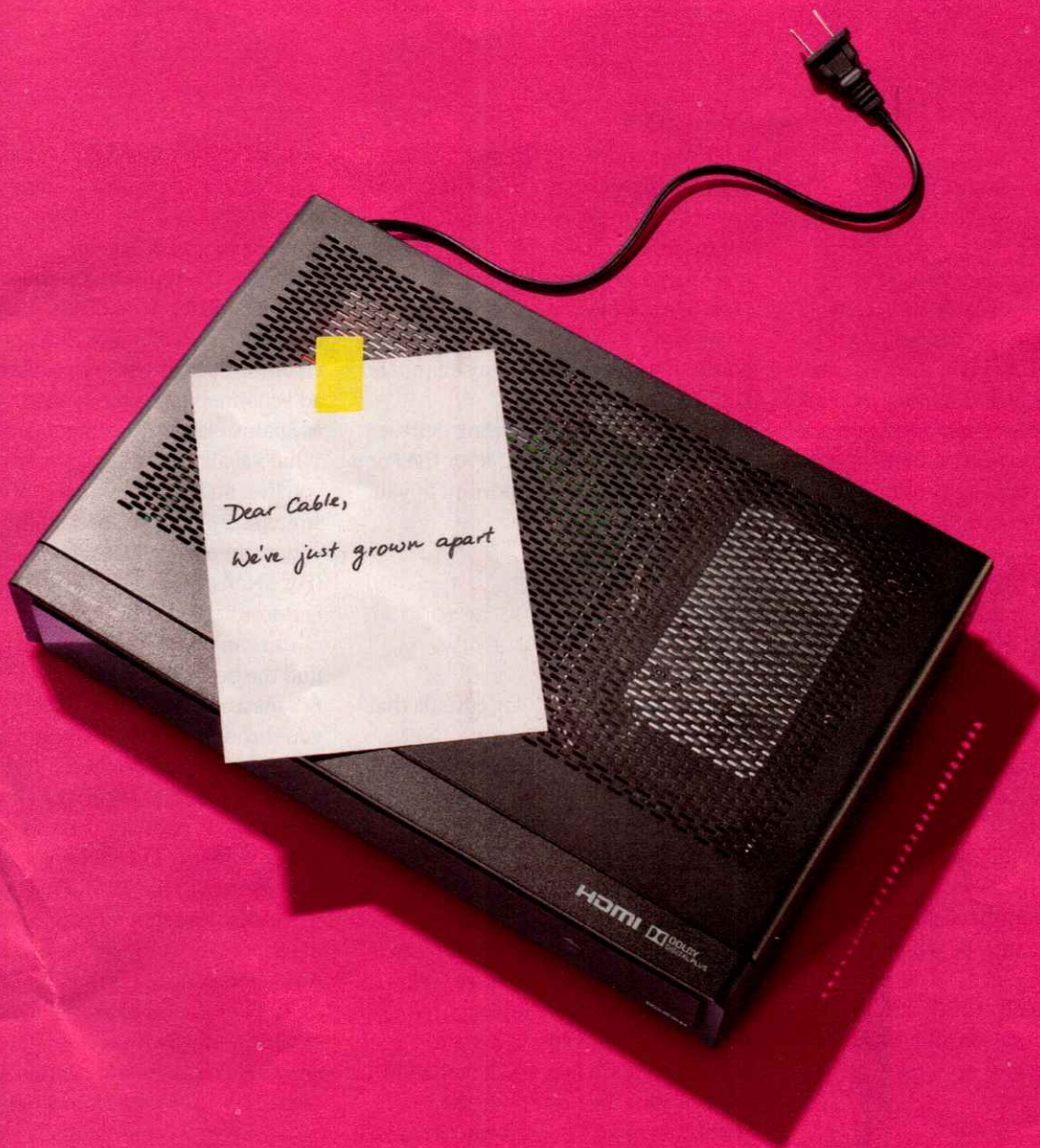
You can try an online tool to help find the best cable replacement service. For instance, one at Untangle.TV leads you through a series of questions on your viewing habits, then spits out a recommendation. But in the end you'll need to go to each service's website and sift through the channel lineups to find the best match for your household.

A cable replacement service was a big part of the solution for John and Alisa Moore, a couple in Fallbrook, Calif. They got rid of cable TV and, after experimenting with several internet and cable replacement combinations, settled on a \$25 plan from Sling TV for broadcast and cable channels along with AT&T for internet service.

The couple also have accounts with several other streaming services including Netflix, but they're still saving about \$70 per month. "We like what we have now," John told us by email. "The obvious pro is that it is much cheaper." The downside? They spend more time navigating between services to watch TV. "I'd have to say that is a con."

6 | See whether Netflix and Amazon are all you need.

Not everyone cares about cable or broadcast channels. If you're happy with older TV shows, some movies, and exclusive series such as Netflix's



“Stranger Things” and Amazon’s “The Marvelous Mrs. Maisel,” conventional streaming services will deliver the goods. Netflix and Amazon Prime each cost about \$8 to \$14 a month, and prices for other services are in the same ballpark. (See “More Choices to Love,” on page 40.) For instance, people who like to watch “Game of Thrones” or “Silicon Valley” can sign up for the HBO Now streaming service for \$15 per month, and fans of British TV can subscribe to a \$5-a-month service called Acorn TV.

If you just want to watch an occasional movie, even those services may not be a great deal. Pay-per-view

companies such as FandangoNOW and Vudu generally charge \$5 or \$6 for a one- or two-day rental of a newer movie. A couple of movies a month will cost more than Netflix, but you can get exactly the content you want, including blockbusters that have just left theaters.

7 | Now call your cable company.

Now that you’ve done your research, you’re ready to confront your cable company. Bypass regular customer

service and ask to speak to a customer-retention specialist.

If you’ve decided you still want broadcast networks plus some cable channels, ask whether the company has started to offer a cheap “skinny TV” plan. You may have to emphasize that you want the absolute cheapest TV deal available, not the standard “basic” package. These skinny plans can be very similar to the cable replacement streaming services described above, offering a few channels for a low price.

For instance, Comcast offers a \$40-a-month Xfinity Instant TV plan

that includes internet along with local broadcasts, The CW, PBS, C-SPAN, and educational and home-shopping channels. For an additional fee, you can add a package of children's, sports, or news content.

If you've decided to go antenna-and-Netflix only, even a cheap skinny bundle may not appeal to you. In that case, you're just trying to make sure the bill for your internet access, and maybe your phone, doesn't rise too much once you cancel the TV part of the bundle.

"We were able to keep our Fios internet service for the same \$70-a-month price we paid as part of the bundle," Lisa Sharp says. "Verizon was surprisingly very helpful."

8 | Put your plan into action.

Whew. Now you have the information you need to decide whether to go with a pared-down TV package from a cable company, a combination of streaming services, or some other arrangement.

Of course, if you're subscribing to streaming services and don't have a smart TV, you'll need an add-on streaming device. (You can find test results on page 41.)

In the end, the Sharps decided they'd be happy with just Netflix and HBO Now, to the tune of \$25 per month. Add that to their \$70 Fios internet service, and their total bill dropped from \$180 to \$95.

The biggest sacrifice was giving up local broadcast TV. "Occasionally, there's a show my friends are talking about, such as "This Is Us," that I can't watch because it's on network TV," Lisa says. "But it just wasn't worth the cost."



LEARN

For TV ratings, CR readers with a Digital or All-Access membership can go to CR.org/tvs0818.

THE ABCs OF ANTENNAS

TV ANTENNAS ARE making a comeback. In fact, one-fifth of households in the U.S. with broadband internet now use one, according to Parks Associates, a market research firm.

CR recently tested 10 indoor antennas at homes located within an hour of New York City. The antennas ranged in price from just \$10 to \$80 and came in a variety of designs. All were easy to set up.

Antenna reception is affected by both distance from broadcast towers and geography. Some homes got dozens of channels, which is great news for cord cutters. But others barely got any signals at all, even with the best antennas.

The models, listed below, are ranked by the percentage of stations they received across our 10 test locations, out of all the stations available. (One "station" can have multiple "channels" with different programming.)

The test included some amplified models, which plug into an AC outlet and may pull in more distant stations.

Make sure you can return any antenna you buy, since you won't know how many stations you can receive until you try it. To get the best reception, experiment with placing the antenna in a few spots. A position near a window often works best.

ANTENNA BY RANK	PERCENTAGE OF STATIONS RECEIVED
1 Mohu Releaf 1 \$35	78%
2 Winegard FlatWave FL5500A AMPLIFIED \$52	77%
3 ClearStream 2 Max \$80	75%
4 Terk HDTV AZ AMPLIFIED \$36	72%
5 ClearStream Eclipse AMPLIFIED \$60	70%
6 NAXA NAA-308 AMPLIFIED \$15	66%
7 ViewTV VT-9042G \$20	64%
8 Mohu Curve 50 AMPLIFIED \$70	62%
9 Terk OMNITWR AMPLIFIED \$62	62%
10 RCA ANT111Z \$10	60%

How You Can Save \$100s Off Your Annual Bill

Cable-TV pricing can be complicated. Prices vary by location, there are lots of opaque fees, and promotional pricing keeps changing. But you can take control of your bills by building a customized collection of entertainment services. Here are four sample scenarios to give you ideas for your own plan.

Cable Bill **Before** Cord Cutting

Let's say you have a fairly typical bundle of three services from your cable company: TV, internet, and digital phone. Here's what the bill might look like. It's based on an actual bill from a consumer in Connecticut, rounded to whole-dollar amounts.

TRIPLE-PLAY BILL

TV	\$92
Internet	\$55
Phone	\$20
Broadcast TV Surcharge	\$9
<hr/>	
TOTAL COST	\$176

Note: Sample bill excludes taxes, which vary by state. TV price is for a mid-tier plan with 175 channels including HBO and Showtime, plus a digital receiver. Internet price is for standard broadband. See "Cable TV's Sneaky Fees" (below) for a discussion of the broadcast TV surcharge and similar fees.

CABLE TV'S SNEAKY FEES

CONSUMERS HATE unexpected charges on everything from airline tickets to cellular bills.

That's why Consumers Union, the advocacy division of Consumer Reports, is launching a program called "What the Fee?!" to highlight surprising charges—and help consumers fight back.

No fees seem to bother

consumers more than the ones on their cable bills. When we asked CR members about their experiences with all kinds of add-on fees, we received hundreds of complaints about cable TV charges that seemed unfair.

Cable's add-on fees let cable companies advertise prices lower than what they actually charge their

customers each month. Confusing? CR members seem to think so.

What can you do? First, some fees will go away if you eliminate your cable TV service, even if you keep internet and phone.

Second, you can join Consumers Union's effort by going online to WhatTheFee.com and

Monthly Costs **After** Cord Cutting

Now let's get rid of cable TV service—and the associated fees. That saves \$101 per month. But you still want to watch movies and TV shows, right? And streaming services cost money, too. Your new TV-viewing budget can vary a lot depending on what choices you make.

Antennas in a recent CR test (page 35) cost between \$10 and \$80; there's no monthly cost. Internet and phone service may rise in price when you cut TV from a triple-play bundle, though some consumers report no increase.

WATCH FREE OR NOT AT ALL

Live in a spot where an antenna works well? Have a library card that entitles you to a Kanopy account? If you can do without cable channels, TV viewing can be cost-free.

Antenna	\$0
Sony Crackle	\$0
Kanopy	\$0
Internet	\$55
Phone	\$20

TOTAL COST **\$75**

NETFLIX, PLUS A LITTLE MORE

This plan uses an antenna for broadcast channels. Netflix delivers older movies and original series ("The Crown"). And you can rent two new releases from FandangoNOW.

Antenna	\$0
FandangoNOW (2 movies)	\$12
Netflix	\$11
Internet	\$55
Phone	\$20

TOTAL COST **\$98**

SIMILAR TO CABLE, BUT CHEAPER

SlingTV Blue gives you about 45 cable and broadcast channels. Add two options, such as HBO and Spanish-language programming, and you still cut \$56 from our sample bill.

Sling TV Blue	\$25
HBO (Sling add-on)	\$15
Best of Spanish TV (Sling add-on)	\$5
Internet	\$55
Phone	\$20

TOTAL COST **\$120**

THE TV-LOVER'S PLAN

Saving money isn't the only reason to cut the cord. It also helps you customize your viewing. A mix of streaming series can give you the kind of content you like most.

Amazon Prime	\$10
DirecTV Now Go Big package	\$60
HBO (DirecTV add-on)	\$5
Filmstruck with Criterion	\$11
Netflix	\$11
Internet	\$55
Phone	\$20

TOTAL COST **\$172**

signing a petition that we'll send to cable companies, urging them to make their pricing more transparent.

Here are some of the cable TV add-on fees we've seen, and what they pay for:

Broadcast TV fee \$4-\$11

Networks such as ABC and Fox have always charged

cable companies for content—and yet somehow that's not baked into the advertised price.

Sports Surcharge \$7-\$12

This pays for regional sports networks, but no one tells you that some are owned by the cable companies themselves.

HD Technology Fees \$10

The HD fee persists as an add-on years after nearly all programming has switched to high-def.

Set-Top Box/Receiver Fees \$7-\$13

You have to rent your cable box and maybe the remote

control. Over a few years, these charges can easily add up to more than you paid for the TV itself.

DVR Service \$13-25

This is often the biggest added fee in a cable-TV bill. It's what you're charged for the ability to record shows.