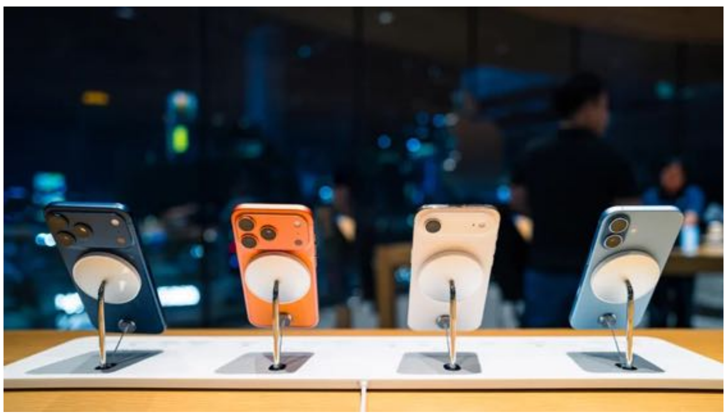
Should You Buy An iPhone Directly From Apple Or A Carrier?

Summary

The decision to buy an iPhone directly from Apple or a carrier depends on individual needs and preferences. Buying directly from Apple offers flexibility with carrier options, especially for frequent travelers, and the possibility of the iPhone Upgrade Program for those who desire frequent upgrades. On the other hand, carriers often offer installment plans and bundled deals, which can be appealing for those who prefer lower upfront costs and are committed to a specific carrier.

BY JAM KOTENKO MAY 10, 2026 11:15 AM EST



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The iPhone is one of the most popular smartphones on the market today. If you want a bigger and more responsive screen, a top-quality phone camera, longer battery life, and faster charging, you may want to look into the iPhone 17. It's now armed with a 6.3-inch screen, an 18-megapixel front camera, streaming video playback capabilities of up to 27 hours, and the ability to fast-charge up to 50% in only 20 minutes using at least a 40W adapter, among other features. Most users may find that the base model of Apple's latest flagship smartphone series has enough improvements to warrant the upgrade. Of course, you also have the option of going all out with Apple's current top-of-the-line mobile device, the iPhone 17 Pro Max.

In any case, the two best ways to purchase a brand-new iPhone are through Apple directly — via the official website or any physical Apple Store — or through your mobile phone service provider. Which option gives you the better deal, though? If you already have an iPhone and nothing about your smartphone use has changed significantly, it's usually a good idea to purchase a new one the same way you did in the past. However, if you're considering getting an iPhone for the first time or are thinking about making changes to your current phone plan, figuring out the optimal method to buy an iPhone may depend on several factors.

Flexibility requirements

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An important thing to note about phones that you buy directly from most U.S. carriers is that they're usually locked to the network. This means you can only use an eSIM or a SIM card that's provided by your carrier. If you happen to be located in an area where your chosen provider has strong cellular reception, or if you happen to be a longstanding customer of one of the leading U.S. telcos, buying a locked iPhone directly through your phone carrier might be a suitable option. If, however, you travel a lot — especially overseas — you may require a little bit more flexibility.

Those who travel frequently will need an iPhone that is carrier unlocked, and the easiest way to purchase an unlocked iPhone is through Apple directly. Doing so allows you to use eSIMs or physical SIM cards from different phone providers, which could be especially important when you're outside the United States. An unlocked iPhone is also the device of choice for those who prefer having a prepaid phone plan or the option of not being tied to a single provider via a costly contract. To buy a locked iPhone, check your carrier's official website for availability. According to Apple, you'll only receive a locked iPhone directly from its store if you choose one of AT&T's installment plans.

Phone plan preferences and budget

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As previously mentioned, you can pay for a new iPhone in monthly installments if you have a phone plan contract with a leading U.S. carrier. This is an option for those who don't have the full amount readily available — it can cost you as little as $699 for the iPhone 16 with 128GB of storage or a whopping $1,999 for the 2TB version of the iPhone 17 Pro Max. Carriers often package installment plans as deals that make it sound like you're getting the device for free. All this means is that you can pay a minimal monthly amount over the course of several years, provided that you agree to a 36-month lock-in period with your provider. On top of that, you're likely required to subscribe to one of your provider's most premium phone plans available for the duration of the contract, which can cost around $75-$100 per month for a single line.

If that doesn't sound ideal, another option is to buy the iPhone at full retail price upfront. Your chosen iPhone model should cost the same regardless of where you buy it, but you will likely receive a fully unlocked device if you opt out of paying in installments, with additional perks we've already discussed, such as the freedom to choose the cheapest plan available that suits your needs.

Ultimately, the decision of how to pay for a new iPhone will depend in large part on how much money you have on hand at the moment you decide to buy the device. You either pay little or nothing upfront for the cost of subscribing to a top-tier phone plan and sticking with your provider for the next three years, or bite the bullet, pay for the iPhone's full price now, and have a lower monthly fee thanks to a more cost-effective phone plan.

The desire to consistently upgrade

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Anyone who pays attention to Apple's release cycle knows that the company comes out with a new iPhone almost every year. If the urge to own the latest iPhone is too hard to pass up, you most likely will get a better deal by buying directly from Apple.

As stated earlier, most major U.S. carriers require a 36-month lock-in period for anyone who opts to purchase a new iPhone directly through them. Essentially, whatever discount you may be getting by signing up for a contract will be divided by 36 in the form of monthly bill credits. If you bail on the contract before the 36 months are up — as in, you decide to switch to a newer iPhone after only a year of owning your current one — you'll have to pay off the balance on your not-yet-fully-paid iPhone in one lump sum. The unused credits will be forfeited, and you'll end up shelling out more money than just buying the iPhone in full from the get-go.

Instead of doing this, you ought to look into Apple's iPhone Upgrade Program. Provided that you're qualified to enroll for a loan, the full cost of your chosen iPhone — along with AppleCare+ with Theft and Loss, which is required — is spread across 24 months with zero percent interest. After completing 12 payments, you can trade in your iPhone for a newer one. Once the old device has been verified to be in good working condition, the remainder of your current loan will be closed out, and a new 24-month loan associated with the new device will begin.

The biggest difference between Apple's iPhone Upgrade Program and carrier financing is that the iPhone comes unlocked through Apple's program. You can also switch phone plans at any time without affecting your iPhone payments.

Your final decision

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In truth, there is no wrong answer here. In order to decide how you should purchase your next iPhone, you may need to do a bit of math involving your chosen iPhone's standard retail price and the maximum monthly phone bill you can realistically afford. Apart from figuring out what makes the most financial sense to you right now, you should also reflect on your own need for phone plan adaptability and your inner urge to stay abreast of the latest Apple has to offer, among other factors.

For instance, if you already have a phone plan you're quite happy with (or are part of one with other members of your family), are not prepared to pay in full out of pocket for a new device, or are not really the type of person who upgrades mobile devices until absolutely necessary, then consider buying an iPhone through your phone service provider.

If you have a need to switch between eSIMs or SIM cards often, prefer budget phone plans, want an unlocked device, or have the funds to buy a new iPhone often and in full, doing so directly from Apple is the optimal choice. This also affords you the option of applying for the iPhone Upgrade Program, which gives you some of the best perks of both avenues: an unlocked device with an option to pay in monthly installments.

Methodology

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To come up with a list of important factors to consider when deciding on how to buy an iPhone, we evaluated the cost as well as the fine print requirements for purchasing a mobile device through a U.S. phone carrier, namely AT&T, Boost Mobile, T-Mobile, and Verizon. We also reviewed the payment options available when adding an iPhone to the cart on Apple's website.