

Not *Quite* Business as Usual

A hearing loss support specialist who has been instrumental in improving access to hearing aids weighs in on “blended distribution.”

By Stephen O. Frazier

The email’s subject line read, “Your #1 source for better hearing!” Probably junk, I thought, but I was intrigued and the outcome was not what I expected.

Within a couple of days I was participating in a 45-day free trial of Signia hearing aids from Hear.com. Should I decide to keep them, the pair would cost me \$2,750 versus \$6,000 at a typical private clinic. A little online research found these exact hearing aids were priced anywhere from \$3,700 to \$6,000, based on an online sampling of hearing care offices that post their prices. I felt I would be getting a deal comparable to the savings available at Costco, where I’d been buying my hearing aids for the past 20 years.

How Hear got my name is a mystery to me. I got the message on one of my email accounts and then a few days later, on a different account, so I suspect they’re buying addresses from some hearing loss-related source on the internet. The emails in question were sent by a company owned by a hearing aid manufacturer, using what is called “blended distribution.”

The company is WS Audiology (WSA), which develops, manufactures, sells, and distributes hearing aids and services under brands including A&M, Audibene, Audio Service, Bloom, Coselgi, Hear.com, HearUSA, Lifestyle Hearing Network, Rexton, Signia, Shoebox, TruHearing, and Widex—sort of the General Motors of the hearing aid industry. (To be fair, there are only a few major hearing aid manufacturers worldwide, see page 24.)

WSA still sells hearing aids to independent hearing care providers who usually mark up their cost and then resell them to clients. But now they also sell them directly

to consumers over the internet—through a subsidiary they own, at prices competitive with those offered by Costco, Sam’s Club, and other off-price hearing aid sellers that these independent providers cannot match.

The online subsidiaries then usually refer the buyer to one of their affiliated local audiologists or hearing instrument specialists, where a hearing test is administered and the hearing aids are programmed and dispensed.

Not Really New

This business model is not new. ZipHearing introduced online hearing aid sales a decade ago as did Audicus. Both, still independently owned, are major players in this growing segment of the industry. Online Hearing and Precise Hearing are two other online hearing aid sales outlets in the expanding field of “mail order” hearing aids, and the concept is just one of many changes taking place in the hearing care industry.

They were preceded in the business by the very successful entry of Costco and then Sam’s Club. Walmart and chains like CVS dabbled in the business but then got out. The latest iteration of the hearing aid sales business will be the entry later this year of the long-promised, direct over-the-counter (OTC) sale of hearing aids—expected to be on the shelves at your local Target, Walgreens, and elsewhere by the fall of 2022.

GN Group, the manufacturer of hearing aids branded ReSound, Beltone, Interton, Jabra, BlueParrott, and FalCom, has also recently adopted this business model with their recent purchase of Lively, which, like Hear,

started out as an independent business. Swiss-owned Sonova, whose brands include Phonak, Unitron, and Hansaton, is using blended distribution through HearingPlanet where you can buy their brands or those of competitors. It should be noted that I found substantial price differences for specific hearing aids among these blended online retailers—which is likely because those brands were not one of theirs.

The blended business model relies heavily on the internet to capture customers, and it's reported that those customers are around 10 years younger than the typical hearing care office's clientele. Tech-savvy boomers are accustomed to researching options and shopping online, and they may find and rely on resources such as the Hearing Loss Association of America and the consumer section of the American Academy of Audiology.

In the process of searching online, these consumers will come across the websites of these blended hearing aid providers where they'll find a wealth of information on hearing loss and its treatment. They may find these websites offer them little of the "hard sell" rhetoric from private clinics, where audiologists or dispensers are often working on a commission.

Hearing Aid Features

To begin the process, my Hear consultant and I had a discussion regarding the various features available such as rechargeable batteries, the number of programs available, and other standard features. When I told him telecoils were a must-have feature for me, he looked over the two devices he thought would come closest to meeting the criteria I had given him. It turned out that Hear's private label, Horizon, did not offer telecoils, so my only option was the Signia Sure C&G 7X behind-the-ear model.

In the case of Hear, in addition to the information on their website, once I started my free trial there was a whole series of follow-up emails discussing acclimating to the hearing aids and other useful information. Following my request to participate in the 45-day free trial, the Hear consultant made an appointment for me to meet with a local independent hearing aid dispenser for a hearing test and then delivery of the hearing aids adjusted to match my audiogram. This resulting office visit was no different than when I've purchased hearing aids in the past except I was to pay Hear directly, not the dispenser, and pay the dispenser's \$100 fee for the testing and fitting. I should note that unless I'm experiencing a hearing or ear problem a dispenser is not trained nor allowed to deal with, I have no problem with using a dispenser to fit me with hearing aids, versus an audiologist.

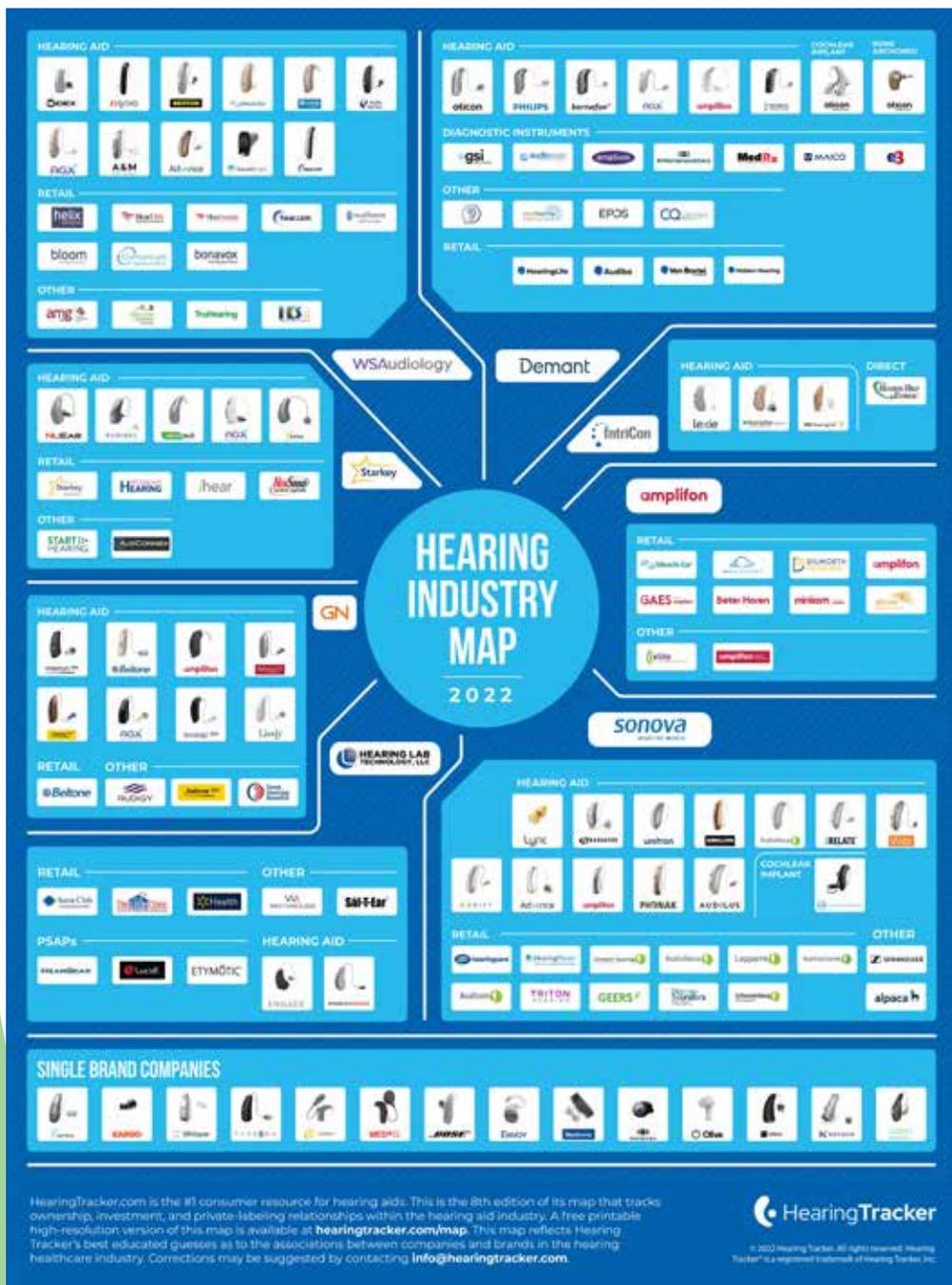
Comparing the New to the Old

The Signia hearing aids worked well and I was seriously considering keeping them, but there were some features I did not like. In my Rexton hearing aids, if I adjusted the volume higher on, say, the telecoils setting, then left that setting for a couple of minutes and then went back to it, the volume setting remained where it was before I left. With the Signias I had to constantly reset the volume, which is inconvenient because I switch between hearing aid programs regularly, especially when watching TV.

The noise suppression program in the Signias also did not seem to be as

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The online hearing resource Hearing Tracker produces this hearing industry map each year based on manufacturer websites and investor reports as well as their own reporting.



effective as the one in my Rextons. For example when riding in the car, the Rexton program almost completely stopped the sound of rushing air coming from the window nearest my ear. The Signia program did not, and to get the same relief from the Signias I had to boot my smartphone and use a directional mic program controlled only in that way.

I downloaded and tried the Signia app to make various adjustments in the hearing aid settings. This included what I was told is a feature unique to Signia—the ability to focus hearing aids on any or all of the various sections of the area surrounding me, including directly in front of me.

I gave it a try and it really does work—the mics can

focus on a narrow band of sound coming from right in front of you, from your left or your right, or from any direction around you. They also focus on distant sounds or just nearby sounds. I tried several different settings when dining out and it reduced background noise considerably while allowing me to hear my dinner companions. This is something my old devices can't do, but through research I discovered new Rextons can, too.

What Now?

The good folks at Hear really did want to accommodate my objections to the features I balked at with the Signia hearing aids and did yeoman duty trying to find other

options. But the alternates they found were not subject to the same competitive pricing as the Signias.

At decision time I decided to punt. Here's why: My old hearing aids work though they could no longer get through a full day without being recharged. They will still work well with standard 312 batteries that last for a number of days. They're Bluetooth-capable even though I don't use that feature much. They contain telecoils that I use a lot. They let me set the volume where I want, and it stays there if I leave and then return to that program, which the Signias did not do.

My old hearing aids have no smartphone app but I found it to be a nuisance to boot my smartphone, unlock it, and then wait for the very slow app itself to start making any basic adjustments to my hearing aids. When I was testing the Signias, I only used their app to change the volume on one hearing aid without changing the other one, adjust the tone control, or use the directional mic program.

The return of the devices could not have been easier. I just dropped them off with the dispenser who had tested me. Follow-up from Hear was cordial as they emailed a request for my reasons for canceling the sale, and the refund came through quickly.

Maybe, if there are others like me who want to have more control of the volume settings on their hearing aids, manufacturers will hear us. But for the time being I've decided to stick with my old hearing aids and, if need be, send them to the same trusty repair shop in Dallas I use for out-of-warranty hearing aids.

Still, Try the Blended

Overall, my experience with blended distribution was a positive one and I am inclined to suggest to others that they not wait for an email invitation for a "45-day free trial." As its author, I knew that New Mexico has a mandatory 45-day trial period for hearing aids, but a less experienced client may not be aware of a state regulation. Twenty states do not even have such a regulation, and many that do require only 30 days—so the 45-day free trial offer could be meaningful and appealing in many states.

Go online yourself and give the process a try—you're under no obligation to keep the hearing aids. If you don't keep the hearing aids, you could lose the \$100 fee for the test and fitting, but if you decide to keep them you could save \$2,000 to \$3,000 off the usual price.

If you're not ready yet, wait and see what's coming next. Some manufacturers are looking to open stores in

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pharmacies, competing directly with the lower-cost OTC devices for mild to moderate hearing loss. While this was tried before, it could work the second time around. Customers looking at the OTC hearing aids would no doubt try to get advice from a nearby dispenser who will have their own hearing aids to sell.

Then there are the regulations currently found in most states that hearing aids must be dispensed by a licensed provider. All signs point to a blurring of the line between OTC hearing aids and prescription hearing aids. —



Trained by the Hearing Loss Association of America as a hearing loss support specialist, New Mexico resident Stephen O. Frazier has served HLAA and other groups at the local, state, and national levels as a volunteer in their efforts to

improve communication access for people with hearing loss. For more, see sofnabq.com and loopnm.com. The hearing industry map is used courtesy of Hearing Tracker. For references, see hhf.org/spring2022-references.

Share your story: Tell us about your experience buying hearing aids at editor@hhf.org.

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