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The Hearing Aid Revolution That Wasn't

Over-the-counter models have high return rates. Can Apple's AirPods Pro 2 change things?

By *Julie Jargon* [Follow](#)

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Over-the-counter hearing aids promised to be cheaper and more accessible for people with mild to moderate hearing loss. Instead, people are returning them at high rates.

People returning the devices often cite poor audio quality or lack of adequate customer service, audiologists and retailers say. And sellers of OTC hearing aids say that along with high returns, few people are even trying them in the first place.

Michael Abt, co-president of Abt Electronics, a large, independent appliance and electronics store in Glenview, Ill., stopped carrying OTC hearing aids over the past two months because of their 40% return rate.

“You want to sell people something they love and cherish and tell their friends about,” Abt says.

It has been nearly two years since a Food and Drug Administration ruling allowed retailers to sell hearing aids without a clinical assessment. Doctors lauded the move as a solution for over 20 million American adults who have hearing loss that isn't severe enough to warrant expensive prescription devices. Regular hearing aids can set people back \$3,500 or more, while OTC models were expected to cost as little as \$200.

In reality, many go for \$1,500 to \$2,000, audiologists say. People have been deterred by this higher cost and the stigma of wearing something that suggests old age. Just 2% of adults with hearing difficulties have purchased an OTC hearing aid, according to a survey commissioned last year by the American Speech–Language–Hearing Association. (That's one reason it was hard to find a customer to interview for this column.)

The struggles come as Apple [AAPL 0.38% ▲](#) prepares to release a potential game-changer—a software update that will turn its popular, \$249 AirPods Pro 2 into hearing aids.

The cost of service

No one has officially tracked OTC hearing-aid sales or returns, but audiologists have estimates from what they've seen themselves and have heard from vendors.

Nationally, the return rate on such devices ranges from 15% to 30%, compared with 6% to 10% for prescription hearing aids, says Vinaya Manchaiah, director of audiology at the University of Colorado Hospital in Aurora, Colo., citing what he's heard from industry insiders. He says people often need help troubleshooting and getting their OTC hearing aids programmed correctly.

“Some companies do this well, but others are not able to provide that kind of support,” he says.

Eargo, a large manufacturer of OTC hearing aids sold directly to consumers before retailers could offer them, has a return rate of around 25%, says interim Chief Executive Bill Brownie. That's come down from a few years ago, when about a third of all OTC models were returned, he says. Brownie attributes that to Eargo customer-support improvements.



OTC hearing aid maker Eargo has seen its return rate drop after improving customer support. PHOTO: EARGO

Eargo hearing aids cost \$799 to \$2,950. The higher pricing, Brownie says, allows Eargo to better help customers. “It's difficult to do that at \$300,” he says.

Meaghan Reed, director of clinical audiology at Mass Eye and Ear, a Boston hospital that assesses hearing for up to 4,000 patients a year, says the hospital's return rate for OTC

hearing aids—17%—is three times that of prescription devices. She says that's largely because they don't meet patient needs.

“One of the things that's frustrating and surprising is that OTC devices are still not as low-cost as we were hoping,” Reed says.

About 60% of patients who returned their OTC models got a prescription version instead, because they could get ongoing support for adjusting them, she says.

Lower-price models have their own issues.

Abt Electronics, which began carrying OTC hearing aids a year ago, offered four brands ranging from \$300 to \$1,200. The cheaper products had higher returns, with customers reporting they didn't work as hoped. Abt didn't want to only carry the more-expensive hearing aids because he wanted to provide choices to customers.

“With hearing aids, we felt we had to be all in or not in,” he says.

A bite from Apple

When Apple rolls out new software this fall, its AirPods Pro 2 will be able to function as hearing aids. The update will also include a hearing test and a hearing-protection feature that reduces loud noises.

While hearing industry executives and audiologists say AirPods Pro 2 could eat into the low-price OTC hearing aid market, they aren't worried it will totally take over. Their battery life—at most six hours— isn't long enough for people who need all-day hearing assistance. They're also the opposite of discreet, with white stems that stick out of people's ears versus the many OTC hearing aids that fit inside the ear canal.

People also might hesitate to talk to AirPods wearers, thinking they're on the phone or listening to music.



Apple's \$249 AirPods Pro 2 will turn into hearing aids through a software update this fall. PHOTO: NICOLE NGUYEN/WSJ

“When you see someone wearing AirPods, it doesn't signal that they're open to having a conversation,” says Lindsay Creed, associate director of audiology practices at the American Speech–Language–Hearing Association.

The biggest advantage of the new Apple feature, hearing experts say, is that it could help people realize they have mild hearing loss. That could shift business to higher-end OTC devices over time.

“Once people actually experience what hearing amplification can do and how it can improve their life,” Brownie says, “it could drive adoption of OTC hearing aids overall.”

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