

WHY SHOULD HOSTED
TELEPHONY
BE A PRIORITY FOR YOUR BUSINESS?
An Insight For Business Leaders

INTRODUCTION

There is much talk about hosted or cloud-based telephony and the rapid adoption of this new way of delivering business communications. However, as a business leader or the person responsible for delivering IT and communication services, is this just hype or something that really needs to be on your priority list?

For most organisations, business communications is something that is taken for granted. The same phone system has been in place for years. When you need to make a call, you lift the handset and get dial tone, when a customer needs to contact you, the phone rings. However, the nature of your business, the working behaviour of employees and the expectations of your customers are all likely to have changed significantly since your existing phone system was put in place, whereas it may not be broken – it is likely to be far from effective.

This Paper has been prepared to cut through the noise and provide you with a direct and concise insight into the relevance of hosted business telephony, the value it can deliver to your employees, your customers and your business. It highlights who should consider making the move to the cloud and when is the right time.

REDEFINING BUSINESS COMMUNICATIONS

The way we work and run our businesses has evolved significantly. The smarter businesses are far more mobile with people working from home, in the office and on the move. They are far more customer centric, looking to differentiate by being accessible and responsive to customers, and they are far more agile, scaling up and down in response to market conditions and re-organising the workforce to maximise productivity.

The way in which we work today has changed what we need from a business phone system. Phoenix Communications has witnessed this directly over the last decade when serving this market. Here are some key requirements we get asked for:

Fixed & Mobile

“ We currently have two phone systems – the desk phone and the business mobile. We want a solution where desk phones and mobiles complement each other – the mobile should enable business communications to extend beyond the office and be an integral part of the telephony solution. ”

Multi-Location

“ We have multiple offices and branches but we do not want multiple phone systems. When a customer calls we need to be able to connect them to the right person regardless of which office they are in or indeed even if they are working from home. ”

Intelligence

“ We need our phone system to have some level of intelligence, play announcements, allow people to select who they want to speak to and route calls to that person based on their current location, i.e. the right phone in the right location. ”

OPEX Not CAPEX

“ We do not want to have to make a large investment upfront, we want to pay for what we use in the month we use it, we want business communications to be an operating expense and not a capital expenditure. What is more, we want to be able to add and remove users in increments of one as and when our business needs change without penalties. ”

Resilience

“ Our business is dependent on being able to communicate with our customers, our phone system being down costs money. We want a solution that is guaranteed to be available 99.99% of the time, and if it does go down, we cannot afford to wait for an engineer to get to our office. ”

Flexibility With Low Maintenance

“ We want flexibility to deploy new users, reposition handsets and change the way calls are routed, but we do not have the technical resource to manage this. We need a partner that is able to make this happen as part of the service they offer. ”

THE LIMITATIONS OF TRADITIONAL TELEPHONY

The traditional approach of business telephony is the Private Branch Exchange (PBX), the premise-based phone system that delivers extensions to desks. Although this approach has served business well, it is quickly becoming outdated technology with limitations that hold businesses back.

One Phone System Per Office

The nature of a premise-based phone system is that you require separate systems for each office, a separate expense, separate management overhead and separate connections to the public network. This not only means that you are paying multiple times for a phone system, but also that every time you dial office to office, you are incurring additional call charges.

No Support For Home Workers

Traditional office based PBXs rarely support home workers, they have to use separate phone lines with no integration into the business telephone system.

Separate Fixed & Mobile Communications

Traditionally the PBX does not support integration with the mobile phone. Calls to and from mobiles are treated as external calls with associated cost. As employees use their mobiles more and more for business, call charges over the mobile network are becoming a significant business overhead.

Expensive

The traditional approach is also proving expensive. Not only do businesses have to pay up front to purchase a phone system, they are then faced with annual maintenance, separate costs for fixed and mobile network services, plus call charges. With this approach there are no economies of scale and organisations are not only spending far more than they need to for calls but also paying for employees to speak to employees.

Lack of Flexibility/Scalability

Most office-based phone systems are installed and forgotten. As the business changes it is very difficult to move phones, change extensions or realign call routing. With many business not having in-house expertise to do this, organisations tend to compromise with what they have or are forced to pay expensive charges to bring in an engineer. Scalability is also an issue. Most systems are configured for day-one usage, adding new users, moving sites or moving devices is expensive involving the purchase of new hardware, bands of licenses, potentially an upgrade, and often expensive engineering resource.

What Happens If It Goes Wrong?

The traditional approach is to purchase a phone system from one supplier and then network services from another. If something goes wrong the first challenge is to determine who's responsibility it is – a system fault or a line fault. It is not just the expense of getting someone to rectify issues, it is also the considerable time that this can take, leaving the business without a communication system for days.

HOW HOSTED TELEPHONY WORKS

With hosted telephony your business communications is extracted out of the office and placed closer to the public telephone network. This enables it to be location independent, allowing you to deliver business phone extensions to any employee in any location that act as one seamless system. What is more, through providing softphone capabilities to the mobile, a single business communication solution is created that spans both fixed and mobile devices.



Cloud-Based Telephony

Rather than invest in your own premise-based phone system, you utilise a carrier-grade platform that is hosted in the cloud providing a fully-resilient, secure, high quality voice service. Connectivity to the public network is provided as integral part of the service with greater flexibility on the phone numbers you use for your business (local numbers, 0800 numbers or non-geographic numbers).

Extensions Anywhere

Business telephony is then delivered into your business through Voice over IP (VoIP) to IP phones on users' desks, softphones on PCs or softphone Apps on smartphones. This provides ultimate flexibility as to where voice services are delivered, enabling extensions to be distributed across multiple offices, to home workers or remote employees using their mobile or laptops. Users are not tied to a physical extension because hot-desking and flexible working are fully supported.

Flexibility In Capability

Not all business telephony users are the same. Some require support for multiple devices, voicemail or recording, others may require contact centre capabilities. With cloud-based telephony you are in full control of what services are provisioned for each type of user, ensuring that you deliver the services that are required by your business, but not paying for the full breadth of services across all employees.

Pay-As-You-Use

With this approach to business telephony the need for upfront purchase of equipment is removed and a solution can be procured on a pay-as-you-use subscription model. Here you pay for the number of users you require each month and only for the capabilities that are required by each user. You have the ultimate flexibility to add and remove users and with the ability to deliver services to any location you have the ability to change where services are delivered as often as you need to.

THE VALUE OF HOSTED TELEPHONY

According to analysts over half of all businesses will leverage cloud-based telephony services by the end of 2014. The reason for this is the unquestionable value and benefits that this approach offers business communications. Here are just some of the reasons why organisations are switching to the cloud.

REDUCE COST

Capital Expenditure

Putting in place a premise-based phone solution for a new or existing office is expensive. Cloud-based telephony enables this to be completely avoidable with a pay-as-you-use subscription service.

Reduced Ongoing Costs

By migrating to a platform that is location independent you instantly gain the benefit of no call charges between offices or to employees working from home, reducing monthly costs. In addition, you benefit from the economies of scale of the service provider with significant savings in local, national and international call charges.

IMPROVE CAPABILITY

State of The Art Business Communications

Technology is advancing at a rapid pace. Through subscribing to a service rather than purchasing the technology available at this moment in time, you gain the peace of mind that your business is using and will continue to use the best possible solution available.

Alignment To Your Business Needs

With a cloud-based solution, you are not only able to align your phone system to your business needs but to the needs of each individual user. You select the functionality required on a per user basis including number of devices, voicemail, announcements, call recording, reporting and contact centre capability. What is more, you only pay for the services you use.

INCREASED AGILITY

Flexibility To Scale Up & Scale Down

The challenge when purchasing a business phone system is determining the capacity required both now and in the future. By migrating to a service, this issue is removed, ensuring that you never pay for capacity that you do not need and that you will never outgrow your business communication platform.

Fully Managed Service

With a cloud-based service, there is neither need for in-house expertise or for expensive onsite engineer charges. If you want to make changes to where extensions are located, add new users, change the way calls are routed or which services are provided to which users, these are all taken care of through a non-technical management interface or as part of the managed service provided.

REDUCE RISK

Disaster Recovery Built-In

With a cloud-based solution you instantly gain the value of business continuity. You are using a high-grade platform that has a level of resilience that simply cannot be replicated with a premise-based system and your business communication is no longer dependent on access to your office.

Fully Maintained End-To-End Solution

There is no need to worry about falling outside of maintenance or your equipment rapidly approaching end of life. With the cloud-based service you are always on the latest release and have the peace of mind of an end-to-end service from phone line to employee extension, removing business risk and importantly, user frustration.

WHEN IS THE RIGHT TIME TO MOVE TO CLOUD-TELEPHONY?

The no-nonsense answer to this question is now. There are significant benefits for organisations of any size moving to cloud-based telephony and as such it should be on every company's agenda for consideration.

There are a number of compelling reasons as to why moving your business telephony to the cloud should be a priority, as follows:

Moving Office

If you are currently considering moving office, then this is an ideal time to migrate services to cloud-based telephony, avoiding the expense of migrating equipment and lines and making savings on recurring communication costs.

Opening New Office/Branch

Replicating a premise-based solution in a new or branch office requires unnecessary capital expenditure and adds further complexity to what is likely to be a disjointed business communication platform. A new office is a perfect opportunity to commence the migration to a cloud-based solution.

Platform End-Of-Life/Maintenance Issues

if your current telephony platform is at or approaching end-of-life or if you are experiencing regular faults, then this is a good reason to consider a move to the cloud removing the risk of a communication platform you can no longer rely on.

Capacity Issues

if you need to place additional users on your current premise-based platform such an upgrade can be costly and avoidable by migrating all or some of your users to a cloud-based solution.

Excess Communication Costs

Either from ISDN rental and call charges or from the costs associated with business mobiles. Migrating to a cloud-based solution can immediately have a significant impact on reducing these monthly recurring charges.

Business Need

if your business is being held back because it has no voicemail, auto-attendant, conferencing capability, call centre application or voice recording, then it is possible to gain this capability at the same time as reducing costs.

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SUMMARY

Over a million people in the UK use cloud-based telephony for business and this is the fastest growing segment of the business telephony market.

The reason for this is that it is a compelling proposition for businesses of any size, it reduces cost, it delivers far richer capabilities to business, it reduces risk and it enables organisations to be far more agile.

Advances in cloud-based technologies, connectivity and VoIP have transformed the way business telephony is provided. No longer are we dependent on office-based PBX and silos between the office phone and the mobile. We are able to extract business communications to the cloud and deliver a feature rich service to employees in any location using any device and deliver a far more responsive and professional service to our customers.

For any organisation regardless of whether they are currently reviewing their existing telephony requirement or not, hosted telephony offers significant value and should be on everyone's agenda.

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