

# VOIPNEWS

## Small Business VoIP Service Providers Buyer's Guide

Compared to the residential market, in the business marketplace, the scrutiny and service demands get raised dramatically for Service Providers. Quality is a requirement and guarantees should be provided to customers. The complexity of the system required goes up exponentially as more lines get added. The range of features users want is very different.

There are two different kinds of small business VoIP services provided by companies. One is a hosted service and this is the commonest solution offered by small business VoIP Service Providers. In this case, all the equipment and management of the service is hosted externally to the company by the Service Provider.

The alternative is an on-premises service (also called customer premise equipment – CPE) where the equipment needed to run the service resides at the business and is managed directly by the business and the Service Provider only supplies the connection on an ongoing basis – this option is usually supplied by Internet Service Providers who are providing the network connection itself and for whom VoIP service is an add-on.

Any small business VoIP plan should have a clear explanation of equipment costs including costs for the telephones themselves. If it is a hosted service then the phones should be the only equipment cost – and many will lease the phone at a price included with the monthly service. If it is not hosted, then there may be a range of other equipment charges depending on the complexity of the solution offered. Equipment that may be required includes routers, switches and gateways as well as dedicated servers and phones and cabling.

Typical business services are very wide ranging. Basic services that all systems will support include providing extensions, call waiting, caller ID, three-way calling, voicemail, speed dial, caller-ID-based blocking, etc. Most offer a range of more advanced features and typical services include:

- **Call hold with music on hold** – this feature includes management of call holding such as time on hold and rollover to voicemail, reminder voice messages and the ability to move and transfer calls on hold.
- **Conference calling** – from simple three-way conference calls to heavy duty hundred person conference calls. More advanced options include hosted conference calls with unknown attendees.

- **Click to call** – the ability to initiate calls from a PC. More advanced versions can integrate VoIP calling into Outlook or other Office applications and even into CRM and web services.
- **Call queuing** – the ability to put calls into queues to be answered in turn by groups of operators or by designated extensions.
- **Call center functions** – functions to help a business operate a call center for incoming and outgoing telemarketing, sales and service.
- **Attendant console** – a control system – usually web-based – that allows the company to manage individual calls and the functions of its telephony system from a simple interface.
- **Call grouping** – grouping incoming calls, extensions, employees and more together into functional units that can send, receive and manage calls as a single unit.
- **Find/follow features** – features to automatically reroute calls to employees wherever they are located – including mobile numbers, telecommuting options, etc.
- **Remote office features** – features to support satellite offices and either have them operate as distinct entities or as if they are part of the main office
- **Scheduling features** – features to change the operation of the system at different times or to schedule other operations.
- **Fax support** – although it would seem like the most likely and needed feature, fax support is in practice a frequent area of failure for small business VoIP suppliers.
- **E911** – just as in the residential VoIP market, this is a regulatory and service feature issue. Customers, whether individuals or businesses expect the emergency service numbers to work, but for that to happen, clear location information must be provided. Several initiatives are solving this issue, but not all Service Providers are ready to implement e911 services.

The biggest single differentiator between types of small business VoIP Service Providers is whether they offer hosted or on-premise services. Both have advantages. Hosted services are cheaper for small installations and require a lower capital outlay. They can also grow to offer more services without affecting a business' infrastructure. On premise solutions are cheaper in the long run and for large installations and offer much greater control over feature details.

Any hosted plan should offer a clear explanation of service features and limitations and a clear growth path with cost explanations for adding lines and adding premium features. They should also be able to discuss their approach to changes in the marketplace in the future and how to avoid obsolescence.

Any on-premise service should be clear about what portions of the service and equipment you own and control and what the expansion path will be like. It should also be clear to you how to grow and extend the service and if you or the Service Provider will be in charge of adding software services later.

Costs vary widely depending on service plan and they range from as high as \$200 per line down to as little as \$10 per line. But what you get per line of service and the level of features and the guaranteed service and reliability levels all vary very widely across these plans. Almost all small business VoIP services will show a clear ROI when compared with traditional telephony services. Comparing costs for VoIP services is not usually a real differentiator for most users. The quality and level of service, the featureset offered and mission-critical applications are the real comparison points.

The final piece in the small business VoIP Service Provider puzzle is service level. Most providers have differing levels of service and different levels of guarantee – these can make a great deal of difference to the practicalities of any service offered depending on the end customer's need for quality and reliability. There is very little commonality between VoIP providers in this area and due diligence is required in evaluating the competing offerings. Some providers deliver service over private IP networks rather than the public Internet in order to avoid any potential delays or traffic issues arising from use of the public network. Others provide high levels of redundancy to avoid problems.

The common consensus is that VoIP Service Providers have recently reached a quality level where basic service matches that offered by traditional Telcos and Centrex systems and that the advantages offered in terms of featureset and price now make VoIP systems the obvious choice for the future.

For more on VoIP Service Providers, go to:

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