

# FeatureTel **FUSION**

THE TELEPHONE SYSTEM ALTERNATIVE

## **The Customer Value Proposition**

The value proposition to businesses and end users varies depending on the technology. Hosted IP telephony offers some distinct value over IP PBX and traditional voice solutions. The value propositions can be summarized into three separate categories:

1. Financial Savings – businesses can save a substantial amount of both capital and operating costs by deploying hosted IP telephony.
2. Service Reliability – voice network equipment residing in FeatureTel's data center Point-of-Presence (POP) provides a high level of service and disaster recovery.
3. Features, Functionality and Enhanced Applications – IP technology enables features and applications that are not available with traditional technology.

Each of these is explained in more detail below.

### **Financial Savings**

Financial savings is one of the first benefits mentioned when discussing hosted IP telephony. The ability for businesses to go from two disparate networks for voice and data down to one converged network creates a substantial financial savings. These savings are for both capital and operating expenses.

#### Capital Expenses

*Low Capital Requirements:* hosted IP telephony has very low capital requirements. In particular, IP phones or Integrated Access Devices (IADs) are the only capital expenditures necessary in most cases. In comparison, PBX technology requires large capital outlay for the PBX and voicemail servers along with the required phones. For this reason, many businesses are deciding to avoid the upfront capital-intensive IP PBX or PBX solution and choose a hosted IP telephony solution from providers like FeatureTel.

*Standards Based Equipment:* the equipment necessary for hosted IP telephony is standards-based. Standards-based equipment can be reused or re-deployed to work with other equipment that supports the same standards. It also offers more flexibility and options from a variety of vendors, typically at lower costs. IP PBX or PBX solutions have proprietary equipment that can only be used with particular vendors. This prohibits proprietary equipment from being reused or re-deployed in most circumstances. It also results in an inflexible solution with limited equipment choices and higher equipment prices.

*Low Risk of Obsolescence:* technology changes at such a rapid pace that it is common for equipment to become quickly obsolete. Hosted IP telephony helps to reduce the risk associated with technology obsolescence. First, since the amount of necessary equipment is low, the risk also remains low. Second, the risk of obsolescence shifts to the service provider (FeatureTel) since they own and manage the voice servers. Third, IP PBX or PBX systems can be easily outgrown as the organization grows leaving few alternatives. Hosted IP telephony allows businesses to grow their number of lines as their organization grows so this is never an issue.

#### Operating Expenses

*Converged Access Lines:* the convergence of two networks down to one converged network can save on the number of necessary access lines and subsequent costs. In most traditional cases, current voice traffic and data traffic utilize two separate T1 lines. After converging the two networks into one, one of the T1s can typically be dropped or used solely for backup purposes. In either case, access costs can typically be lowered.

*Utilize Stranded Capacity:* in certain circumstances, converging voice and data can assist in eliminating channelized or 'stranded' capacity. This is capacity that is not being consistently utilized and therefore wasted. Adding packetized voice onto an existing T1 line increases efficiency and utilizes the stranded capacity. This makes the existing infrastructure more cost-effective.

*One Provider, One Number:* hosted IP telephony allows businesses to receive both voice and data service from one service provider. One service telephone number to call for questions or support is utilized for both. This helps to simplify the support process and reduce the number of necessary support personnel.

*Simplified Moves, Adds and Changes:* one of the biggest expenses for dynamic businesses is moves, adds and changes (MACs). Traditional phone systems required intensive efforts every time an employee moved offices or locations. IP-based technology simplifies this process and can easily be performed by the enterprise administrator through a point and click web-based interface. The result is that a MAC takes a few minutes and no expense rather than paying an expensive technician to perform the MAC.

*Predictable Monthly Expenses:* hosted IP telephony allows businesses to know exactly what their telecommunications costs will be each month. There are no unexpected costs associated with software upgrades or hardware maintenance. This makes monthly budgeting very predictable and easy.

*Low Network Management Requirements:* network management is FeatureTel's responsibility. This frees the business from the responsibility of ensuring the system is running as intended and from dealing with problems as they arise. A business utilizing a PBX solution maintains network management responsibility itself and thus must have the appropriate personnel and procedures in place to effectively solve problems with the system.

*Flexible to Organizational Changes:* today's workforces are constantly growing and shrinking, creating problems when using traditional phone systems. In most cases, businesses must buy more ports than necessary with limited options if their workforce shrinks. It may also not easily expand if the workforce increases over time. Hosted IP telephony services allow businesses to buy only what they need with the ability to add new lines when necessary. Businesses only pay for the number of lines needed at that time and can add or shrink the number of lines easily.

### **Service Reliability**

The ability to communicate with customers, vendors and colleagues is a critical element of success. For this reason, voice reliability cannot be compromised. Hosted IP telephony has been engineered with this in mind and modeled after traditional services. In fact, hosted IP telephony has distinct reliability advantages over both traditional voice and IP PBX services.

*Professionally Hosted:* few businesses would consider themselves expert in hosting servers or phone systems. PBX solutions require businesses to do just that – host their own phone system on their premise. If something goes wrong, the business is responsible for correcting it. Given the importance of communication, this creates a large burden on the business to be prepared for the unexpected. In contrast, hosted IP telephony relieves the business from this responsibility. Since FeatureTel owns and manages the server equipment, the business never has to worry.

*End User Control to Re-route Calls:* The most common problem with any voice solution is access line failure. If the 'Access' portion of the network fails, users have different options depending on the type of voice solution utilized. Hosted IP telephony provides the greatest amount of options and flexibility. If the access portion of the network fails, it does not have an impact on the servers in FeatureTel's POP. Everything up to that point works the same except in the case of access failure, the system will automatically route all calls to the users voice mail. In addition, users can easily reroute calls to an

alternative phone or even re-assign their phone number to an alternate location. Only hosted IP telephony gives users this much flexibility when access lines fail. With IP PBX or PBX technology, the users phone will not work and their options are very limited since the server resides on the business premise connected to the failed access line.

*Disaster Recovery:* Similar to problems in the access portion of the network, users have a variety of options in case of disasters if utilizing a hosted IP telephony solution. In the event of fire/earthquake/severe weather, users have the ability to reroute all their calls to their wireless or home phone. The hosted IP telephony solution can also be set up to automatically make these changes for users in the case of a disaster resulting in phone failure.

The location of the servers in a hosted IP telephony solution is also a critical aspect. Local phone providers PoPs are secure facilities built to withstand more than traditional office buildings. For this reason, servers in a POP have a higher chance of surviving a disaster and maintaining service than a PBX sitting in a businesses office complex. Even if a customer's location is destroyed by a disaster, users will have phone service or the flexibility to obtain phone service.

### **Features, Functionality and Enhanced Applications**

IP-based voice solutions enable many features, functionality and enhanced applications that are not possible with traditional solutions. Financial savings and service reliability are critical in the decision to move to hosted IP telephony, the additional items are what businesses learn to appreciate more after using it over time.

*Cohesive Services for Distributed Workforces:* IP-based voice services break down the boundaries associated with traditional service. Since traffic can be routed to any locations connected to the network, functions that use to be tied to a particular location can now be distributed out to multiple locations. For instance, a call center can now be centrally located and support users geographically dispersed or support multiple locations. This allows call center agents to work from any location – even from home. In addition, one single voice mail system can serve a group of users in different locations. This not only saves money by only having to utilize one voice mail system but also allows all users to share the same voice mail system.

*Support for Remote Users:* more and more users want the ability to work effectively from home or while traveling. At the same time, businesses gain from remote employees by reducing the required real estate and increasing employee satisfaction. Hosted IP telephony enables remote users in a variety of ways. Users with a broadband connection can plug in their phone and the same features available in the office are now available remotely. In addition, users can access a web portal for their corporate directory, view call logs, set up Find Me/Follow Me service or even listen to their voice mail. These features provide the means for remote users to effectively work while at home or traveling.

*Easy Rollout of New Features:* as new features become available on the hosted IP telephony platform, FeatureTel can automatically make them available to businesses. This is done without performing any truck rolls or installing any additional equipment at the customer premise. IP PBX or PBX solutions typically require at least a software upgrade by the business just to get the feature available. They must also implement the feature throughout the business themselves. Again, the burden is placed on the business to perform tasks the service provider does in a hosted IP telephony solution.

*End User Productivity Features:* some enhanced features enabled by IP-based voice solutions include:

- Unified messaging – ability have your voice mails sent to your Email box. This allows a user to listen and then file or forward to others the voice mail.

- Click to dial – users can dial directly from Microsoft Outlook simply by clicking on the contact. Click to dial from the web portal is also possible, including conferencing together two or more parties.
- Find Me Follow Me – users set up a profile of where they will be throughout the day. For example, from 8-12 they can be located at their office number, from 12-1 they can be located on their cell phone and from 1-7 they will be at their home office location. The system will automatically call the appropriate number based on the time. The caller always has the opportunity to leave a voice mail. This helps users never to miss an important call.

Other enhanced applications are available depending on the solution implemented.

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