

VoIPstudio White Paper

Why cloud communications and collaboration are right for SoHo businesses

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Introduction

Ensuring effective communication with customers is of paramount importance to all businesses. Despite the rise of alternative communications channels, voice remains critical. According to research¹, 46% of consumers still use voice – either from fixed or mobile devices – as the main means of communication with their suppliers. So, while email, chat and other media have blossomed, having a voice conversation really matters.

Similarly, how people communicate within a business is also essential. Being able to quickly and effectively discuss tasks, opportunities and projects with colleagues makes a difference and promotes efficiency – leading to cost savings and better performance.

As such, all businesses must be able to manage their voice communications and to ensure effective integration with other channels. Of course, larger businesses have long enjoyed the ability to do so, taking advantage of specialised PBX and Unified Communications solutions. However, smaller businesses – which make up the vast majority of private businesses globally² – have typically not capitalised on such solutions.

That's because many have perceived such solutions as too complex, too expensive or simply unsuited to their needs. However, in the era of cloud communications, this is no longer true. This paper will explain why and show how even the smallest business can benefit from adopting a cloud-based communications and collaboration system – and the right price model to help businesses of any size.

Q: CONSIDERING YOUR LAST BRAND INTERACTION WHICH CONTACT CHANNEL DID YOU USE?

46%

OF ALL CONSUMERS PREFERRED TO USE
THE TELEPHONE TO SPEAK TO
A CUSTOMER SERVICE REPRESENTATIVE

1. [Logmein 2018 CX Report](#)

2. [See, for example "Business Population Estimates for the UK and Regions 2017" Department for Business, Energy and Industrial Strategy](#)



Why size doesn't matter

All businesses need to communicate with their customers, suppliers and partners. They also need to communicate internally to ensure that tasks are completed, plan activities and so on. It doesn't matter if it's a company with 5000 employees, or one with only five. Communications must flow and must flow efficiently. To help this, all businesses use phones, whether mobile or fixed. But, efficiency comes from effective management of phone calls, which means that users can be aligned in a team.

The importance of infrastructure

This need led to the development of the PBX, a solution to the problem of coordinating in- and out-bound calls, as well as calls within an organisation. It also led to extension of these capabilities to include other channels, such as voice messaging, chat and email. However, for many years, such solutions were costly, required complex on-premised deployment and were difficult to manage. Cloud communications changes this, as it allows businesses to adopt solutions from a secure, cloud-based infrastructure and to pay for them via monthly charges, rather than through capital budgets.

The infrastructure is shared between each of the companies that use the service, each with its own secure and protected portal and user access. It's just the same as any other cloud solution, such as hosted email, storage or other web services. The only difference is that cloud PBX offers real-time communications, based on a rugged, secure framework, so that it can deliver the performance businesses demand. The model is well proven, with millions of business users depending on cloud PBX solutions around the world.

Even so, many business – particularly those with 10 or fewer employees – have not embraced such solutions. These same businesses often traditional fixed lines, because PBX capabilities – whether from the cloud or legacy on-premise are simply too expensive or too much bother. Worse, many also use mobiles to communicate, but, they do not combine fixed and mobile effectively.

"Put simply, all businesses can benefit from a modern, efficient communications system, hosted in the cloud. Using the cloud means that businesses don't have to worry about issues such as expertise, spending time on maintenance and finding the right resources – or even cost. Instead, they liberate people to focus on their tasks, enabling them to perform their jobs more effectively. How is this achieved?"

As a result, while employees can be contacted via voice calls, they may miss many opportunities. That's because a single fixed line cannot provide the capacity to handle multiple simultaneous calls. Moreover, it cannot provide the ability to route calls to members of teams or to divert when the line is busy. If voice communication is so important, then this represents a serious obstacle and can result in poor performance.

Put simply, all businesses can benefit from a modern, efficient communications system, hosted in the cloud. Using the cloud means that businesses don't have to worry about issues such as expertise, spending time on maintenance and finding the right resources – or even cost. Instead, they liberate people to focus on their tasks, enabling them to perform their jobs more effectively. How is this achieved?



So, What does a cloud system offer to a small business?

A common number and consistent image

Most businesses offer a primary number as their main point of contact. If this is actually a single landline or mobile, there will be problems when managing calls to the business. It may lack capacity, meaning that when it's busy with a call, other calls received a busy signal or go straight to voicemail. Calls need to be processed quickly and efficiently, so that they can be sent to the right person.

Similarly, outgoing calls should be aligned with the company's image and brand – an important component of which is the corporate phone number.

So, the number that's displayed on recipient devices should, in most cases, correspond to the main number of the business. If there is only a single line, then that won't be possible should someone not connected to this place a call.

These are basic considerations, but there's much more. Simply enabling efficient processing of calls is just the start – what really matters is enabling effective customer interaction. For that, the ability to handle multiple calls simultaneously and to distribute them to team members is essential.

Effective call processing and distribution: creating a team

When someone calls a business, the call needs to be handled in the right way. Callers – customers, potential customers, those in need of service or who just want to speak with someone don't want to obtain a busy line or go straight to voicemail. Of course, it's great when a call can be answered straight away, but sometimes that's not possible, so we need to handle this, smoothly and efficiently.

A cloud communications system helps even the smallest business solve this problem. They can use a simple interactive menu to ensure that callers are queued effectively and that they are kept informed of the status of their call. So, when a call arrives, callers can be greeted with an announcement, a menu giving them options and also details of how long they need to wait. This is not complicated, but it can make all the difference between a happy customer or one who tires and moves on to a competitor. Having selected the preferred option from the menu, callers need to be sure that they reach the right person or that the reason for the call is used to ensure that it is answered effectively. If they have called to speak to someone in sales, then that's what they'll expect.



This is where group working becomes important. Let's imagine that our company has nine people. Two of them work in sales, while others are involved in more general tasks. There's a financial administrator and the manager, with three people working on support and order fulfilment. A high percentage of calls are for sales, which means that the company wants to be sure that they are answered effectively. So, it makes sense to group the people working in sales together, into a simple calling (or hunt) group. That way, when someone selects the option for sales, then there's more chance of the call being answered by the right person.

If both members of this team are busy, you can do things like create overflow, so that calls are moved to the next person available – and so on. It's about connecting customer needs with the resources and capabilities of the organisation. And, it's also about recognising the functional differences in the team. After all, there are 11 players in a football team – and they do different things, from the specialist goalkeeper, all the way to the forward line.

If it makes sense for a football team to structure itself according to key tasks, why not even a small organisation? All we are trying to do is to maximise the chances of calls being handled efficiently, correctly and by someone best placed to satisfy the enquiry.

Of course, people can still call individuals directly – that's what direct lines are for, after all, but these cases are typically suitable for those who have already established a relationship. For new callers, who may not know Bob and Sue in sales yet, what matters is actually getting through to someone who can help.

Better collaboration

Although people typically fulfil very specific roles within companies, they still need to work together. This means that they must be able to speak to one another, attend meetings, share tasks, and more. In other words, they need to collaborate. Communications technology is fundamental to this goal.

At the same time, people naturally want to manage their time effectively, so that they don't suffer from interruptions that may prevent them from completing their tasks. Cloud communications systems can help even the smallest company enhance collaboration while ensuring it is efficiently managed to ensure that productivity levels are enhanced, not impaired.

That's because so much can be achieved from within the environment that a cloud communications system can support. It's not just voice that matters – the ability to simply call colleagues with a simple click, it's also about moderating conversations, so that the right channel is chosen, to suit the circumstances.

Suppose that you have a question for a member of your team. You can just ask them, but they may not be in the building or they may be working remotely. Email is an option, but they may not read the message immediately, or may reply too late to be of help. Email is not real-time – but other channels are and they can help.

Instead of calling, you can use Instant Messaging, for example. Most cloud communications platforms integrate this but with protection and security, to ensure that messages stay within the community for which they are intended.



So, you can simply send a message through the cloud console or application, and your colleague can reply, without stopping or interrupting the task in which they are currently engaged. Similarly, people can move from one channel to another, depending on the situation.

It is this flexibility that helps ensure effective collaboration but with the control that ensures it limits disruption and works to promote business and organisational efficiency. Cloud communications empowers businesses, because it gives them a wider range of choices and more control over how they communicate – not just with the outside world but, crucially, internally too.

Fixed and mobile integration

Increasingly, business users are turning to mobile devices. They are convenient and portable, making them the preferred device for many. While businesses typically retain a fixed geographic (or non-geographic) number as the primary contact number, individuals typically default to their mobile to place calls and provide their mobile number to colleagues and contacts. This means that mobile numbers are separate from the standard business lines but have increasing importance.

In addition, it also means that businesses, particularly smaller organisations do not see value in buying desk phones. Many cloud communications providers offer fixed desk phone devices to be used as terminals with the service they offer.

There's nothing wrong with that per se, but such terminals have a cost and increase the burden on smaller businesses – and provide another argument against the adoption of cloud communications services. If it's so cheap and provides so many benefits, why do I need to pay for a specialised device, which, in any event, I hardly use in practice?

The real answer is that such devices are no longer necessary. Of course, they can be beneficial, largely through familiarity, but they are not essential. Instead, today's cloud communication services can be accessed entirely through applications that are downloaded to PCs and laptops, whether running Windows or Mac operating systems. These applications provide a simple but convenient way of making and receiving calls, and interacting with colleagues, from the classical working environment. Many of these same applications are also available as mobile apps, which means they can be downloaded to a smartphone. This means that calls to business lines can be delivered to a mobile device – ensuring that users can use their preferred platform for all of their communication without the need to buy a costly and unnecessary additional desktop terminal.

So, an efficient cloud communications service not only reduces costs through lower fees, it also eliminates the need for any new devices and, more practically, ensures that users can choose from where and how they place calls – bringing mobile and fixed lines together into a more seamless experience.



Why does this matter?

Companies need to protect and nurture their businesses, while providing the right tools to their teams. Communication is such a fundamental requirement, it simply cannot be overlooked. At the same time, companies of all sizes are investing in software to run their operations, such as MS 365 applications, email hosting and so on.

As such, the notion of neglecting core communications processes on the grounds that the company is too small, doesn't have time, doesn't understand the solution, is simply flawed. And, with intuitive solutions available from cloud providers that cost even less than these basic applications on a monthly business, there's no excuse for avoiding the issue any further.

Growing your business

If a business is to grow, it needs the tools to help. Cloud communications helps businesses to grow by providing scalability and graceful adoption. If a business has five people and five lines, giving a new recruit a line and ensuring that it's fully integrated with the existing solution is easy. It doesn't require competence in IT, or any other specialist knowledge.

This modularity and ease of adoption is a hidden benefit, which can help even the smallest company to benefit from an advanced solution, which scales to meet their needs.

Connecting with your business processes

Many businesses are turning to software solutions to help manage their affairs. These range from CRM platforms, to manage contacts, to marketing solutions to help them stay in touch with customers and prospects.

Today, few if any of these systems are deployed locally. They are accessed through the cloud, on subscription models.

At the same time, they can also benefit from integration with the communications solution adopted. A cloud communications platform should offer integration with popular cloud solutions that are commonly used, as well as the potential to connect to other, more specific business processes – such as property management tools used by estate agents, or medical appointment scheduling systems, for example.



What's the right cost model?

For many, the model behind cloud communications is usually a combination of pure monthly subscription per user, and other costs. These include:

- Monthly service charge per user (the SaaS element)
- A phone or handset
- Extra fees, such as service activation
- Number porting charges (to bring an existing number to the service)
- Number charges, for new geographic or non-geographic numbers

In addition, call charges may be included in the bundle, but there may also be fees for out-of-bundle calls, when pre-defined limits are exceeded or if calls to destinations and number types not covered by the plan are made. This model replicates the post-paid model that is so well known in the mobile industry. The cost of mobile devices was (and remains) high, so to stimulate adoption of mobile services, providers introduced subsidies, so that the cost of a phone was spread over a contract period. This is effectively what today's cloud communications service providers are doing.

They lock customers into long-term plans, often with additional variable charges, in which costs are spread over the period of the contract.

This means that prices, while superficially affordable, can actually be much higher through the life-time of a plan that had been anticipated. This approach dissuades many smaller businesses from capitalising on cloud communications, because it inflates the cost and forces them to commit to multi-year contracts.

Many smaller businesses do not have three-year time horizons. They are concerned with cashflow today and managing their resources. They do not have time to scrutinise long-term contracts. They do not want to be locked into contracts that might seem competitive at the outset, but which may not be so attractive in two- or three-years' time.

Smaller businesses operate in a world of change. They may have a thriving business, but conditions can change, and they need to protect themselves against external factors that they cannot influence while protecting their resources.

It is easier by far to simply defer non-critical decisions, such as choosing a communications solution, irrespective of the benefits that it might offer. Complex pricing, fixed-term contracts and unexpected variables all make it easy to simply avoid adopting a solution that you may not think you really need.

But, there is a different approach, which also mirrors what happened in the mobile industry. The significant change, which brought mobile to the masses was pre-paid. Pre-paid unlocked the market and led to an explosion in subscriber numbers. It's based on a simple concept. Users buy their own device, and obtain a SIM from a provider.

They pay a fee, in advance and the credit is used to fund voice calls and other service consumption. When the credit had been used, they simply "top-up" to recharge accounts. If they didn't like the service, they could simply stop and move to a different provider, taking their number with them or obtaining a new one.

This approach worked. According to UK regulator, Ofcom³, by 2001, a staggering 70% of mobile customers were using prepaid accounts. These were new customers, attracted by simplicity, ease of use and the convenience of choosing what they want, when they want. It had the same impact in other markets.

The launch of prepaid had a dramatic positive impact on the market. It brought mobility within reach of millions, introduced certainty and flexibility, and bringing real choice to customers.

Crucially, it expanded the mobile market to enable mobility to reach its full potential. Cloud communication adoption is held back by the current post-paid approach.

Prepaid for cloud communications

In the UK, government figures show that small businesses account for 99.3% of private companies. Small is defined as a business with fewer than 50 employees – and there are more than 12 million people in total employed in such companies. These companies are not racing to adopt cloud communications – but they should be.

The proportions are largely true in most countries around the world. Put simply, a large part of the workforce is employed in companies with <50 employees. Many of these have <10 people – and few of these are benefiting from the cloud revolution, usually because the pricing is artificially made to be unattractive.

Any businesses should be able to buy cloud communications services on a pay-as-you-go basis. They should not have to commit to long-term, multi-year contracts. You should be able to explore the service, understand the benefits and see what cloud communications can do for you, without having to enter into hire purchase agreements for equipment, without start-up costs and with the freedom to stop and start services as they please.

99.3%
**OF BRITISH COMPANIES
HAVE FEWER THAN FIFTY
EMPLOYEES**

3. Ofcom figures

Conclusion

Cloud communications brings benefits to businesses of all sizes. But, smaller businesses have been reluctant to embrace these, fearing complexity and fearing costs. That's because many in the industry are stuck in an old approach, based on post-paid models and upselling.

VoIPstudio is an entirely different form of cloud communications service provider that understands these issues and unlocks the benefits of cloud communications. It takes the best of prepaid models and brings them to the enterprise community. There are no contracts and no hidden fees, giving businesses the flexibility they need to capitalise on cloud communications.

If you are a small business, start-up or are simply considering migrating to cloud communications – but worry that it's too complex, don't see the benefits and are afraid of the risk in committing to a lengthy contract, then VoIPstudio is for you.

It's a pay-as-you-go cloud communications service, available in any country, with the features to enable more effective collaboration, better customer services and enhance employee productivity. It offers instant messaging, team collaboration, mobility, presence and more, so that you can experience the benefits of cloud communications.

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