



Business VoIP Buyer's Guide

Thinking of upgrading to a VoIP System for your business?
Get the facts!

A buyer's guide for businesses interested in the features and services of a VoIP system, and how to go about purchasing a system.

By: Jenny Hollingworth

Business VoIP Buyer's Guide

What is VoIP?

VoIP is a business phone system which allows you to make phone calls using your Broadband Internet connection. VoIP stands for "Voice over Internet Protocol". The system is also referred to as Voice over IP, Broadband phone, Internet phone service and Digital Voice, amongst others.

The only thing you need to use VoIP is a Broadband, high-speed internet connection. Once you install VoIP, your employees can call anyone, anywhere, whether the receiver has VoIP or not. In general, business VoIP is a cheaper alternative to a traditional phone system, as well as offering additional features.

How does VoIP work?

VoIP sends voice information in digital data packets over the internet. Traditional phone systems use the circuit transmissions provided by the public switched telephone network (PSTN). By using the internet, VoIP avoids the fees charged by the ordinary telephone service. Any business with an established computer system already using high-speed internet access, such as Broadband, can install VoIP right away.

What are the key advantages of VoIP?

By using VoIP you can significantly reduce your telephony costs. There are two ways in which any VoIP business phone system can save you significant amounts of money:

1. **You no longer have to pay for a traditional phone line:** if your office is already using broadband for all its computing needs, you can use broadband for all your telephone needs too.
2. **The calls you make will be significantly cheaper, regardless of distance** because they travel over the internet rather than the PSTN (Public Switched Telephone Network).

VoIP also enables you to integrate all of your communications, including telephone, email, fax, instant messaging and video, even across different locations, for improved efficiency and a professional public image.

Additional advantages of VoIP depend on the type of service you choose, but include many features not available with a traditional phone system.

Early VoIP technology

Business VoIP Buyer's Guide

When VoIP was first introduced in the mid-1990s, there were initial problems with delay and echoes on the line, and the use of public networks made it difficult to guarantee quality of service. Today these issues are largely avoidable if the user has effective hardware, a strong internet connection and a knowledgeable VoIP provider operating a private network. The many benefits of VoIP and its rapidly growing customer base make it certain to become the main telephone system of the future.

Typical VoIP Features

There are several VoIP vendors in today's market, with VoIP offerings that vary from one provider to another. However, most VoIP systems offer the following:

- Unlimited calls: you can make unlimited local and long-distance calls from any phone extension, for a fixed fee
- Toll free numbers: pay your VoIP provider a fixed rate option and your customers can call you from anywhere in the US for no extra charge
- Emergency numbers: your VoIP provider will direct emergency calls to the local Public Safety Answering Point, in the same way as a traditional phone system routes them. (If you dial 911, your system will automatically give the address of your business premises. If you are travelling with your VoIP phone, you will need to update your location with this service.)
- Call directory assistance
- Block calls
- Send faxes: you can send analog faxes over your VoIP phone, or have an additional VoIP line installed for this purpose.

Accompanying features usually include:

- Conference calls: you can talk with two parties simultaneously, at no extra cost
- Caller ID: you can see who is calling before you pick up the phone
- Call forwarding: automatically forwards incoming calls either to another number or to voicemail (or both)
- Call logs: you can detail calls by extension or account
- Call employees in other branches using simple digit extension numbers
- Call hold
- Call transfer
- Call waiting alert
- Last number redial

In addition, there are several voicemail features, including:

- Protected passwords
- Greeting options
- Voicemail to e-mail service

Business VoIP Buyer's Guide

- Dial-by-name directory
- Dial-by-extension
- Checking your voicemail remotely through the Web.

Advanced VoIP systems also offer more sophisticated features, such as:

- Cell phone integration: your employees' cell phones can be integrated into your office VoIP system
- Taking all the features of your phone with you: features such as conference-calling, caller ID, and call-forwarding can go wherever you go, without any effort on your part
- PC Softphone support: an advanced VoIP system will support your PC softphones
- 'Follow me': if you are not available on your first designated number, the system can automatically try a second designated number, and a third if necessary
- Branch-office support: free calls between office branches, and the ability to forward calls to any extension in any branch
- Call center support: typical call center features, such as call queues and automatic call distribution, can be added to your advanced VoIP system
- Conference bridging: you can set up conference calls using a pre-assigned call-in number
- Call monitoring
- Tracking, metrics and other reporting tools

For full details of all the features offered by any individual VoIP service, you should discuss them with your chosen VoIP provider.

Which type of VoIP service is best for your business?

There are two main types of VoIP service available:

1) Hosted VoIP – for small to medium businesses

A hosted VoIP system can be leased or rented from the VoIP provider, generally on either an annual or a monthly basis. The telephony hardware is situated on the host premises, and all of your communication is managed for you off-site. This offers your small-to-medium business three key advantages:

1. You don't need a PBX (Private Branch Exchange), with all of its associated installation and operating costs. The VoIP service provider is responsible for bridging the calls from the internet to their destination, whether that is another VoIP user or a connection on the PSTN.
2. You don't need an IT department to maintain or update VoIP. All of the technology for handling your calls resides at the VoIP service provider. You can

Business VoIP Buyer's Guide

even change your VoIP features whenever you need to, (e.g. adding numbers and forwarding calls) simply by accessing a secure website run by the provider.

3. Through your host service, you can keep pace with a fast-evolving technology, ensuring that you remain competitive and up-to-date.

Hosted VoIP can be quickly installed, and any detailed changes you wish to make can usually be done quickly and easily on-line. For a relatively small number of calls, it is cheaper to operate than the alternative on-premise solution.

2) On-Premise VoIP – for larger businesses

On-premise VoIP is suitable for the larger business with a discrete IT department able to install, maintain and update your VoIP system. To use on-premise VoIP, you must physically install the PBX hardware onto your premises, including servers, cables and routers. You will also need to ascertain whether your current broadband capabilities will support the new system, and how you can expand the system in the future as your business grows. Once installed, the system will integrate seamlessly with your current communication systems.

On-premise VoIP offers a large business the advantage of being able to customize and keep full control over its communications system. For larger numbers of calls, it is also more cost-effective than the hosted solution.

3) Analog Telephone adaptors – for the very small business

There is also a third option for the very small business owner, which is to purchase an ATA (Analog Telephone Adaptor) that connects between your IP network and an existing telephone jack. This is a simple and cost-effective way to buy into VoIP if you are looking for a cheaper, flat-rate traditional phone service and your business is in a single location. Most cable and telephone companies offer this service, and it can be an ideal introduction to VoIP technology.

Moving from Hosted VoIP to On-premise VoIP, or combining the two

Most VoIP systems now allow the possibility of beginning with a hosted solution and moving to an on-premise system as your business grows, without significant changeover costs or disruption. Some on-premise providers also offer managed service options, with the hardware on-site but managed remotely by the provider. In these situations, the customer usually has the option of buying, leasing or renting the on-site equipment.

Business VoIP Buyer's Guide

How much does VoIP cost?

1. Hosted VoIP

Hosted VoIP costs vary considerably by provider, but increasing competition has seen a general decrease over the last few years. When considering a quote from a VoIP provider, always check whether the cost quoted includes the basic equipment and set-up charges. Also, before choosing a provider, determine which of the many possible VoIP features are necessary for your business, as a higher price probably indicates a higher number of features available with that system. However, even at the high price end, Hosted VoIP is likely to be the best value for money for companies with fewer than 25 employees, or needing less than 25 phone lines.

2. On-premise VoIP

On-premise VoIP costs also vary widely, depending on the provider and the number of additional features of each system. If you are considering On-premise VoIP, you should ask the provider about the following:

- the cost of calls
- the upfront cost of the hardware
- the ongoing maintenance costs
- the ease of adding extra users to the system
- the ease of expansion into other locations

When you make your final calculations, you will also need to take into account the cost of your IT staff. In general, On-premise VoIP will prove to be a cheaper option for companies of over 25 people, with a need for many phone lines and with existing internal IT support staff.

How to buy a VoIP system - Next Steps

If you are interested in investing in a business VoIP system, you will find that there are many VoIP vendors currently in the marketplace. Some are more established and reliable than others, some are able to offer you a wide range of products, and some are linked to a specific manufacturer. It's not easy for a new buyer to know where to get objective, well-informed help and advice.

One way to sift quickly and efficiently through the many possibilities is to contact Wheelhouse Enterprises. They offer a virtual marketplace where VoIP vendors and

Business VoIP Buyer's Guide

buyers can meet. Wheelhouse can work with you to define your precise VoIP requirements, and follow that up with research, pricing information and independent recommendations. Once you have decided what will suit your business, Wheelhouse will put you in direct touch with the best regional vendors for your chosen system.

Contact Wheelhouse Enterprises at **(888) 844-8114** for more information.