

## **Unified Communications as a Service**

Whether replacing an aging communications system or purchasing a new one, businesses need and want a communications system that does everything their current PBX does, while also delivering the cost savings, productivity improvement and future applications support of Voice over Internet Protocol (VoIP). However, the complexity and costs required to build and maintain a VoIP communications system, particularly one that supports SIP Trunking, are leading an increasing number of organizations to completely outsource their communications services to Technology Service Providers (TSPs) such as Cypress Communications and Internet Telephony Service Providers (ITSPs) such as Broadvox.

The outsourced solutions that TSPs and ITSPs offer range from basic, shrink-wrapped hosted VoIP solutions to full Unified Communications as a Service (UCaaS) solutions. UCaaS extend hosted VoIP by including Unified Communications functionality such as Outlook integration, collaboration, instant messaging (IM), video conferencing, HD voice, soft phones and real-time presence. As an outsourced solution, UCaaS requires little oversight from an IT management team and therefore enables reallocation of IT budget and personnel resources to create the greatest business growth and value. With a UCaaS solution, an SMB or Enterprise can leverage world class, state of the art communication services without the complex implementation effort required to build a premises-based solution.

In contracting for a UCaaS solution, users lease the communications services and some or all of the equipment, avoiding paying upfront capital expenses. While frequent acquisitions of upgrades and replacements may be acceptable for lower-cost items like laptops, cell phones or even SIP phones, this approach is not practical for the capital intensive technology of VoIP/IP PBX infrastructures. The concern over such a large expenditure can make many SMBs and Enterprises cautious about making communications capital investments. However, UCaaS customized solutions allow businesses to shift the technology risk to the TSP, (whose business model spreads the risk across its customer base and time) while still being able to enjoy the productivity and efficiency benefits of Unified Communications

Hosted VoIP services remove the need for equipment from the business site and the day-to-day management responsibilities, which are handled by the vendor (in some cases MAC activity is shared between the client and the TSP). UCaaS, similar in concept to Software as a Service or SaaS, represents the virtualization of the IP PBX. As the newest and most innovative of the hosted applications solutions, UCaaS includes a full complement of Unified Communications functionality. In the UCaaS paradigm, the PBX is cloud based and delivers the same level of availability and quality expected from ITSPs, like 24x7x365 network monitoring, clear sound and exceptional service and support. Like other hosted service models, businesses outsource the equipment to the cloud, paying for usage instead of ownership.

In the new pricing paradigm proposed by Broadvox, TSPs will separate the communications usage from the number of seat licenses required to support the business. This split can result in additional cost savings of nearly 60% over previous hosted PBX pricing models. However, the average business should see a more modest improvement of 30%. These savings are a result of the separation of the price per

extension license fee from local and long distance calling charges; as businesses with a high number of extensions but low usage will pay less than businesses with the same number of extensions but with higher usage. This minimizes the cost of seldom used phones in conference rooms, kitchens, warehouses or reception areas.

Bundled services typically includes LAN and WAN, security, routers, integrated access (voice and data), local and long-distance voice services, voicemail, VoIP technology infrastructure and advanced PBX functionality (the hand set is optional). In the UCaaS paradigm, a single vendor is contracted for the entire communication needs of the business, including video calling, Web collaboration, chat, real-time presence and unified messaging.

While technology innovation brings many positives to the table, rapid technology advances bring about product obsolescence in a very short amount of time. With the advent of mobile computing, smartphones, video and many more new technologies, products today typically have much shorter life cycles, as short as two years. However, UCaaS absorbs this risk by continuously upgrading the equipment and software, keeping businesses current with the latest in VoIP and Unified Communications functionality.

UCaaS as offered by Broadvox and Cypress is the future for virtual or hosted VoIP solutions.