

RingCentral

# Why it pays to deploy an integrated cloud phone and contact center solution from a single vendor



More and more cloud-based services are accepted among consumers and corporations. Consumers benefit from services that can easily be shared among multiple devices, like accessing emails on their mobile or streaming content from Spotify or Netflix. On the corporate side, according to SysGroup research, providing access to data from anywhere is the main reason for corporate cloud adoption. We live in an age of BYOD workers and flexible working hours. The ability to work beyond the office helps companies to operate and stay connected globally.

A recent study by IDG found that **89%** of all companies are using software as a service (SAAS).

— IDG



**That's why**

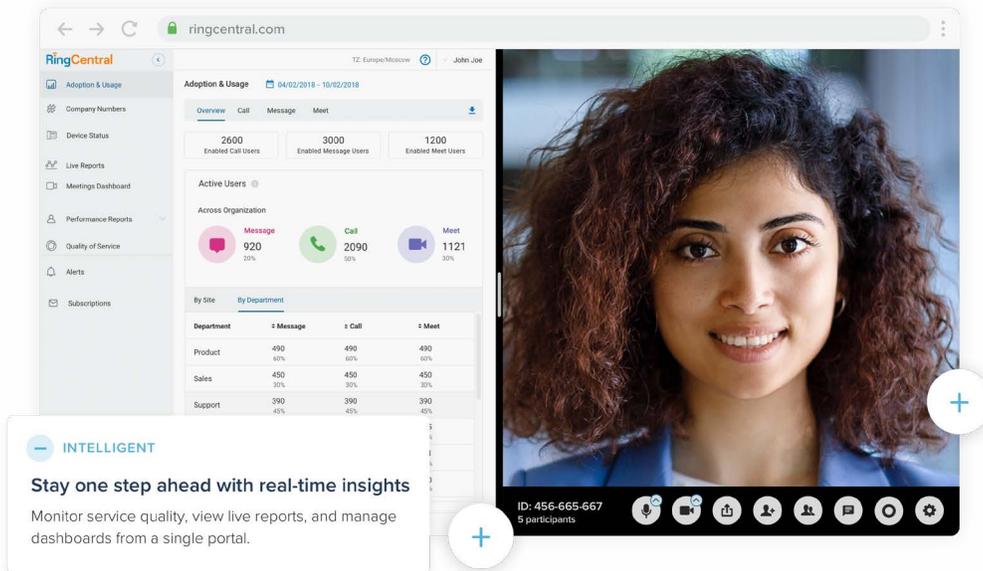
**42%**

of corporates say providing access to data anytime, anywhere, is the main driver for cloud adoption.

As organizations have recognized the speed, flexibility, and cost savings offered by cloud SaaS business applications like Salesforce or Microsoft 365, they've also begun to move key business infrastructure into the cloud. So it's not surprising that cloud voice over IP (VoIP) phone systems and unified communications as a service (UCaaS) are experiencing phenomenal growth as well. According to Cavell Group, the US cloud communications market will be worth over \$18 billion by 2024. And the growth is accelerating. One of the key reasons for the predicted acceleration is that companies are adopting more and more cloud services and pursuing their digital transformation projects.<sup>2</sup>



Disaster recovery, Flexibility and Relieving IT staff's jobs are also among the top answers.<sup>1</sup>



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### The cloud saves costs over on-premises phone systems—both obvious and hidden

Key benefit cited by most cloud business communications adopters is eliminating on-premises hardware. But the cost of a new private branch exchange (PBX) or IP PBX and the phones that connect to it only begins to tell the story. Beyond the obvious costs of hardware and monthly bills, it's easy to overlook the substantial hidden costs of a conventional phone system.

Once you begin to probe below the surface, you may be surprised to find that these costs can exceed the large initial capital expense of the basic hardware and proprietary phones, which alone averages \$1,000 per employee. The most significant hidden costs of an on-premises phone system include:

#### PBX upgrades and maintenance

Network upgrades, license fees, installation, and separate building wiring can quickly add up to a surprisingly large number. In addition, as PBX systems continue to add functionality, they increasingly require highly trained (and expensive) support personnel to maintain the hardware and software, roll out system upgrades, and manage system use.

#### Large telecom costs

In addition to bonded T1s, or other trunk lines to connect the PBX in your building to the local telecommunications provider, you must add outbound

## The cloud can save 70% or more on the cost of a business phone system



calling. More deeply hidden costs include the price of overprovisioning phone lines, and then continuing to pay for them.

### Stand-alone services

Separate bills for conference calling, video conferencing, web meetings, team messaging service, and internet fax through third-party vendors add up to substantial line items.

### Cost and complexity of connecting locations

Maintaining MPLS and associated hardware, PSTN, or other business exchange lines to meet the demands of bandwidth-intensive communications between two or more locations causes headaches and stresses IT budgets.

### Unpredictable cost and availability of future capabilities

Each feature, service, or maintenance agreement can become an added cost to be negotiated and require risky manual upgrades.

Moving PBX functionality to the cloud not only eliminates the obvious investments in hardware but also many not-so-obvious costs of a business phone system.

For example, for businesses with multiple locations, a cloud phone system offers a number of benefits and cost savings for IT. It streamlines phone line management—i.e., eliminates the need for costly trunk lines, PRIs, or bonded T1s from each business location to the telecom provider. Plus, businesses no longer need to pay for and manage multiple services and support providers and telecom provider relationships. And they can do away with stockpiles of spare line cards, media boards, and handsets at every location.

Furthermore, in addition to eliminating multiple PBXs and associated software and licenses, a cloud solution also eliminates the need for trained staff at each location. Any IT person can add, move, or change lines and users without specific hardware or telephony know-how. All it takes is a web browser and making selections on a simple user interface—which even allows administration from a smartphone.

For many companies, these cost savings can amount to 30% to 70% or even more compared to a premises-based PBX system.

## Meeting the communications needs of today's mobile and distributed workforces

Outdated on-premises PBX or IP PBX systems serving the needs of employees sitting in one building or campus with hardwired desk phones simply cannot serve today's distributed and mobile workforces.

The cloud also unifies a company's distributed workforce by making remote and mobile workers as effective as in-house staff. It also links workers at multiple locations by making it easy to provide capabilities such as direct extension dialing, transfers, and access to the company directory. Since all workers share the same virtual PBX, they all share the same phone system features and capabilities regardless of location.

## 56.8% of teams work remotely at least part of the time today.<sup>3</sup>

### An all-inclusive cloud service eliminates the cost and complexity of stand-alone services

A cloud business communications system further unifies voice, web, voice and video conferencing, team messaging, fax, and text into a single platform. The cloud solution you choose should also offer these services for a single, low monthly service fee, which can eliminate the hassles of managing (and paying) multiple third-party vendors. In fact, a careful comparison of an all-inclusive cloud solution with an on-premises system could reveal that the cost savings on stand-alone services like conferencing and web meetings may literally pay for the basic cloud phone service.

### The cloud automatically fails over to remote workers during a disaster

Because cloud business communications systems house the PBX functionality and critical data in remote data centers, they're inherently superior for ensuring rapid disaster recovery and business continuity. For example, should a disaster strike one of your locations—anything from a fire or flood to a construction crew severing an underground fiber-

optic cable—the phones will keep ringing. Even if a damaged facility or transportation disruption prevents employees from going into work, they can access the full functionality of the business phone system from smartphones or mobile devices.

## Integrated contact center capabilities—the best of both cloud technologies

Building and maintaining customer loyalty has never been more crucial to gaining or maintaining a competitive edge. And when it comes to a contact center experience, customers have high expectations. According to a global Microsoft survey, 90% of consumers say customer service is an important factor in their choice of loyalty to a brand.<sup>4</sup> The same survey found that 58% of consumers won't hesitate to switch brands if their service expectations aren't met.

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— Microsoft

The critical need to provide an optimal customer experience explains why so many organizations are modernizing their contact center by moving to the cloud.

Cloud-based contact center solutions offer a number of advantages. Among the most obvious benefits, as with a cloud business communications system, the cloud model eliminates steep up-front investments in on-premises hardware, software, and licenses. It also speeds deployment and streamlines management and training. More importantly for IT—as well as IT budgets—it eliminates the cost and hair-pulling frustration of dealing with the complexity of SIP trunking, MPLS, and other telecom connections. A cloud solution also makes it easier to scale up or down based on call flow, seasonality, or business expansion.

# By 2022, contact center as a service will be the preferred adoption model in 50% of contact centers, up from approximately 10% in 2019.<sup>5</sup>

When running on top of existing PBX systems and other on-premises infrastructure, a cloud solution also offers a significant productivity boost. However, contact center systems deployed on these decades-old technologies struggle to keep pace with the advances made in internet-based communications. As a result, the limitations of these underlying legacy communications systems rob organizations of the full benefits of the latest multichannel engagement models and tight integrations with clouds apps. For example, 48% of consumers have now used live chats to contact customer service—and that's expected to continue growing.<sup>6</sup>

## 48% of consumers have now used live chats to contact customer service—and that's expected to continue growing.

Combining best-of-breed cloud contact center and cloud business phone solutions from a single vendor provides a number of advantages:

**Transforms the customer experience.** While voice is still important, today's consumers want to engage with your sales and support agents using the channels of their choice, including chat, email, and even social. Although many contact center technology providers claim to provide this multichannel or omnichannel experience, it can be hard to deliver. Integrating a cloud contact center and a cloud phone platform not only enables a seamless multichannel experience, but also gives administrators visibility into how agents engage with customers over these various channels.

**Provides true mobility and ubiquity.** A virtual PBX in the cloud—because it is not tied to PBX hardware and hard-wired phones in a specific building—is inherently superior for supporting mobile and distributed workers.

For enterprises seeking to control costs and attract the best talent, this means the choice of agents is no longer confined to specific locations. The benefits of this approach include:



Access to markets  
with lower labor costs



Easier support for  
multiple languages



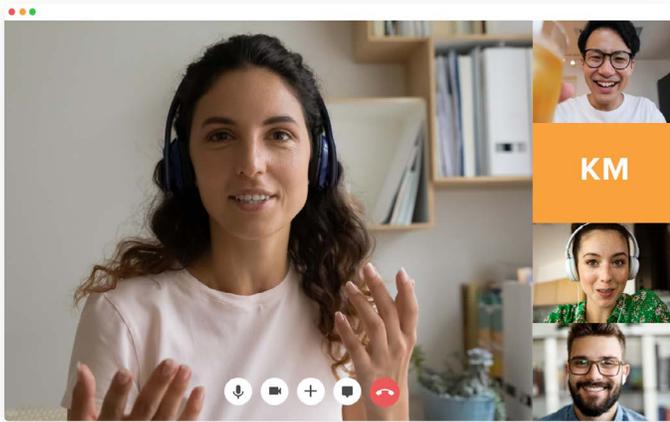
Follow-the-  
sun support



Ability to quickly  
and easily deploy ad  
hoc contact centers  
and virtual contact  
center teams

**Streamlines management and reduces operational overhead.** Deploying a cloud business communications system that integrates contact center capabilities also offers huge advantages for IT. First, systems engineered to work together across a single cloud architecture are less likely to fail. And in the event of problems, the customer does not need to chase down a resolution through multiple support channels. This is a significant advantage because, for example, an on-premises scenario would probably have separate vendors or manufacturers for PBX and telecom lines, as well as contact center components such as IVR, ACD, and WFM systems.

Additionally, having an integrated solution helps to eliminate technology risks. For example, it can eliminate problems or downtime due to the incompatibility of an upgrade from any of the various vendors that typically cobbled together a conventional approach.



Improves agent efficiency and helps managers meet SLAS

### Improves agent efficiency and helps managers meet SLAs.

Line-of-business managers can also achieve significant productivity gains from an integrated solution. They can deploy more effective agents because the single solution provides a unified desktop that connects to internal or cloud-based knowledge systems, empowering agents to speed call resolution, improve results, and increase customer satisfaction. The single solution can also integrate multiple modes of communication. For example, while on a call with a customer, an agent could initiate a web meeting via the cloud phone system to share screens and more effectively sell or upsell a product.

Additionally, the true mobility and flexibility provided by the cloud allows line-of-business managers to structure the phone and contact center workflows around their business needs—rather than vice versa. Without integration between the contact center and the phone system, if an agent needed to transfer a customer to a different department, it might require giving the customer an (800) number to call. The integrated solution would allow a simple direct-dial transfer. In an integrated approach, someone answering the phones in any department has a view of “presence”—whether agents are busy or available to take calls. Presence in call centers helps to avoid missed calls or calls going directly to voicemail, which is a common frustration for customers.

**Lowers opex and capex.** As with a cloud phone system, eliminating the need for on-premises call center hardware, software, and licenses—as well as maintenance, repair, and updates—is often cited as a key benefit of cloud solutions. Deploying a cloud contact center on top of a cloud phone system offers a number of additional cost savings:

- **Hot desking without investment in additional hardware:** Hot desking involves workers with different shifts, or who work in multiple locations, sharing desk space. With a combined cloud contact center solution and cloud phone system, employees can either log in to a shared phone or move a phone from another location and simply plug it in to the Ethernet jack. The phone then immediately functions as the agent’s own extension. This saves the cost of office space and enables flexibility without the need to invest in additional hardware.

- **Elasticity:** Combining both a scalable phone system and a scalable contact center platform makes it easy and cost-effective to support needs such as seasonality. It allows you to quickly and easily add or subtract agents to accommodate customer growth, bringing on new sales campaigns or meeting cyclical/seasonal business needs. Better still, with a cloud contact center based on a subscription model, customers pay only for what they use. This offers users a more predictable cost structure—customers pay only for what they use—and avoids investments in phones or other equipment to meet short-term needs.
- **BYOD:** A secure enterprise-class mobile app that transforms a smartphone into a business desk phone allows companies to safely leverage employee devices. For companies deploying virtual agents, this makes it possible to eliminate the cost of paying for a phone line or providing a company-owned mobile phone to a remote agent. Meanwhile, IT maintains control over all data associated with the mobile endpoints, even employee-owned devices.
- **Softphones:** Agents can also plug in a headset to a desktop computer or laptop and make and receive calls or send messages, a text, or fax with the click of a mouse. If available in the cloud phone solution, HD voice technology delivers crisp, clear sound while technology to secure voice prevents unauthorized interception of audio streams. As with using a mobile app on a smartphone, this capability can save significantly on the costs of phone equipment required to support agents.
- **Faster rollouts:** Cloud technology makes it easy to deploy contact center capabilities together with a comprehensive communications platform. First, the instant-on nature of a cloud platform allows call centers to be up and running right away—without the need for IT to open firewalls, provision VPNs or two-factor authentication, etc. Additionally, IT doesn't need to set up phones; agents can instantly self-activate cloud desk phones, even in remote locations or ad hoc call centers. Cloud technology also eliminates the need to source a PBX vendor and order and install hardware and software, and manually set up users' phones. Finally, intuitive user interfaces reduce training time per agent from several hours to approximately one hour.

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1. [Sysgroup](#)
  2. Cavell Group 2020 (Press Release November 30, 2020)
  3. [Economist Report: Future Workforce](#)
  4. [Microsoft \(Global State of Customer Service 2020\)](#)
  5. [Gartner 2019 \(Magic Quadrant for Contact Center as a Service, North America\)](#)
  6. [Microsoft \(Global State of Customer Service 2020\)](#)

- **Superior and more cost-effective business continuity and disaster recovery:** An added benefit of integrating contact center capabilities with a cloud phone system is better support for mobile and distributed workforces. If a disaster or outage prevents your agents from working at the primary contact center location, they can instantly begin working remotely. Using mobile phones with a mobile app, or remote computers running a softphone application, employees can function as if in the primary contact center location was fully functional. Integrations with cloud-based CRMs and other business apps can further ensure that agents stay connected to the databases they need to serve customers.

# Conclusion

Benefits like cost savings, flexibility, rapid rollouts, and superior disaster recovery—to name a few—are driving the widespread adoption of cloud business communications and cloud contact center solutions. Outdated premises-based PBX hardware also can no longer adequately serve the communications needs of remote and distributed workforces. Likewise, legacy premises-based call center systems lack seamless support for today's must-have capabilities, such as support for multichannel communications.

Combining the best of both clouds offers businesses a number of advantages. For example, a cloud business communications system with state-of-the-art mobile capabilities makes it easy to deploy remote contact center agents or fail over to remote workers in the event of a disaster. Cost savings on training agents or integrations with third-party systems on the contact center side can add to the significant total-cost-of-ownership benefits offered by moving the business phone system to the cloud.

A cloud business communications system with integrated contact center functionality further offers a number of benefits for both IT and line-of-business managers. These include streamlined management and less technology risk, a single vendor relationship, enhanced capabilities, such as team messaging or direct transfers to other departments, and empowering agents with better access to knowledge bases to help improve customer satisfaction and meet SLAs.

Finally, combining these two critical business functions in an integrated cloud solution from a single vendor can streamline management and support new features and capabilities. Plus, it allows IT leaders, contact center operators, and heads of lines of business to focus on priorities such as innovation and customer satisfaction.

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For more information, please contact a sales representative. Visit [ringcentral.com](https://ringcentral.com) or call 855-774-2510.

RingCentral, Inc. (NYSE: RNG) is a leading provider of business cloud communications and contact center solutions based on its powerful Message Video Phone™ (MVP™) global platform. More flexible and cost effective than legacy on-premises PBX and video conferencing systems that it replaces, RingCentral empowers modern mobile and distributed workforces to communicate, collaborate, and connect via any mode, any device, and any location. RingCentral offers three key products in its portfolio including RingCentral MVP™, a unified communications as a service (UCaaS) platform including team messaging, video meetings, and a cloud phone system; RingCentral Video®, the company's video meetings solution with team messaging that enables Smart Video Meetings™; and RingCentral cloud Contact Center solutions. RingCentral's open platform integrates with leading third-party business applications and enables customers to easily customize business workflows. RingCentral is headquartered in Belmont, California, and has offices around the world.

**RingCentral**

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