

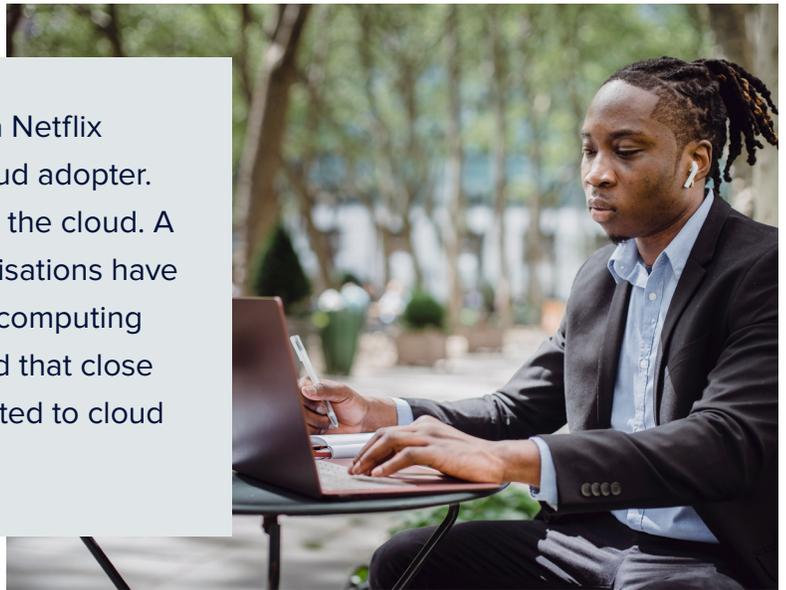
RingCentral

Integrated cloud phone and contact centre: the smart option

How choosing an integrated platform from a single
vendor delivers benefits across the business

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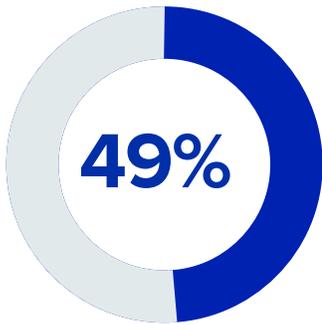
If you recently banked online, downloaded a Netflix movie, or checked your Gmail, you are a cloud adopter. Enterprises are also feeling more at home in the cloud. A recent study by IDG found that 81% of organisations have at least one application or a portion of their computing infrastructure in the cloud. And it is expected that close to one-third of total IT budgets will be allocated to cloud computing within the next year.¹



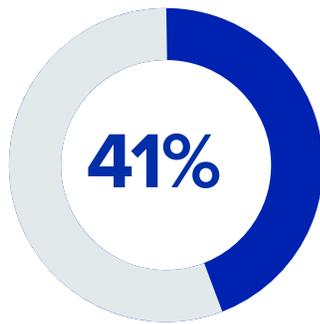
One-third of total IT budgets will be allocated to cloud computing within the next year

Participants in the same study cited their three top reasons for moving to either a single or multiple cloud approach: to get best-of-breed platform options (49%), for cost saving and

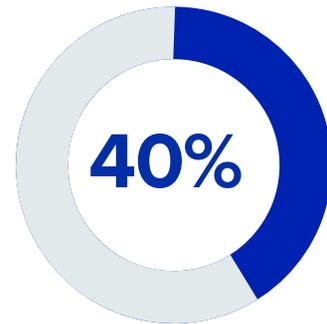
optimisation purposes (41%), and to improve their disaster recovery/business continuity plans (40%).²



To get best-of-breed platform options



For cost saving and optimisation purposes



To improve their disaster recovery

As organisations have recognised the speed, flexibility, and cost savings offered by cloud SaaS business applications like Salesforce, they have 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. For example, it is expected that between the period of 2017–2022, "the rate at which organisations [will] deploy cloud telephony will more than double, from about 14% of users to 32% of users".³

1. [IDG Communications, 2020 IDG Cloud Computing Survey \(IDG Communications Website 2020\)](#)

2. [Ibid](#)

3. [Gartner, critical capabilities for Unified Communications as a Service, Global \(2019\)](#)

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



A key benefit cited by most cloud business communications adopters is eliminating on-premises hardware. But the cost of a new 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 is easy to overlook the substantial hidden costs of a conventional phone system.

- PBX hardware and initial software licence
- New phones

- PBX licensing and maintenance contracts, software/firmware/hardware upgrades
- PBX replacement and upgrade parts
- Telco connectivity: Voice PRI, Data T1s
- Multi-location connectivity: MPLS, PSTN
- Telecom charges: local/long distance, toll-free
- Standalone business services: internet fax, audio conferencing, etc

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, licence 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, you also require other trunk lines to connect the PBX in your building to the local telco. 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, and internet fax through third-party vendors add up to substantial line items.
- **Cost and complexity of connecting locations:** Maintaining multiprotocol label switching (MPLS) and associated hardware, PSTN, or other business exchange lines to meet the demands of bandwidth-intensive communications between two or more locations can cause headaches and strain 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.

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

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, primary rate interfaces (PRIs), or bonded T1s from each business location to the telco. Plus, businesses no longer need to pay for and manage multiple services and support providers and telco 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 licences, 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

Outmoded on-premises PBX or IP PBX systems to serve the needs of employees sitting in one building or campus with hardwired desk phones simply cannot serve today's distributed and mobile workforces. The proliferation of smartphones, tablets, and bring your own device (BYOD) has pushed legacy

PBX systems beyond their capabilities to serve mobile users. Not surprisingly, the mobile VoIP market revenue forecast for 2024 is expected to be in the region of \$145.8 billion as a number of factors such as the rise in demand for flexible working becomes more apparent.⁴

\$145.8B VoIP market revenue forecast for 2024

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 dialling,

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.

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, 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 offloads current and future management headaches and technology risks

Hosted communications solutions not only move the PBX functionality into the cloud but also the current and future management. According to Frost & Sullivan, "Hosted IP telephony offers enterprises access to converged telephony infrastructure at a lower cost, with the technology risk borne by the service provider."⁵ In a well-designed hosted model, experts

in secure data centers manage all systems and take care of all upgrades as well as availability, security, and compliance concerns. In addition, users don't have to wait to get benefits of the latest features as they are updated automatically and without cost.

4. [Grand view research, mobile VoIP market analysis by services \(video and voice call, video conferencing, instant messaging\), by platform \(Android OS, iOS, Windows OS\), and segment forecasts to 2024, \(2016\)](#)

5. [Frost & Sullivan, hosted IP telephony: Looking ahead to a bright future](#)

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 are 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 fibre 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 centre 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 centre experience, customers have never been more impatient or more demanding. In a recent study carried out by PricewaterhouseCoopers (PwC), it was identified that one in three customers (32%) will stop purchasing from

their favourite brand after just one bad customer experience.⁶ Today's digitally and socially wired consumers also have the capability at their fingertips to instantly share a bad sales or support experience with their friends or the entire world, which can cause widespread brand damage.

32% of consumers will switch brands after just one bad customer experience

The critical need to provide an optimal customer experience explains why so many organisations are modernising their contact centres by moving to the cloud. Citing unprecedented demand and growth over the past few years, Frost & Sullivan reports the “cloud model is not just a viable but, increasingly, a preferred model to deploy contact centre technology.”⁷ Cloud-based contact centre solutions offer a number of advantages. Among the most obvious benefits, as with a cloud business communications system, the cloud model eliminates

steep upfront investments in on-premises hardware, software, and licences. 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 telco connections. A cloud solution also makes it easier to scale up or down based on call flow, seasonality, or business expansion.

6. PwC, Experience is everything: Here's how to get it right, (2018)

7. Frost & Sullivan, cloud contact center market trends: movement from best-of-breed to suites

“The cloud model is not just a viable but, increasingly, a preferred model to deploy contact centre technology.”

—Frost & Sullivan

When running on top of existing PBX systems and other on-premises infrastructure, a cloud solution also offers a significant productivity boost. However, contact centre systems deployed on these decades-old technologies struggle to keep pace with the advances made in internet-based communication. As a result, the limitations of these underlying legacy

communications systems rob organisations of the full benefits of the latest multichannel engagement models and tight integrations with clouds apps. For example, 71% of millennials would rather use digital channels (email, social media, company website) to contact businesses.⁸

71% of millennials would rather use digital channels to contact businesses

Combining best-of-breed cloud contact centre 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 centre technology providers claim to enable this multichannel or omnichannel experience, it can be hard to deliver. Integrating a cloud contact centre 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. A tight integration with the cloud communications platform also enables important new capabilities such as real-time monitoring of the accuracy of agents’ responses or tone when speaking to customers.⁹

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 labour costs
- Easier support for multiple languages
- Follow-the-sun support
- Ability to quickly and easily deploy ad hoc contact centres and virtual contact centre teams

8. Visual objects, how social media help businesses increase website traffic, (2019)

9. Frost & Sullivan, cloud contact center market trends: movement from best-of-breed to suites

Streamlines management and reduces operational overhead

Deploying a cloud business communications system that integrates contact centre 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 telco lines, as well as contact centre

components such as interactive voice response (IVR), automatic call distributor (ACD), and workforce management (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

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 centre workflows around their business needs—rather than vice versa. Without integration between the contact centre and the phone system, if an agent needed to transfer a customer to a different department it might require giving the customer an 0800 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 centres 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 centre hardware, software, and licences—as well as maintenance, repair, and updates—is often cited as a key benefit of cloud solutions. Deploying a cloud contact centre on top of a cloud phone systems 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 centre 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 centre 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 centre based on a subscription model, customers pay only for what they use. This offers users a more predictable cost structure 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 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 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 unauthorised 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 centre capabilities together with a comprehensive communications platform. First, the instant-on nature of a cloud platform allows call centres 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 centres. 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.

- **Superior and more cost-effective business continuity and disaster recovery:** An added benefit of integrating contact

centre 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 centre 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 centre 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 centre 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 centre 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 centre 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 centre side can add to the significant total cost of ownership

(TCO) benefits offered by moving the business phone system to the cloud.

A cloud business communications system with integrated contact centre 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 direct transfers to other departments, and empowering agents with better access to knowledge bases to help improve customer satisfaction and meet service level agreements (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 centre operators, and heads of lines of business to focus on priorities such as innovation and customer satisfaction.

About RingCentral

RingCentral, Inc. (NYSE: RNG) is a leading provider of business cloud communications and contact centre based on its Message Video Phone™ (MVP™) global platform. More flexible and cost effective than the on-premises PBX and video conferencing systems it replaces, RingCentral helps employees communicate across devices from wherever they are. RingCentral offers three key products. RingCentral MVP combines team messaging, video meetings, internet phone and other

functionalities in a single interface. RingCentral Video™, along with its team messaging feature, enables Smart Video Meetings™. RingCentral Contact Centre gives companies the tools they need to connect with customers across channels. These are available on an open platform that integrates with hundreds of third-party apps and makes it simple to customise workflows. RingCentral is headquartered in Belmont, California, USA, and has offices around the world.

For more information, please contact one of our solution experts. Visit ringcentral.co.uk or call 0800 098 8136.