



VoIP Considerations for Small Businesses

VoIP (Voice over Internet Protocol) is a technologically advanced method to make and receive phone calls over the Internet. Because it is user-friendly and less costly than land line phones, it is gaining popularity as a replacement for regular phones, particularly in the small business world.

Many small, medium and large businesses of all kinds with a broadband level Internet connection have embraced this new technology as a better, more efficient and cost-effective communication system.

Below are some of the main considerations for business owners to contemplate with regard to using a VoIP phone service.

Phone Plan Costs

To begin with, one of the primary reasons that so many small businesses are switching to a [VoIP system](#) is the high cost of traditional land line phone services. Despite the fact that VoIP is technologically superior to regular and cell phones in so many ways, any business can immediately save on phone service associated costs, with even the most basic VoIP system.

One of the reasons that such dramatic cost savings benefits exist with a VoIP system is that calls previously classified as “local” and “long distance,” are usually charged at various pricing structures with traditional phone lines. These calls are all included in the VoIP plans. Also, unlike land line phone services, there are never any extra charges for the time or place where calls are originated or received with a VoIP system.

Usually, when a business decides to use a more affordable solution for a part of its operations, there is generally a period of adjustment before the benefits from the change is fully recognized. One of the greatest advantages of switching to a VoIP service is that from the very start, the cost reduction advantage is immediately experienced.

Savings vary by company, however most firms report at least a 35% reduction in cost, with many reporting as much as an 80% overall savings. Given the cost of doing business these days, that's not an insignificant amount of money. It also represents a sizeable amount of revenue that can be immediately reinvested in other areas of the business.

No Special Equipment Ever Required

[Switching over to VoIP](#) is really one of the easiest transitions that any company can consider. There is no special equipment purchase required to install a VoIP system, nor does it require any special kind of telephone.

VoIP can be used by any business with a computer that has a sound card, modem, speakers, a microphone, high speed Internet connection, and the ability to download the applicable software. In a matter of minutes, any one can begin making and receiving all of their phone calls using VoIP. In contrast, traditional phone plans require a service person to physically install a line, and ensure that it is operating in order to initiate phone service.

Since there is no special equipment required in the first place, there is also no need to spend money on costly updates or service relocations as they may become necessary. Software is updated automatically by the VoIP vendor.

VoIP Services Plans Offer Flexibility

With a [VoIP service](#), you can use the same phone, in the same way that you always have with your old land line. This holds true for whether you are calling to a location next door, across town, in another state or around the world, or need to call 911 for an emergency. When you make the switch, you can even keep your existing phone number. This means that there will be no disruption in service for you or any of your business associates or customers.

Basic VoIP Services

The cost for a basic VoIP phone system begins at around \$19.95 and the prices usually include, for a flat monthly rate:

- Use of existing phone number
- Choice of area code
- Service from anywhere in the world at no additional charge
- Unlimited local and long distance calling
- Voicemail
- Email voicemail alerts
- Online voicemail access
- Call waiting
- Caller ID (with name)
- Caller ID block
- Call return (*69)
- 3-way calling
- Call forwarding
- Online account management
- Online call logs

Hosted VoIP Services

A more advanced VoIP system to consider is the [Hosted PBX VoIP](#) service. This alternative to traditional analog phone systems includes many more advanced features, at far less cost than even the most basic traditional phone systems. Designed for the needs of small and medium-sized businesses, the hosted service is an ideal choice for any company requiring a more advanced telecommunications solution.

For years, larger enterprises have utilized the expanded capabilities of the PBX (Private Branch Exchange) phone system. In the past, smaller companies were not in a position to purchase or maintain a hosted PBX phone system. Since the arrival of VoIP, even the smallest businesses can afford to use a hosted or PBX phone service.

The start-up costs for a [Hosted VoIP phone system](#) can range from \$150.00 to \$350.00. This price usually includes all of the customary VoIP features, for a monthly flat rate. In addition, the following benefits are included:

- One service provider for advanced functionality with local and long distance calling
- Any high speed Internet connection provides all users with access to the same PBX features, regardless of location
- Integrated business telecommunications for companies with single location, satellite, remote and home based offices
- Features are customizable and managed online
- Minimal investment and low monthly service fees for reduced Total Cost of Ownership (TCO)

Higher Quality of Phone Service

Many VoIP users have reported an increase in the sound quality of their phone services, due to the digital technology. Business considerations for VoIP have more to do with how to manage the traffic over their network than anything else. Since bandwidth is used for Internet as well as voice conferencing, it may be necessary to analyze and adjust the amount of bandwidth required to handle all of the various activities occurring.

Because the VoIP service is transmitted over the Internet, there may be some occasional disruptions stemming from issues at the local Internet service provider's network or from heavy traffic loads overall on the Internet.

A good way to determine whether service interruptions would be an issue is to gauge the typical level of congestion at the Internet service provider being used. If extremely high usage it is a relatively uncommon occurrence, then there shouldn't be any concern. However, if the Internet service is regularly interrupted, it may be a good idea to either consult an expert to determine what can be done to improve the connection, or look into other Internet service provider alternatives to test out before going forward.

Easy Phone Maintenance, Business Moves, & Expansion

One of the biggest benefits of a [VoIP system](#) is that there is no telecommunications hardware or software to maintain on the business premises. The day-to-day operations and maintenance of VoIP phone services are all performed by the provider. Not only is this more convenient than regular phones, but it also presents an enormous cost savings over time.

When the business moves, the phone service moves right along with it. Because the VoIP infrastructure exists virtually online, its operation is not dependent upon a physical building in order to be used.

Phone sets can be plugged into any high speed Internet connection and will function just as if they were in their original location. Staff may take their phones to home offices and other remote locations, provided there is a high speed internet connection available, and operate the same way they would in their offices. The ways in which this is advantageous are immeasurable.

Aside from the obvious benefit of having a fully portable business experience, if the physical office operations are disrupted in any way, customers will never be aware that there is any issue with the primary office operation. This is very beneficial when it comes to customer satisfaction.

Should it become necessary to move a phone from one person to another or across the county or country, the VoIP service provider will be able to make all of the required changes remotely. Unlike

regular phone companies, most VoIP providers offer continual management and monitoring at no extra charge and are in a position to address any malfunction much more efficiently and quickly.

Virtual and Geographical Company Environment Freedom

The [VoIP phone system](#) routes incoming calls to any employee, regardless of location. However, unlike a landline system, employees needn't be at any specific office location phone to receive calls. This capability is not only convenient, but it allows for a great reduction in office overhead expenses.

Every employee has the ability to telecommute and take calls on either cell phones or home Internet lines. The result is a completely virtual company with calls easily forwarded at any time other alternate locations.

The issue of portability is a vitally important consideration, especially if your business has more than one office. With a private network connection, it will cost nothing to stay in touch on a continual basis.

VoIP Allows for Flexibility

Compared to traditional phone lines, [VoIP services](#) enable any company to easily and with minimal additional capital investment, adapt to future changes. Traditional phone systems always require the purchase of additional hardware or modules to handle changes or expansion. This is why companies should consider future flexibility as one of the key decision criteria for its phone services. VoIP phone systems allow companies to start with a small number of extensions and expand as they need to, in any geographic location. With VoIP, adding and deleting phone numbers can be done whenever needed, without the cost and hassle of dealing with service appointments.

Exceptional Business Continuity and Disaster Recovery

[VoIP services](#) offer a level of business continuity and disaster recovery capabilities that far exceed that of land line phone services. Traditional telephone systems are not able to ensure that your phone service is always available. With VoIP, even if your physical office location becomes inoperable, VoIP solutions can provide continual service through another immediate number. Advanced hunting features, which are not available with any landline service, finds users where ever they may be, at anytime, day or night. For example, whenever your phone number is not answered, the next number in your ring list will automatically be dialed.

Callers will always be able to reach any employee or extension and leave a message. Through a web interface, employees can retrieve messages and primary phone numbers, including toll free numbers, can all be routed to an alternate location in a matter of minutes. Incoming calls may also be forwarded to any user's cell phone at any time, for any reason.

Enhanced Business Image

As the phone system is the backbone of most businesses today, the choice of the right kind of phone system can make or break its professional image. An inadequate phone system can destroy all of the work done to build a company's brands and systems. Inferior communications equal a poor customer experience – and no business can afford that, especially in today's economic climate.

With all of the portability features, VoIP allows for any business to appear professional, organized and efficient. Your staff is well-connected and in a better position to attend to customers, service will be elevated. Increased service levels generally always lead to more business, which allows for company growth and expansion.

Improved Productivity and Customer Service

A [VoIP telephone system](#) includes a vast array of innovative features and capabilities designed to enable small businesses to improve employee productivity, while delivering superior customer service.

For example, a Hosted VoIP telephone system can include customized [PBX](#) features such as the Auto-Attendant (automatic answering and routing) or Hunt Group (which intelligently routes calls to the proper location). Employees may access voice mail messages from any telephone; forward incoming calls to a different telephone number, and convert voice mail messages to e-mail. Advanced features such as those that come with the Hunt Group and voice mail conversion to email are not offered by land line services.

VoIP is the Future of Business Phone Service

The kind of phone service that a business chooses can have significant and long lasting impact on the future of any company. As products and people change, companies need to expand into different geographic regions and be prepared for some of the possible changes that can occur. Nearly any major business change impacts telecommunications, which is why it is so important to choose the best systems that can accommodate those future changes.

VoIP Success is Determined by Choice of VoIP Company

The [VoIP provider](#) chosen can have a great effect on how well the service will work for your company, as well. There are many companies providing VoIP services; some also offering an array of other kinds of technical services. A VoIP firm's services should include technical qualifications such as a strong network, servers and the software necessary so that services are provided in the most reliable way possible.

As with any other type of service, the success of using a VoIP service for your company will be partly dependent upon the quality of the provider chosen. It is important to pay attention to what kind of technical backbone and level of support the VoIP firm offers. To begin with, one way to determine how good a VoIP's service level is, might be to create a list of benefits that are important to your particular business, such as call waiting, forwarding, conference calls - or any other feature that your company relies upon to conduct business. Then inquire with the VoIP firm about the services that your company needs and compare the service level and pricing structure for those services. The section in Blue should be there own point above the conclusion. Call it something like "[Choosing a VoIP Provider](#)".

Since the VoIP phone service will be such an important part of small business infrastructure, it makes sense to choose a company that specializes in VoIP services. One such company is [Nextiva](#), which owns and operates its own telecommunications and data equipment and is not simply reselling services that are bought from other providers. This is what ensures a more robust and reliable VoIP phone infrastructure.

With primary data centers in Phoenix, Arizona, as well as redundant facilities in Los Angeles, California and New York City, Nextiva is in a position to ensure the success of its VoIP services for any type of business requirement.

Until now, businesses have had limited choices with regard to telephone systems. Now that VoIP has arrived, all of the functionality, expandability and business-grade performance of a high-level, professionally run phone service are available to any company, of any size that desires it.

Cost is always a concern, and since VoIP rates are significantly less than land lines, any company stands to gain from the features, flexibility and expandability which can have a profound affect on a company's ability to deploy future adjustments to its business operations.

The bottom line is that any [VoIP plan](#) can eliminate costly land line phone services and really make a difference for a small business, by freeing up cash in the first year for many other important needs. VoIP phone services include affordable, technological advancements that can really give small business the edge to compete in the enterprise market place.

It is worth an examination for all companies, particularly small businesses, to find out how VoIP can bring better technology, portability, functionality and productivity to their operations – all for less than they are paying for their present regular phone service.

About Nextiva

The editors of INTERNET TELEPHONY selected Nextiva based on its vision, leadership and attention to detail, which are the hallmarks of the prestigious Product of the Year Award. The company beat out of hundreds of competitors to win this award.

Businesses are always looking for ways to reduce operation expenses, without sacrificing customer service level. [Nextiva's](#) business VoIP solutions provide companies with the best, most efficient and affordable phone services available, to streamline operations, while enhancing customer service.

The reduction in overhead costs can be shifted toward other business improvements to help maintain and grow businesses more effectively.

[Nextiva](#) provides unlimited VoIP calling plans of many types to give businesses the competitive edge on communications, as an affordable, reliable, advanced replacement for costly traditional business phone services.

