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LEAVING BEHIND LEGACY PBX FOR A HOSTED VOICE SOLUTION

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WHERE BUSINESS VOICE STANDS

Today's business communications market is barely recognizable as the same one from five, or even two years ago. Mobile phones are an essential business tool and threaten to supplant the traditional desk phone for office workers. Tablets and smartphone devices combined with cloud-based video services offer users the ability to make video calls without expensive equipment. And the ubiquity of the internet, coupled with managed applications and services, gives the business customer unprecedented choices in supporting their communications infrastructure.

A hosted or cloud-based phone system represents one way for you to take advantage of these trends. With a cloud-based system, you'll experience ease of use, scalability as your business grows, and business continuity benefits, to name a few. This whitepaper reviews these topics in greater detail and provides some guidance for exploring the available options.



LEGACY SYSTEMS AREN'T WORKING

Below is a view of the typical “legacy” or non IP-based business network. This organization has a number of challenges. First and foremost is the requirement to manage (and pay for) two network topographies, one for voice and another for data. Finding ways to reduce this ongoing operational expense is one of the most common reasons cited by enterprises for modernizing their communications.

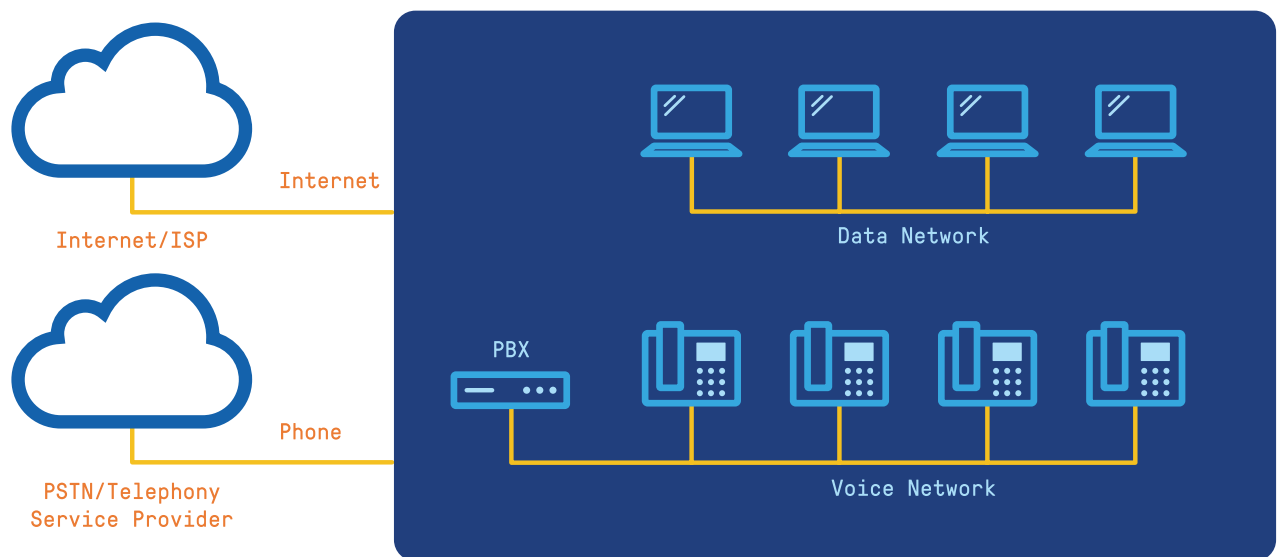


Fig. 1: Layout of a typical legacy business network

The second major driver behind modernization is the need to retire or replace aging premises-based PBXs. These devices were and are a mandatory part of any business and a lifeblood of their communications architecture. However, apart from the fact that systems put in during the early 1990s heyday of the TDM (non-IP) PBX are reaching the end of their natural service lifetime, these systems are also inherently ill-matched to the ways that business users communicate today. For example, most do not offer the productivity increasing features that users today have come to rely upon – features like voicemail integration to email and find-me/follow-me-type call forwarding.

Some enterprises have already identified this issue and have replaced or upgraded their premise-PBX to a more modern system – an IP PBX. This is clearly a step forward,

but doesn't resolve every issue. For example, depending on when it was deployed, an IP PBX might not have all the features you need. In addition, upgrades are generally tied to a yearly, potentially expensive maintenance contract; you might also find that the underlying hardware is no longer robust enough to manage the capabilities you want.

A final reason for modernization is to allow the enterprise to offer more services to its users. A good example is provided by home office users. In the past, a home office user would have a second line installed by the phone company, and their PBX would be programmed to treat calls to that line from colleagues as an extension call. These days, that user could be anywhere in the world, and enterprises need systems that seamlessly integrate them into their communications plan no matter what device they are using to communicate.

Communications challenges faced by today's business customers

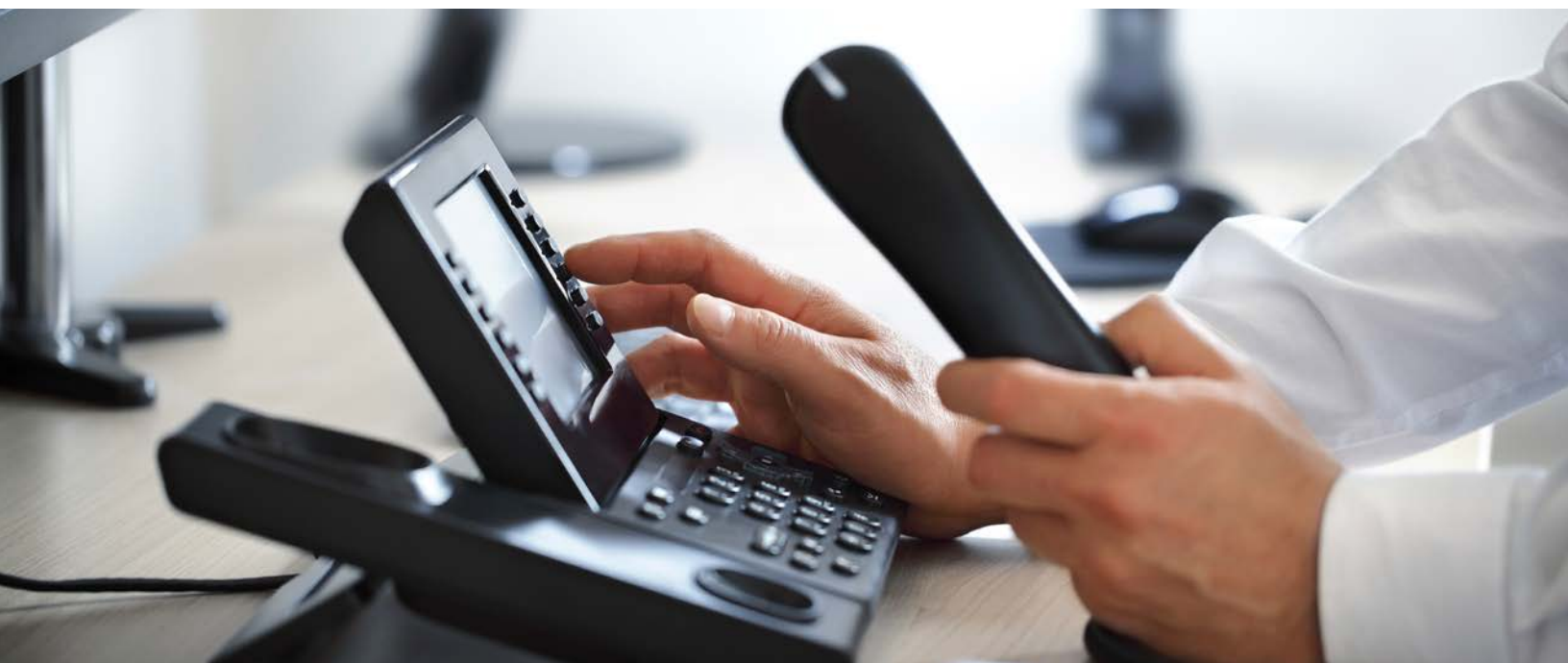
Business Need	Considerations
Need both reliable phone and Internet service	<ul style="list-style-type: none">▪ Requires paying and managing two pipes: voice and data
Premises-based PBX is at or nearing end-of-life	<ul style="list-style-type: none">▪ High maintenance costs▪ Static feature set
Integrate mobile/roaming users	<ul style="list-style-type: none">▪ Mobile costs high▪ Poor integration into business extension dial plan
Offer richer services (e.g. conferencing, video calls)	<ul style="list-style-type: none">▪ Requires expensive equipment▪ Poor ROI on CAPEX

Table 1: Business challenges of legacy PBX



HOSTED VOICE: A FLEXIBLE ALTERNATIVE

Hosted Voice services represent a rich approach to business communications. With a Hosted Voice deployment, the customer's premises-based PBX is retired, and all the services that it offered, plus many more, are handled by the service provider's network.



WHAT HOSTED VOICE LOOKS LIKE

After adopting Hosted Voice, service now supports softphones in addition to the traditional desk handsets. This gives users a choice of devices on which to communicate, all on the same dial plan.

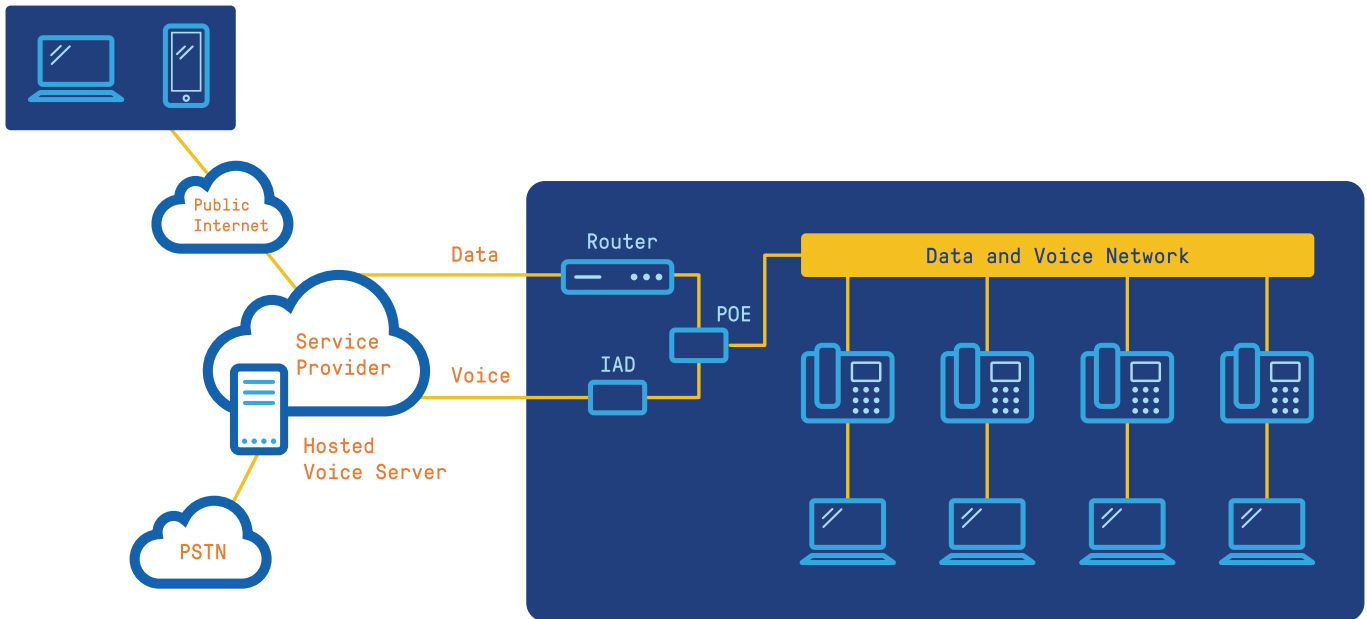


Fig. 2: Network after Hosted Voice

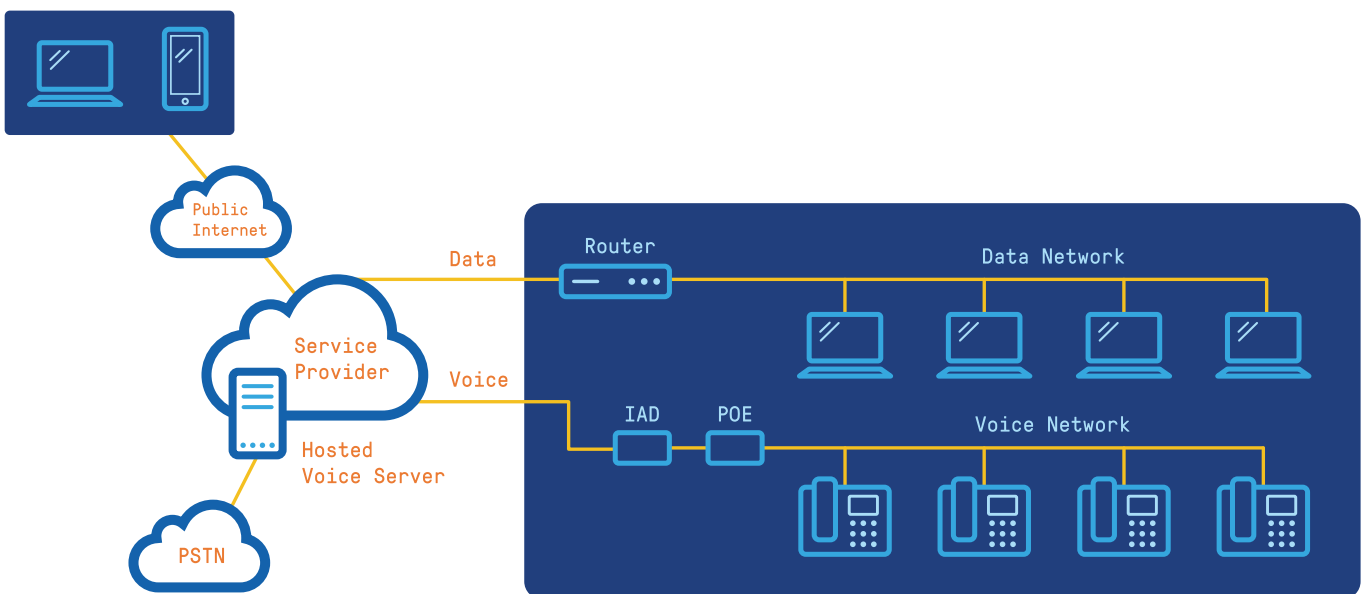


Fig. 3: Network after Hosted Voice - Non-converged

THE REAL VALUE OF HOSTED VOICE SERVICES

Table 2 below provides a more complete picture of the overall value proposition in that each attribute delivers a dual benefit for the service provider – first is how it helps their operations, and second is how they can gain new opportunities to build business with their customers.

Hosted Voice Attribute	Customer Benefit
Network operations to support the service provided by the service provider	Removes the task of network management and even allows the business to downsize or streamline IT operations
Communications services are IP-based	Can now integrate telephony with other modes to improve productivity
HPBX is software-based and draws from a broad range of applications	Always have the most current versions of applications without the need to manage this internally – many of which cannot be supported with legacy systems
Service-based access and pricing	Reduces CAPEX and lowers the cost of communications
IP services are flexible and standards-based	Can adopt hosted without replacing equipment, then add features/services over time
IP is a borderless technology	Economical, easy and fast way to extend services to branch offices, new sites and remote workers
Business continuity via 24/7 uptime and remote data backup	Like insurance, this peace of mind to keep the business running, even under adverse conditions
Delivers a consistent, rich, integrated user experience	Can move on from the limitations of legacy telephony and provide tools to make all employees more productive, wherever they are
Web portal management	IT staff have the ability to manage systems remotely with convenient web portal access

Table 2: Value Proposition Matrix for Hosted Services

Our research indicates that this set of value drivers ultimately translates into a superior end user experience for customers. Reducing the matrix to its core values, hosted services deliver these primary benefits to the end users and the business itself:

- For the end user, the value of hosted really comes out in its ease of use. Applications such as visual voicemail or an integrated message inbox may not be obvious to everyone, but once understood, they quickly become indispensable.
- Perhaps equally important for the end user experience is the accessibility of these applications. Hosted Voice enables this by having a browser-based portal and extends these features to multiple devices via downloadable apps. This form of accessibility makes it easy for employees to work anywhere – their desk, a branch office, from home, or on the road.
- Hosted also supports all modes of working. This is largely made possible by SIP, the standard for multimedia, real-time IP communications. This goes well beyond what legacy services can provide by enabling a consistent experience and interface across all types of screens, devices and endpoints.
- Hosted Voice can match the core feature set of a legacy PBX at a fraction of the cost. But more importantly, it supports an essentially unlimited ability to add both new and custom features.

- Hosted Voice offers not just new capabilities, but ones that businesses will find compelling. By supporting all modes over a common network, hosted brings businesses into the realms of Unified Messaging and Unified Communications. This sets the stage for richer, collaborative ways of working that go beyond everyday workflows.
- Provisioning (adding or subtracting users) is a key aspect of managing complexity. An example would be the initial configuration of the phones, or later on, the need for system-wide upgrades or MACs (moves, adds, or changes). With hosted, IT managers no longer need to tie up resources with routine help desk inquiries.



A COMPLETE SOLUTION

In Table 1, we showed the communications challenges that a typical business faces. With the information presented in the previous chapters, we can now reproduce that table and understand how Hosted Voice solutions address them (Table 3).

Business Need	Hosted Voice Capability
Need both reliable phone and Internet service	<ul style="list-style-type: none">▪ QoS capable to maintain voice quality
Premises-based PBX is at or nearing end-of-life	<ul style="list-style-type: none">▪ Hosted Voice puts features in the cloud▪ Customizable and extensible feature set
Integrate mobile/roaming users	<ul style="list-style-type: none">▪ Mobile apps, including softphones▪ Seamless integration into business extension dial plan
Offer richer services (e.g. conferencing)	<ul style="list-style-type: none">▪ Requires no equipment▪ Zero CAPEX outlay

Table 3: Communication challenges resolved by Hosted Voice



THE DAY-TO-DAY DIFFERENCE

“Mary” is an employee at ExampleCorp, a Hosted Voice customer of an innovative service provider. Here is an example of her typical day.

6:30 AM: It's early in the morning for Mary, but her colleagues in the overseas office have been busy overnight. Using the app on her mobile device, Mary is able to catch up on voicemails over breakfast.



7:00 AM: Something important came up and requires a quick call to resolve. Mary calls her colleague overseas using a Softphone on her laptop and discusses the issue. Since Mary is at home, the international call is carried over her home Wi-Fi/broadband connection.

7:15 AM: Time to travel to work. The call is still in progress, but no matter, Mary can use the Call Jump feature to quickly transfer the live call to her mobile phone without interrupting the conversation.



11:30 AM: In the office, Mary needs to call another colleague back, so she uses the click-to-dial feature integrated into her email program. It calls her on her desk phone, and then connects her to her colleague.



1:00 PM: Time for Mary to run her weekly conference call. Mary calls into the conferencing bridge and can see who is present via her web browser while talking to her co-workers on the phone.

5:00 PM: Mary is getting ready to leave work, but is expecting a call from a supplier. Since she has the Hosted Voice app on her mobile phone, the call will be routed to her when it comes in.

WHERE NEXT?

This white paper has provided a brief overview and rationale for Hosted Voice, which we believe presents a strong value proposition for businesses of all sizes. In our estimation, Hosted Voice has three things that make it superior to other options:

Low or No Capital Costs, and Predictable Monthly Expenses – Since there is no equipment to purchase, the upfront costs are limited – and often these are included as part of your monthly bill. Additionally, your monthly cost is predictable, with no bills for maintenance or service calls.

Scalability and Obsolescence – Your service provider's Hosted Voice platform can handle tens of thousands or even millions of users. Given this, a customer will never

have any capacity limits, a common problem in legacy PBXs. Also, since the platform is constantly maintained and updated, new features are regularly available, at no cost.

Business Continuity – Since Hosted Voice resides in a bulletproof, service provider-owned, geo-redundant facility with safeguards like backup power and equipment, events at your location such as a power outage would not affect your business. You can simply and quickly configure the service to have the calls automatically routed to an alternate number (such as another location, home, or mobile device) and business can proceed.

UPGRADE TO HOSTED VOICE

There are a lot of options out there when looking at a phone system. It may seem like the status quo – no change – is the safest bet. However, the pace of technology has now made possible an impressive array of capabilities. Now might be the right time to evaluate your needs and see if new capabilities could help your business be more productive. You might find you can make a big leap forward while spending pretty much what you're spending today or even saving money.



ABOUT LIGHTPATH HOSTED VOICE

Lightpath is proud to be the 100% fiber-optic network New York Metro Area businesses have trusted for over 20 years. We deliver unsurpassed reliability and essential communication services that keep your organization connected with complementary managed services like Hosted Voice designed to help you operate more efficiently.

Lightpath Hosted Voice combined with the Internet Voice Bundle offers your business a complete IP voice solution designed to help simplify voice system management, increase productivity, and reduce costs. Hosted Voice business benefits include:

- A reliable, fully-managed and highly customizable voice service
- Voice packets travel exclusively over Lightpath's network, guaranteeing voice quality
- All equipment is installed and maintained by Lightpath
- Flexibility to add bandwidth and minutes easily
- Over 40 advanced call management features
- Predictable flat-rate billing and no upfront costs

With Lightpath, you also have the simplicity of one trusted provider for all of your business communication services and the convenience of a single monthly bill. To learn more about the benefits Lightpath Hosted Voice can offer your business visit GoLightpath.com/voice or call **1-877-Lightpath**.

Count on us to listen to your needs and provide the solutions that meet today's real-time demands and drive tomorrow's success. Talk to a Lightpath representative today.

