

Seven myths about VoIP for small businesses and start ups

With VoIP for business phone systems dubbed as the fastest growth market of the last decade and still going strong* by analyst firm, Point Topic, many companies are realising the benefits.

Although, it is well-known that VoIP cuts costs, improves productivity and provides useful features and capabilities that conventional phone technology can't offer, there are still lots of misconceptions out there. David Hill, Chairman of <u>Cloud Net</u>, provider of Internet Phone Systems for SMEs, looks at the seven most common VoIP myths.

1. The higher the fee the better the quality

A common misconception about VoIP systems is that the more you pay the more you get. The reality is that the more you pay the more the company gets. Sales people who work largely on commission are driven towards systems that reward them more, rather than offer you more for your money.

2. It's too complicated

Hosted VoIP systems need not be complicated. There are companies that want a bespoke system to integrate with their expensive IT systems that have been developed over decades. However, there are also those that simply want their phone system to be reliable, cheap and professional. Companies such as Cloud Net with its plug and play internet phone systems can be accessed for a fixed rate of \$8.50 a month.

3. VoIP is just like old fashioned telephone systems but cheaper

VoIP removes the restrictions imposed by old fashioned systems. For example a PBX may have offered 12 extensions and five lines. However, if you wanted to make four outgoing calls and receive three incoming calls at once, you couldn't. Customers got the engaged tone.

Hosted VoIP simply doesn't have that restriction. If you buy 12 phones, you can use 12 phones. VoIP allows you to connect separate offices in a way that old fashioned systems cannot. You can see at any time who is using the phone anywhere in the country. So for instance you might be in London and then see who is using the phones in Glasgow and what numbers they are using.

4. You can't have non-geographic numbers

You can have 0800 numbers, 0845 numbers and any geographic numbers you like on VoIP. Only BT stops you from transferring your existing numbers to VoIP.

5. You don't need to use VoIP

For those that use a public phone that utilises a public phone network; the latter is increasingly being carried over a VoIP backbone. It won't be long now before all traffic goes through it.

6. Traditional PBXs (switchboards) can be cheaper if you lease

An old fashioned PBX will be obsolete soon. Hosted VoIP systems effectively give you a free virtual PBX and often free handsets. The virtual PBX is always up to date, requires no maintenance, never breaks down, costs nothing and has no capital costs. It also allows free calls to any one on the network.

7. Hosted VoIP is the universal solution.

There are a few situations where hosted VoIP just doesn't cut the mustard. Phones in lifts are a good example and emergency phones another. You really don't want to be dependent on the local electricity supply when the lift fails. So old fashioned analogue phones are going to be around in specialist situations for a while yet.