

A man with glasses and a white shirt is smiling and looking at a tablet held by a woman with long brown hair wearing a yellow shirt. They are in a modern office setting with other people blurred in the background.

Cloud-based communications for small business

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Unified platforms

The internet has become the most important way people connect – and the world of work is quickly catching up. Many employees now own and use multiple devices, such as laptops, tablets and smartphones, which allow them to work wherever they have access to a broadband connection. It's a trend that has enabled businesses of all sizes to decentralise and become part of a thriving global marketplace.

It's also the reason why more and more businesses are turning to cloud-based communications – a suite of technologies that can deliver all their communication needs through a unified, easy-to-use digital platform. In this white paper we will:

- Demystify cloud-based communication - how it works and why you should consider using it.
- Examine how it compares to other types of communication systems
- Offer guidelines on how to evaluate cloud-based communications solutions



Cloud communications terminology

For newcomers, the world of cloud-based communications can be a confusing soup of acronyms and buzzwords. So, before we dive in, let's define the ones you're most likely to encounter:

Software as a Service (SaaS):

A software distribution model where a third-party hosts applications and delivers them to customers over the internet on a pay-as-you-go subscription.

Communications as a Service (CaaS):

A complete enterprise communications solution that can be purchased from a single vendor – including voice, text, video and collaboration services.

Internet Protocol (IP):

The technical standards governing the format of data sent over the internet or another data network.

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Private Branch Exchange (PBX):

A telephone switching system that handles the internal and external call needs of a business.

Voice over Internet Protocol (VoIP):

Technology that allows the delivery of voice over an IP-based network such as the internet.

Soft client:

An app that enables VoIP calls to be made and received from a computing device such as a PC, smartphone or tablet – also referred to as a softphone.

Unified Communications (UC):

The integration of enterprise communications services such as voice, video, mobility, web, data sharing and conferencing.

Unified Messaging (UM):

The integration of different digital messaging and communications channels into a single interface that's accessible across different devices.



What are cloud-based communications?

It's likely that your business already uses the cloud in some way – for example, services such as Dropbox, Gmail and Xero. Cloud-based communications does the same for your office phone system, outsourcing its key infrastructure components to a cloud service.

The service is delivered over a public network – usually the internet – and accessed through a Voice over Internet Protocol (VoIP) phone or app.

But that's not all it does. The cloud can also handle a range of other office communications – such as video, instant messaging, enterprise social networks, email and document sharing.

A cloud-based solution integrates all of these channels into a unified platform that's able to work across multiple devices. This fully integrated communications system empowers businesses to achieve greater levels of productivity, and helps teams stay in touch more easily with colleagues and customers.



Components of cloud-based communications

Many different services can form part of a cloud-based communications platform – each falling under four main categories:

1. Voice

- Telephone calls including VoIP fixed line and mobile
- Voicemail and voice messaging
- Audio conferencing

2. Text

- Chat/instant messaging
- Email
- SMS/MMS

3. Video

- Video chat and video conferencing
- Telepresence
- Virtual Reality (VR)/ Augmented Reality (AR) conferencing.

4. Collaboration

- Social networking
- Project collaboration tools
- Virtual office software
- Screen sharing apps

How do they all work together? Here's what [one day using cloud communications](#) might look like.

A woman with dark hair in a ponytail, wearing a light pink long-sleeved shirt and a white apron, is looking down at a tablet computer in her hands. She is standing in what appears to be a cafe or shop, with various plants and shelves visible in the background.

How do cloud-based communications work?

In a purely cloud-based solution, all core communications infrastructure – such as software, switching and data storage – are hosted externally by the service provider on their cloud servers. Businesses access these services using apps on a PC or mobile device, or IP-connected equipment such as a VoIP phone.

This type of system allows businesses to only pay for the services and applications they use – making it highly cost-effective and eliminating the IT headaches of maintaining an on-premise office communications system.

In the world of unified communications, the cloud model is one of three possible options for how UC services are hosted and delivered.

1. On-premise:

All voice and data communications are handled using on-site infrastructure, such as a PBX, videoconferencing server and email server.

2. Cloud-based:

All voice and data communications are processed by a third-party cloud provider and accessed through the internet.

3. Hybrid:

This model combines on-premise and cloud communications – for example, using existing PBX for the office telephone system and the cloud for data-based services.



How do cloud-based communications work?

With these differences in mind, is it more beneficial to stick with an on-premise set-up, opt for cloud or go with a combination of both? Here's how they compare.

	Advantages	Disadvantages
On premise	• Mission-critical resources are maintained in-house • Full control over system administration • Less dependency on third-party resources to manage the system • After initial purchase, ongoing expenses limited to operation and maintenance	• Upfront acquisition cost can be high • Adding new capabilities can be complex and expensive • Can be hard to integrate legacy equipment with IP phones and apps • On-premise IT expertise may be unavailable for legacy equipment • Ongoing maintenance costs may be high once warranty periods have ended
Cloud-based	• IT doesn't have to maintain the system – free to focus on higher-value tasks • Fixed per-month or per-user licensing fee makes budgeting simpler • Always have access to latest services and applications • Easy and cost-effective to add branches and remote workers • Greater flexibility for scaling up and down system use as needed	• Don't have full control over telephony/communications applications • Some providers may host data overseas, creating security or privacy concerns • Quality can suffer if the internet service isn't reliable
Hybrid	• Allows customers to choose a technology mix they are comfortable with • Businesses can keep using legacy systems, while also enjoying the benefits of cloud-based communications • Legacy telephony systems can serve as back-up communications if the internet is down	• IT department needs to research the market and find the right mix of on-premise and cloud services • It can be difficult to integrate technologies that come from different vendors • Buying power may be reduced by having communications spread across two different models



What is Communications as a Service (CaaS)?

The Software as a Service (SaaS) model is becoming increasingly popular with businesses that want to reduce their IT costs and maintenance burdens. Applications such as email, storage, office tools, HR and payroll are all now available in cloud-based SaaS form. Communications are moving along the same trajectory. Communications as a Service (CaaS) is, essentially, an outsourced communications solution that can be leased from a single vendor. Services typically included in CaaS include VoIP telephony, IM, and office collaboration and video conferencing apps.

Also referred to as hosted delivery, this model can serve as a cost-effective way for a business to have access to the most up-to-date communications and collaboration tools, without needing to manage technology upgrades and refresh cycles.

In addition to being responsible for all hardware and software management, a good CaaS vendor will allow business customers to pick and choose communications services and devices on a pay-as-you-go, as-needed basis.



Benefits of CaaS

Beyond the cost, scalability and IT benefits, there are several practical reasons to consider migrating to a cloud-based CaaS solution. These include:

Functionality

Because a single provider is handling all your communication needs, you can easily select the most appropriate tool or app for your required scenario – whether voice, video, text or collaboration.

Ease of use

You will enjoy a consistent experience through a common user interface, regardless of the device you're using – whether fixed or mobile. This enhances team engagement and working relationships.

Mobility

You don't have to be at your desk to be productive. CaaS allows you to make and receive calls from your assigned phone number, using any fixed or mobile device or app. Information can be shared instantly and customers get the attention they require.

Accessibility

By remaining contactable at a single number or user ID regardless of your location or device, you'll have the freedom to stay connected wherever work takes you. This reduces telephone tag and having to scour through contact lists, and enables enhanced collaboration and relationships in a dispersed workforce.

Seamless collaboration

CaaS brings different communications services together in unified messaging (UM). For example, voicemail or fax messages can be received as email attachments; documents can be shared in a chat box during a videoconferencing call; or presence information can identify who is available for a meeting, regardless of their device or location.



How to evaluate cloud-based communications vendors

The cost of cloud-based communications hardware and software has fallen significantly in recent years, resulting in a crowded marketplace of service offerings. This includes many smaller cloud providers that may lack the financial stability and experience of larger telecom vendors. So, how do you choose the right vendor and solution?

Here are the key factors to consider:

Security and control:

Data safety is a top concern when evaluating a cloud-based solution. Look for a vendor that provides high visibility and control of security-related features – such as user access control, data use guidelines and data back-up/disaster recovery. A vendor should be able to provide an easy-to-use self-service portal that gives you control over your communications network.

Reliability:

The vendor should be able to meet the highest standards of reliability. Their infrastructure should incorporate mission-critical data back-up and redundancy.

Local hosting:

Many Australian businesses will prefer cloud-based communications that use Australian data centres – giving customers greater confidence in the security and reliability of the provider. This also helps prevent potential legal and regulatory problems associated with offshore hosting.

Competitive pricing: Competitive and flexible pricing plans are primary drivers for adopting cloud-based communications. A vendor that can offer a predictable per-user, per-month consumption-based model will allow you to better manage your telecommunications costs, and be able to quickly scale up and down services as needed.



Migrating to cloud-based communications

Cloud-based communications offer the flexibility, features and scalability that small and medium-sized businesses may not get from other communications solutions. Because the infrastructure is hosted and managed in the cloud, its security, performance and reliability are maintained and adhere to strict regulatory guidelines, which are often superior to on-premise systems that are not always monitored 24x7.

Cloud-based CaaS offers a compelling delivery model for a full range of modern office communications, from voice, email and chat, to enterprise social networking, video conferencing and office collaboration. There's never been a better time to explore how your business can benefit from the unlimited collaboration possibilities that cloud-based communication offers.

[Find out which cloud-based phone system is right for your business.](#)

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