

# Telecoms for competitive advantage



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**Today's telecoms technology can do more than simply save time and money. Alongside computers, telecoms form the backbone of an efficient business. The technology allows you to talk, leave messages, hold conference calls, use the Internet and handle large volumes of inbound or outbound communication quickly and professionally. You can do more and sell more, yet keep your costs down.**

This briefing covers:

- Using free and low-charge calls to attract customers.
- Linking offices, using broadband, leased lines and conference links.
- Call management, including voicemail.
- Call centre and telemarketing solutions.
- Mobile phones.
- Distance meetings.

## 1 The right number

The phone number you publicise for your business can immediately give a customer information about your company and the sort of relationship you are expecting. A non-geographic number can help you present a consistent image of your business and hide its location (if you wish). There are several types of non-geographic numbers.

**1.1** You can use a **free phone** number — one starting with 0800 or 0808 — to encourage people to call you.

- These numbers are used successfully by businesses selling to the general public — for example, mortgage brokers, driving

schools and local tradesmen.

- They are also used by businesses that sell to other businesses. For example, if you sell commodity products to small, cost-conscious firms — such as a tyre distributor competing with many others for telephone orders from garages — a free phone number will be a point in your favour.
- Using a single free phone number, you can channel calls by area. So calls from the North are fed to your Manchester office, while calls from the South go to Reading.
- Remember that you will pay every time someone calls your free phone number.

**1.2 Low call charge** numbers — like those starting 0845 or 0844 — can be used to encourage callers, without inviting them to stay on the line indefinitely.

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about the services available to you.

- Calling these numbers typically costs about the same as making a local call.
- These numbers are often used for sales or customer services.
- They are also widely used for local call rate connections to Internet services.

**1.3** You can also get a '**national rate**' number. These usually start 0870 or 0871.

- Calling these numbers typically costs about the same as making a national call.
- Your business usually receives a portion of the call charge. You might earn around 3p per minute.
- The cost may dissuade some customers from calling these numbers.

**1.4** There are certain **special numbers** that can be exploited for marketing purposes.

- 'Golden numbers' that are easy to remember can sometimes be bought from the phone companies, for fees of up to £1,000 each. There is also a 'grey market' in secondhand golden numbers.
- Alphadial numbers, where the letters on the phone keys spell out a name, are not widely recognised. They are best avoided.

**1.5 Premium-rate** numbers — such as those starting 090 — are generally used to fund a service such as technical support.

- They can cost as much as £1.50 a minute to call. Your business will receive a significant proportion of the call charges.

**1.6** You can use **international 0800** to give people a free and simple way of responding to your overseas advertising.

- The fixed costs are low, at about £100 per quarter. You only pay call charges if you are successfully generating sales leads.
- Many UK hotels and holiday companies use this approach to win business.

## 2 Getting online

Internet access is essential for businesses. High-speed connections are widely available and affordable.

**2.1 ADSL** is the cheapest way to connect your business to the Internet.

- It uses your existing telephone line to connect to the Internet.
- The connection is always on. Voice calls can be made simultaneously.

- Charges are fixed, usually on a monthly basis, although you can make a saving by paying up-front annually.
- Service is available across most of the UK, but the speed of your connection may be restricted by your proximity to the local telephone exchange.
- A range of data transfer speeds, with different prices, are available.
- A single ADSL connection can easily be shared between several users.
- ADSL is generally a very cost-effective way to connect to the Internet, and more than adequate for most small businesses.

**2.2 Leased lines** are permanently open, dedicated digital connections, used only by your business.

- A leased line provides the best connection if you need a permanent link between two offices, or if your business has a large number of Internet users.
- Leased lines are usually backed by comprehensive support and a guaranteed response time if the connection fails.
- Leased lines are much more expensive than ADSL connections and require specialist installation.
- They are useful in situations where Internet access is absolutely critical.

**2.3** Once connected to the Internet, IP telephony means that your IT network can be used to **handle voice** as well as data.

- You do not need to have IT resources in-house to unlock the benefits. It is cheap to set up and the benefits can be immediately seen, including lower maintenance and call costs.
- Professional telephony features include phone conferencing and auto call back.
- IP telephony can also be implemented in small chunks — for example, to lower external call costs — or on a larger scale — for example, to get free calls between offices. These building blocks can mix and match with existing phone systems.

“Digital television signifies a step change in television as we know it and requires consumers to get to grips with new technology to improve their viewing experience. A similar thing is happening with small businesses and their phone systems through IP telephony.”

**James Passingham,**  
technical director,  
Foehn

## 3 Call management

**3.1 Interactive voice response (IVR)** systems enable customers to pick the service or department they want, by following instructions. For example, 'For sales, press one'.

- There can be savings, as each call is ideally only handled once, by the right person.
- The system needs to be carefully planned,

as most people dislike multi-level menus. Many people object to having to deal with a machine at all.

- Always provide a direct route for callers who do not fit into the categories.

### 3.2 Some IVR systems also respond to **spoken numbers or key words**.

- For example, a local garage might ask customers to say whether they want 'new cars', 'service' or 'parts'.
- You can buy inexpensive software to provide IVR for a small firm.

### 3.3 Implemented well, **voicemail** offers advanced call answering and handling features.

- Voicemail allows callers to leave a spoken message for the person they are calling.
- Some systems allow messages to be forwarded for a colleague to deal with.
- For example, a sales manager could record

a briefing once, enter a code and copy it automatically to the whole sales team.

- Some services can convert voicemail to text and send it to the recipient as an email or text message.

### 3.4 Small businesses may benefit from a **virtual reception**.

- An agency provides call-answering services, puts callers through to the right extension or takes messages.

## 4 Call centres

Call centres can be the focus of both outbound activities (such as telesales, lead generation and market research) and inbound ones (such as order processing and customer service).

### 4.1 **In-house** call centres are replacing many field sales forces.

- A call centre can be anything from two people drumming up orders for a small wholesaler to a large team in a debt recovery or telesales business. It is the degree of automated support for the operation that makes it a call centre.
- Completely automated call centres can sometimes provide adequate service with no human intervention — for example, booking cinema tickets, where callers just need to press numbers.

### 4.2 **Computer Telephone Integration (CTI)** boosts productivity for both inbound and outbound work.

- For example, your customer service system can match a caller's number to data in a contact management database and make the details you need pop up on screen.
- The system must be able to integrate with your customer records, whether held in a spreadsheet or your database.
- Inexpensive software can give outbound operators one-touch dialling plus on-screen scripts and prompts.

### 4.3 **Outsourcing** to a specialist company may be the most cost-effective strategy.

- If you need 24-hour staffing or your business is highly seasonal, outsourcing is likely to be cheaper.
- If you need expertise you do not have, outsourcing may be more economical than employing more people. Some Internet service providers and software companies outsource the handling

## VoIP

Voice over Internet protocol (VoIP) is a way of making telephone calls using the Internet. The sound of your voice is converted into digital information and is then sent across the Internet.

### A You can make calls using **software on a computer**, or through a special VoIP telephone.

- You can call other VoIP users and people using normal telephone lines.
- Making calls using VoIP can be much cheaper than using a conventional telephone.
- The biggest savings come with international calls. VoIP companies can charge much less because the calls are routed efficiently over the Internet.

### B **Many telephone systems** will offer the option of placing calls using VoIP.

- You may wish to place domestic calls using your normal telephone lines, but make international calls using VoIP.
- Your telephone system may be able to choose the cheapest option for each call automatically.
- With the right equipment, using VoIP is no different to using a normal telephone, yet it can offer significant savings.
- Ask your telephone supplier for information about VoIP systems.

of technical queries to specialist call centres.

## 5 Mobility

**5.1 Voicemail** is the first line of defence against missing calls while you are on the move.

- When choosing a system, consider sound quality, whether you can operate the system remotely, and any time limits on incoming messages.
- Voicemail can be either a function of your phone system or a network service provided by your telephone company.

**5.2 Mobile phones** are the obvious way to stay in touch on the move.

- Mobile phones will usually increase your total spending on telecoms. But the payoff is less wasted time.
- A wide range of calling plans include unlimited calls between people within your business, reduced international rates, cheaper off-peak calls or free text messages. Evaluate your needs carefully before signing a contract.
- Set out clear rules about personal use of company mobiles. Call barring can be used to limit non-business calls — or even to bar all outgoing calls.
- Ask your supplier about equipment that lets you call company mobiles from your office phone at the cheaper mobile-to-mobile (same network) rate.

**5.3** You can also get **online** to access email and the office network.

- Most mobile phones include basic email functions. These allow you to read and write emails on the move.
- Some mobile handsets — like BlackBerries — are designed specifically for email.
- Many mobiles have large screens. Equipped with these, your employees can use the Internet and read documents when away from the office.
- Mobile phone networks also offer mobile broadband services. These allow you to connect a laptop computer to the Internet using a small adapter (a 'dongle').

## 6 Meetings at a distance

The telephone conference and its high-tech brother, the videoconference, are beginning to be used by many small businesses.

Audio conferences can often be justified on direct cost grounds, for weekly project reports

or monthly sales meetings. Videoconferencing is mostly used for special, non-routine projects.

**6.1 Telephone conferences** can save money and effort, because a one-hour meeting takes just one hour of each person's time.

- The simplest form of telephone conference is a three-person phone call. Some telephone systems and mobile phones allow you to initiate three-way calling at no extra cost.
- Speaker phones for conference use allow several people to have a discussion with one person or several at another location.
- There are a number of low-cost conference call services which allow you to make conference calls on a 'pay as you go' basis. Typically you pay just the cost of the call. Examples include Powwownow and BT MeetMe.
- Participants can be brought in and dropped out of the meeting. People can also take part using mobile phones.

**6.2 Videoconferencing** is beginning to be economical enough for small firms to use.

- Professional videoconferencing equipment requires a very fast Internet connection and can be expensive.
- A cheaper alternative is to use a webcam with free instant messaging. Software which supports video chat includes Skype and Microsoft Windows Live Messenger.

### Expert contributors

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