SIP Phone Service: 10 Things You Need to Know

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For any IT initiative, no matter how big or small, getting buy-in from your boss is crucial. Without the financial support or visible backing of the CEO, IT pros can struggle to get much-needed projects off the ground.

If you're sold on the idea of SIP trunking, but your company leadership isn't, you're definitely in the right place. Alternatively, if you're just warming up to the idea of IP-based telephony services for your business, you're still in the right place.

Data on the State of SIP Trunking

Session Internet Protocol (SIP) trunking may not have the same glamour as a cloud backup, but it's benefits to business are pretty clear and amazing. This **isn't** one of those blogs filled with speculation about how emerging IT trends might impact your organization in ten years. We've compiled data that paints a clear picture of the here-and-now, using real data and insights from industry experts and research firms.

In this blog, you'll learn ten stats and facts about the state of VoIP to help inform your knowledge of this exciting technology.

1. It's Driving Global Business Growth

Surveys indicate 45% of businesses are already using SIP trunking technology. An additional 62% of the remaining businesses have plans to adopt SIP by the year 2017.

Not only are businesses driving SIP, the technology is having a positive impact on its adopters. PAC research indicates SIP technology and benefits can actually **increase revenue growth** for organizations.

2. It's an Important Tool for Unified Communications

A simpler network infrastructure? Who isn't up for that idea? Turns out, SIP really does simplify things in an era where networks are getting more complex.

SIP trunking is an important tool for businesses to combine their data and voice networks into a single, unified data connection. With the help of a trusted business communications vendor, you can centralize your data, voice,

and connectivity needs into a single relationship.

The benefits of unified business communications can include:

- Better Internal and External **Collaboration**,
- Improved **Customer Service**,
- Increased Employee **Productivity**,
- Faster **Troubleshooting** and Resolution, and
- **Savings** on Business Travel and Meetings.

3. It Cuts Costs

The data around the savings potential of SIP trunking is pretty clear. Gartner analysts have found that, compared to primary rate interface (PRI) telephony, SIP can save businesses an average of 50%.

While this number may seem shocking, it's not a very complicated calculation. Analysts estimate 40% of average businesses use publicly-switched telephone networks (PSTN) whose costs can be attributed to their monthly phone bill.

With the help of SIP, you're able to drastically and immediately reduce the recurring costs of voice communications, while consolidating add-on services into your bill.

4. You May (or May Not) Face Compatibility Issues

SIP trunking is a remarkably simple technology that relies on just three components—a voice over IP (VoIP) provider or ITSP, a private branch exchange (PBX), and a border element or gateway. If these three elements are not designed to communicate, you could face issues with either vendor-supported or DIY SIP trunking.

Fortunately, compatibility issues have gotten much less common over the years. Your risks have improved remarkably from the days when you had to purchase your handset (phone) from the phone company.

To avoid compatibility issues, it may be important to work with your SIP vendor on equipment purchasing, read online reviews, or purchase a SIP-based edge device to act as an adapter.

To learn more about avoiding compatibility woes, check out *SIP Trunking Compatibility Issues: What You Need to Know.*

5. It is Really Reliable

With the help of fiber-optic internet connectivity and a high-quality SIP provider, you can unlock remarkable reliability in business connectivity. However, it's important for prospective first-time customers to note that not all SIP providers are created equal. Under current legislation, a minimum amount of technology is all that's needed to become a SIP provider.

To ensure you hire a reliable SIP vendor, it is critical to:

- Ensure providers offer built-in **redundancy**,
- Shop by availability of service-level agreements (**SLAs**),
- Evaluate quality of service (**QoS**),
- Inquire about **uptime**,
- Verify your **bandwidth** requirements,
- Check vendor **references**, and
- Investigate vendor **support** availability.

6. It Can Improve Your Operations

First-time SIP users are often drawn to the cost-saving potential of the technology. However, researchers report that the operational benefits may have even more long-term impact than financial aspects. "**Functionality** and **control**" are considered two of the most valuable aspects of SIP investment.

Other operational benefits of SIP trunking can include:

- Fast time to achieve return-on-investment (**ROI**),
- Better **scalability** and growth potential,
- Improved **productivity** ,

- **Mobility** , and
- A simpler and more effective end **user experience.**

7. Flexibility

Seasonal fluctuations in employment are a natural part of the US economy. For many businesses, increases and reductions in staffing over the course of a calendar year are a natural way to accommodate industry and customer demands.

For organizations who require flexibility, SIP trunking has some inherent and immediate advantages. By allowing organizations whose phone line needs may go up or down to alter their telephony in real-time, you can minimize your cost output while maintaining business continuity.

In addition, for the growing number of remote workers in the US, SIP trunking allows inherent flexibility through built-in mobility features.

8. Security

Even before information security was a major concern for organizations and IT pros, voice communications have presented some risk. The history of phonecall hacking and interception, also known as phreaking, originated in the 1960s.

While some individuals have bought into the myth that SIP and IP-based telephony is inherently insecure, it's actually not. Any form of business communications presents unique information security risks. Risks specific to voice communications can include:

- Denial of service attacks,
- Spamming over Internet Telephony (SPIT),
- Vishing (phishing via VoIP telephony), and
- Eavesdropping and call recording.

However, it's critical for brands to realize that, in many cases, SIP is actually more secure than PSTN. The right SIP vendor can assist you in ensuring your businesses' voice communications and network achieve better security than non-IP based communications provide. Examples of smart security measures can include:

- Fiber-optic internet connectivity,
- Internet firewalls,
- Vendor technologies for client monitoring, and
- Effective access governance and password management policies.

9. It's the New Normal

As we mentioned previously (see point #1), SIP adoption is through the roof. The total value of the global SIP market is expected to reach over $10 billion by the year 2020!

The result of an era in which SIP is the "norm" for state-of-the-art business voice communications is a better selection of products, improved quality, and ease-of-implementation.

Will VoIP always be the standard for exceptional business communications? That remains to be seen. However, it's clear to analysts and business users alike that, for now, SIP is officially as good as it gets.

10. Education is Key

Okay, if SIP is so awesome, why isn't literally everyone using it? Why hasn't adoption reached 100%?

Research concludes that education is key. In other words, your competitors who are still paying higher phone bills for yesteryear's technology may not understand the state of SIP.

The most common gaps in knowledge among IT pros at small and midsized businesses (SMB) include implementation, benefits, and cost savings factors. In other words, not all of your competitors and peers are aware that SIP is easy-to-use, saves you money, and offers significant benefits company-wide.

SIP Equals Rewards, Not Risks

SIP isn't an emerging technology that offers a ton of risks for the adopter. It's become a normal way for the majority of businesses to drive cost-savings and satisfaction. With the right vendor, you can unlock better security, quality, and reliability.

Atlantech Online offers a full suite of business communications tools, including IP-based business telephony, mobile unified communications, data, fiber-optic internet connectivity, and much more. For more information on Atlantech's hosted PBX features and SIP trunking, click here!