



15 WAYS TO CUT YOUR COMMUNICATIONS COSTS

If you are like most businesses, you are relying on communications more than ever before. How well you use communications is the key to running a business as effectively as possible. When your communications system helps to streamline the flow of information, it improves the productivity and efficiency of your entire operation. And the right communications solution is also critical to customer service and extending your market reach.

But the power of communications comes at a cost. Even though the actual price of communications systems and services has declined dramatically in recent years, the cost of communications is growing at most companies.

How can you rein in the cost of communications without sacrificing any of the benefits? Limiting access to communications is not a practical option. Instead, you need to carefully manage your communications—both the systems you acquire and the services you use.

Many businesses under-utilize their communications and don't realize the full benefit of their investment. Also, because communications technology—and your business needs—are always changing, it's important to regularly re-evaluate how you are using communications. The service or system configuration that worked for you yesterday may not be right for today.

This guide will help direct you to some of the most important considerations you should keep in mind. Whether you are thinking about acquiring a new communications system or service—or searching for ways to get more out of your existing solution—the 15 simple steps outlined here can help you use your commu-



nications system to cut costs, improve productivity and better serve your customers.

Avaya SMB communications systems are powerful solutions, packed with a wide range of money-saving, productivity-boosting features. This guide will help you get the most out of your communications system investment.



Communication without boundaries

1

How are you really communicating?

How do you really send and receive information in your organization: phone calls, voice mail, fax, e-mail, mobile communications inside your office, paging? Understanding how you communicate is the first step towards getting the right system or adapting the system you have now to your changing needs.

For example, if both voice and e-mail are critical to your business, a messaging solution that handles both will streamline your routine operations and greatly optimize the time you spend communicating. Do many of your employees spend large amounts of time away from their desks? If so, then equipping them with full-featured mobile phones is a good investment. What about faxing? It's a convenient way to communicate, but it can be time consuming and expensive—especially if you maintain a dedicated line just for that purpose. If you do a lot of faxing, then you want to look carefully at fax management capabilities. Avaya SMB solutions for messaging, mobility and fax management address every one of these needs.

2

What are your business priorities?

If you look at today's communications systems for what they really are—tools to help you reach your business objectives—then you will realize that the biggest financial risk you can take is to buy a system that really doesn't meet your needs. Or, to buy the system that's right for you, but then not take full advantage of all of its capabilities for things like customer service or streamlining the flow of information in your business.

So, the first question you should always ask when evaluating your communications options is "What are my business priorities?"

If your priority is customer service, you will want a solution that has the capacity for routing and managing incoming calls efficiently and providing 24-hour call coverage.

Is simplifying communications across several locations a priority? Then you will want a system that has more sophisticated network capabilities—for example, one that allows you to create one dial plan for all of your locations.

Do you need to provide 24-hour customer service to a customer base that speaks several different languages? Then you will want to invest in a system with multilingual messaging capabilities.

Do you want to reduce the cost of things like training and its associated costs, such as travel and material distribution (i.e., CD-ROMs)? Then you will want a solution that can be equipped with videoconferencing and other rich media distribution systems.

Across the Avaya SMB portfolio there are solutions that address every one of these needs.

3

How large a system do you really need?

A small communications solution is always a bargain in the beginning. But it is going to be costly in the long run. And it may not provide you with the capabilities that are really important to your business. You need a system that allows modular growth, makes it easy to add new capabilities and allows you to reuse costly items (such as telephones) when you upgrade. The system you buy should avoid "forklift" upgrades and allow you to purchase only what you need, when you need it.

The same idea applies to the different kinds of applications, such as messaging or customer service, you will want to run on your system. You want to be sure that you can add these applications without extensive customization. If you plan on taking advantage of applications that link your computer systems to your communications (computer-telephone integration or CTI), make sure that the CTI modules for your system are

“ready to go” and will work with your PC applications.

Avaya SMB solutions are designed to allow modular growth and easy customization, including adding software applications from Independent Software Vendors.



What kind of communications services will you use?

If you can answer this question, you are way ahead of the game. But most businesses can't, and with good reason: in today's highly competitive telecommunications market, the communications services available (and the pricing of those services) are changing all the time.

The service that's the right choice for you today may not be tomorrow, and vice versa. That's why to be able to control costs, your communications system needs to handle a range of voice and data services and standards:

- Plain Old Telephone Service (POTS) lines
- Integrated Services Digital Network (ISDN) lines
- Virtual Private Networks (VPNs)
- Leased lines
- Frame Relay
- Internet Protocol (IP) lines
- ... and more.

Support for the most commonly used voice and data networking standards ensures that you can leverage your investments in equipment, network infrastructure, and applications. And support for industry networking standards permits seamless integration with multi-vendor networks—an important cost-saving consideration if you merge or combine operations with another entity. Avaya SMB solutions are designed to support these industry standards.



It's time to consider digital

Most companies still rely on traditional POTS lines for all or part of their communications. In the past it used to be that your phone system

had to connect to the traditional POTS lines provided by carriers solely for voice communication. But the fact is that these lines can be quite costly and the case for “going digital” is growing every day. Digital lines are less expensive than a corresponding number of analog lines (e.g., a single T1 circuit (24 channels) is less expensive than 24 analog channels). You can handle a large number of voice calls simultaneously: a voice compression module will allow seven simultaneous calls to be delivered via a single 64 Kpbs call. And you don't need a multiplexer, which also keeps costs down. And, because T1 is just a single wire, installation is less expensive. It's a better value too—you can take advantage of new calling capabilities such as Automatic Number Identification and Dialed Number Identification Service. Avaya SMB solutions like the MERLIN MAGIX® Integrated system and IP Office system use digital lines. You should too.



Network your offices

If you have more than one office, you should look seriously at networking them together through your communications system to share communications and

resources across your enterprise. Avaya SMB solutions such as the MERLIN MAGIX®, IP Office and INDeX® systems allow you to connect all your sites for both voice and data communications, unifying your communications network and saving money in the process.

Networking through your communications system is more cost-effective than Centrex and greatly improves efficiency. You get a uniform dial plan that lets you place calls anywhere on the network without dialing special access codes—it's as if everyone is in the same location. It also increases the number of coverage

points and allows the sharing of personnel and resources between systems.

Centralizing voice mail and automated attendant provides savings by eliminating the need for separate systems at each location. You can forward calls or broadcast messages to co-workers regardless of location, and retrieve messages from anywhere in the system, giving you greater mobility. You can also achieve significant savings on toll calls, both by dialing between locations over private tie trunks, and by making local calls in another location's area code by dialing through the remote system. Remote consultation and data sharing over T1 channels help lower phone bills as well, and provide greater productivity, less travel time, and cost savings over analog facilities.

Networking also opens a whole new array of voice and data networking applications for you by letting you "converge" your voice access and dedicated, "always on" Internet access over the same facility. This will help you prepare for the future—entry into the world of Web-based applications. It will open your business to applications including, but not limited to, Web-based email, order taking and fulfillment, catalog publication, and more.



Manage your incoming calls

You can lower costs, streamline information flow inside your business and also enhance your customer service by taking a careful look at

how you handle incoming calls. Your goal should always be to get the right call to the right person as quickly as possible. And now it's easier than ever to do just that.

For example, it used to be you had to have an expensive PBX system to give your employees their own direct dial number. Not anymore. Now Direct Extension Dial is part of every Avaya SMB solution. So callers can dial any extension in your business directly.

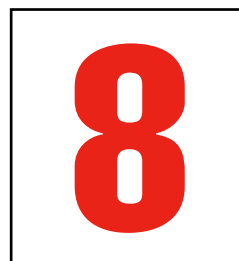
You don't need extra (expensive) private lines. And you also reduce the load on your receptionist.

It is also valuable to use call reporting software to analyze your calling patterns to make regular adjustments to your call routing and staffing.

Another feature—Automatic System Answer—helps you distribute overflow calls to back up your receptionist and manage peak calling periods without adding more people or lines. If you have more than one office, use this powerful capability to allocate calls between locations.

Finally, with Group Hunting, your callers get quicker, personalized service and less waiting time, while you save money in personnel and call coverage. Customers can dial a published telephone number to reach a team of individuals in a specific customer-service group—such as sales, service, marketing, repair, or technical support—and bypass the operator. As calls come into the group, the system automatically links every call to the most available group member, by "hunting" for them in a circular or linear manner.

These are just a few of the features that come standard on Avaya SMB solutions. You can also add applications that deliver even more sophisticated capabilities.



Take a message

In today's 24-hour business world, messaging is a critical capability that every business depends on to stay in touch and exchange information. It can also be a major cost-saver:

- Providing 24-hour call coverage without having a 24-hour staff.
- Freeing up support staff for tasks other than taking messages.
- Automating the handling of routine inquiries for information (i.e., directions to your office).

With the options available on Avaya SMB solutions you can have the most up-to-date and comprehensive messaging features that deliver savings in time and money.

- Providing callers with the easy-to-use options that enhance service
- Handling voice, fax and e-mail messaging on one, unified system

Streamline your internal communications by using the system to send/forward messages to one or more mailboxes, address messages by name or extension, or use the system's built-in directory.



Add devices without adding lines

Adding accessories to your communications system can significantly add to the cost if you have to pay for extra, dedicated lines and adapters.

Avaya SMB solutions come with the enhanced tip/ring connectivity that allows you to plug in accessories at any extension—simple, cost-effective, and convenient.



Take your phone with you

The wireless solutions available with Avaya SMB solutions let you take a full-featured phone anywhere in your business. Reduce missed calls and lost business.

Eliminate expensive wiring runs. Employees can move freely around the business and still handle important calls—on the shop floor, in the back room, the loading dock, the warehouse, or the exam room.

Other mobility options available with Avaya SMB solutions include:

- Cordless telephones
- Integration with your cell phone for one-number reachability
- Loudspeaker paging systems



Lower your long distance bill

Think you can't get your long distance bill any lower? Think again. There are probably a lot of calls in your business that aren't being

made over your preferred WATS lines. If that's the case, your first step should be to take advantage of Automatic Route Selection capabilities that will choose the least expensive route at the time a call is placed.

Avaya SMB solutions like the MERLIN MAGIX system and IP Office system provide this kind of automated least cost routing. They also allow you to create allowed/disallowed lists, toll restrictions, and more that will lower your costs day in and day out.

Also, if a large number of your long distance calls are international, or between your own offices, you owe it to yourself to take a careful look at routing those calls over IP lines. Calls over public IP networks are basically free, which is why more and more companies are taking advantage of Voice over IP.



Account for your calls

When you know which calls are part of which jobs, it adds up to accurate reimbursement and lower costs. Take advantage of the call accounting

capabilities with Avaya SMB solutions and you will get all the information you need.

Call accounting helps you keep track of which calls are part of which jobs. And, call reporting software lets you analyze your calling patterns to determine peak calling periods, typical call lengths, hold times and call abandons. Using this information to adjust your call routing and staffing saves you money.

13

Just say no to toll fraud

Toll fraud—the theft of long distance services—is a major problem. Various estimates have been put forth of the extent of toll fraud in the

United States, ranging from just under \$1 billion to over \$4 billion dollars per year. The extent of toll fraud and the problems caused by it are far reaching. As long distance carriers improve security, more and more toll fraud is directed toward customer owned communications.

An important step in preventing toll fraud is to tailor system access to conform strictly with the needs of your company. Block access to international and long-distance domestic numbers that your company does not call. Take advantage of the capabilities that are built into Avaya SMB solutions to create allowed/disallowed lists and other toll restrictions. And remember to use the information gathered in call accounting systems to identify suspicious calling patterns.

14

Ease of Administration

Once installed, your system should be easy to use, administer and maintain. If it isn't, you can end up investing more than you

want in ongoing system administration. Avaya SMB solutions address the system administration challenge head-on with:

- Convenient access to current system information
- The ability to make comprehensive, real-time changes from a Microsoft® Windows® interface
- Centralized programming of multiple systems located at different sites over a modem or Internet connection, from anywhere in the world

15

Keep It simple

Your communications system should be easy to use. An intuitive design on the telephones, easy activation of features and built-in help capabilities—all of which are

available on Avaya SMB systems—can save thousands of hours in lost productivity and training. With every Avaya SMB solution you get access to:

- The basic keys such as Hold and Transfer
- A fixed Redial button, for fast, simple, one-touch use
- Conference calling, for up to five parties
- Two-way speakerphone capabilities, for the convenience of hands-free conversation
- Hands-Free Answer on Intercom (HFAI), for answering intercom or voice-announced calls without picking up the handset
- A headset interface that allows you to connect and use a headset without disconnecting the handset
- A Mute button to turn off the handset, speakerphone, or headset microphone to ensure privacy
- Programmable line/feature buttons
- Eight ringing patterns

Features like these not only help you handle calls more efficiently and increase caller satisfaction—they also save the cost of investing in separate ports or display units for Caller ID.

AVAYA

We obtained this information from industry consultants, customers, published research, trade journals and internal research. To the best of our knowledge, this report is based on the most current information available. Although every effort has been made to assure freedom from errors, Avaya Inc. is not responsible for the accuracy of all the information contained in this document. Subject to the Confidential Information provisions of the Avaya Authorized Dealer Agreement and the Avaya Authorized Distribution Agreement.

Copyright © 2003, Avaya Inc. All Rights Reserved. Avaya and the Avaya Logo are trademarks of Avaya Inc. and may be registered in certain jurisdictions. All trademarks identified by ®, sm or ™ are registered trademarks, service marks or trademarks, respectively, of Avaya Inc. FORTUNE 500 is a registered trademark of Time, Inc. All other trademarks are the property of their respective owners.

1/03