

## Hosted Providers Partner Up

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By Matt Brunk

**8X8** has teamed up with **CSI, Inc** to provide onsite installation and support to SMBs signing up for hosted telephony packages under the **iPBX offering**. **Telkonet** and **Geeks on Call** are teaming up too. Geeks provide the tech brainpower while Telkonet delivers the service.



Is this the **Invasion of the Borg?**

I always ask two questions of hosted providers. First- do you have a sample SLA or maintenance agreement and if so, what are your response times including a policies about time-to-respond and time-to-resolve (onsite vs. offsite)? Second- "aren't you afraid of running out of money by providing hosted telephony solutions to the SMBs including the servicing of these accounts?"

8X8 doesn't have a sample SLA or boiler plate maintenance agreement. 8X8 told me they have plenty of cash and that "services will be quoted on a custom basis."

The 3-100 SMB space is a great place to compete. The proverbial eggs will be all in one basket - being a pipe with enough bandwidth to handle voice and internet needs. One pipe solutions fail and they are vulnerable. Some hosted providers provide redundant pipes but they still remain vulnerable.

There's glue that goes into every installation of customer telephony solutions that just can't be substituted. It's the "how" and "know how" about the customer and technology being applied. My brain tells me to try it out but my gut warns me to be careful. I spent most of a day with a customer and only an hour delivering what they wanted done. Then, we spent a couple of hours driving around looking at metal roofs and I listened as my customer told me about the roofs. "They all look alike. You never really notice a difference until there's a problem."

This isn't to say that hosted solutions aren't viable offerings. My reservations are how providers are going to service the customers in such a way as to remain competitive and not burn up initial profits on customer service and deployment issues along with troubleshooting. Installation may be a no brainer- but supporting the installation isn't. I've personally known many CPE (Customer Provided Equipment) vendors that burned up their profits and went into the red supporting on premise IP-PBXs. I'm no different than most customers. **Hosted VoIP vs. IP-PBXs** still remain challenging.

While no one wants to buy a roof that could leak many don't want to fork out the significant investment for premium roofing materials either. The hosted providers are banking on customers that don't want to invest in premise based solutions. Are they prepared to handle the complexities of VoIP and can they effectively respond to customer's onsite? Are customers willing to spend less on equipment investments and put all their eggs on the bandwidth delivered? Then, what about portability of the investment - yes, there is an investment and will those wares work elsewhere and will the providers' services be available in a non-targeted city without a high population? Maybe - Monrovia, Maryland?

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