

Why cloud phone service will cost you 40% more than a premise-based phone system...

Premise-Based Digital/IP Hybrid Phone System

NEC SI-2100 phone system control unit
System is equipped to handle 4 SIP trunks
System is equipped to handle 20 Extensions (16 digital and 4 analog)
(Analog ports can be used for cordless and conference phones)
Price includes (10) 12 button display, full-duplex digital speaker phones
Price includes auto attendant and voice mail
Price includes installation and programming
One time cost for the above is \$3495

Monthly recurring fees:

Each SIP trunk is \$20 (includes unlimited local and long-distance calling)
Recurring cost is \$80 per month or \$960 annually
First-year total cost is \$3495 plus \$960 = \$4455
Second year cost is \$5415
Third year cost is \$6375
Add \$960 for each additional year
Prices do not include taxes

You'll pay \$13,800 in five years with cloud service. A premise-based system will cost you \$8295

Cloud Phone Service

10 Yealink IP phones at \$130 each = \$1300
Price includes auto attendant and voice mail
Installation \$300
The price to provision each phone is \$20 = \$200
One time cost for the above is \$1800

Monthly recurring fees:

Each IP phone is \$20 (includes unlimited local and long-distance calling)
Recurring cost is \$200 per month or \$2400 annually
First-year total cost is \$1800 plus \$2400 = \$4200
Second year cost is \$6600
Third year cost is \$9000
Add \$2400 for each additional year
Prices do not include taxes



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Five reasons why customers choose (Cloud VoIP) Are they right?

Easy to Install - It can be if you have experience configuring firewalls and routers. And when the phones don't work, it's your responsibility to troubleshoot, which may involve an IT vendor at an additional cost. (Each IP phone requires power and special cabling, which may be another additional expense)

More Reliable - With cloud service, phones are connected to a remote facility via the Internet. No Internet means loss of all services including no incoming/outgoing of calls, no intercom or paging. In fact; MegaPath, a major cloud-based VoIP provider was down for several days that affected thousands of businesses.

Less Expensive - Your initial investment may be less because most cloud providers charge their cost for the phones and make up their profit by charging you a monthly rental/service charge for each phone for the length of your contract. Be prepared to spend additional money on installing new cabling and replacing network switches if the phones don't work properly or you experience poor call quality.

Will Save You Money - Rarely, but you need to do your homework! We recommend doing a cost analysis of a cloud service versus an on-premise system. Typically, the cost of ownership for an on-premise system is much less expensive than cloud over a three-year period.

Offers More Features - On the contrary. With cloud service, the phone system is housed in the provider's facility. More often than not, an premise-based system has more features and flexibility because they offer more robust phones supported by a feature-rich control unit, otherwise known as an IP/PBX.

FYI;

Cloud service is far from plug-in-and-play, and there are many considerations that must first be addressed before its deployed. Be aware that your eggs are all in one basket; most Cloud service providers lock you into a two or three-year contract and you're stuck with the phones and their service if you're not happy.

New technology doesn't mean it's better. The cloud can be a great fit for companies requiring work-from-home-employees and remote facilities to be connected as one virtual office. Don't require seamless communication between remote offices and work-from-home employees, then save yourself a ton of money by considering an premise-based system. Call us today and get a FREE side-by-side price comparison before making any decisions. 732-918-6000



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