

# Key Considerations for Choosing SIP Phones



## *A Decision-Making Primer for Businesses Migrating to VoIP*

### Executive Summary

When businesses consider VoIP, they usually focus on cost savings and the challenges related to migrating from legacy telephony. This is understandable given how well legacy telephony has served business over the years, along with the fact that VoIP is relatively new and less familiar. By comparison, the telephones are simple endpoints with little differentiation, warranting minimal attention during the decision-making process for VoIP.

Our view is quite the opposite, and holds that your choice of SIP phone may be the most important decision you make when migrating to VoIP. While all business phones function the same way, VoIP provides a richer communications experience than legacy telephony, and SIP phones are an integral part of delivering that experience. This will not be apparent when viewed from a legacy telephony mindset, and the focus of this White Paper is to explain why and how SIP phones provide distinct value.



By looking beyond cost savings from VoIP, our research shows how value comes not just from the SIP phones used by your employees, but also from the vendors that supply these phones. To get full value from your migration to VoIP, the right choices need to be made for both the VoIP provider and the SIP phone vendor. This White Paper provides a roadmap for making those choices, along with our rationale for why VTech Communications embodies the key qualities you should be looking for in a SIP phone vendor.

## PART 1 – SMB DRIVERS FOR VOIP AND SIP PHONES

### Why VoIP?

Business decisions surrounding IP-based phones are not made in a vacuum and are usually tied to a larger decision to migrate from legacy telephony to VoIP (Voice over Internet Protocol). Most businesses are still legacy-based, meaning that their telephony service is based on TDM (Time Division Multiplexing) technology, which runs over the copper-based voice network that incumbent service providers have been using for decades, known as the PSTN (Public Switched Telephone Network).

This accounts for the majority of use cases, but there will be some scenarios where the business currently uses VoIP and, for whatever reason, there is a need to replace the existing SIP phones with different SIP phones. Far more common, however, is the first-time migration to VoIP, and that is the focus of this White Paper.

Many trends are driving the migration to VoIP today and, increasingly, small- and medium-sized businesses are choosing the hosted model. In this scenario, the SMB partners with a hosted VoIP provider for the service to replace its legacy phones with SIP phones. Traditionally, most SMBs have had premise-based legacy telephony solutions;

when considering VoIP, premise-based VoIP was the primary option available to them. While this maintained the tried-and-true legacy model of premise-based telephony, these VoIP offerings were not financially attractive to all SMBs. Furthermore, the benefits of premise-based VoIP solutions were good but not great relative to their legacy phone systems.

The big change is the maturing of the cloud. Only recently has this extended to VoIP services targeted at SMBs. Large enterprises have long had good reason to move telephony into the cloud, and for a variety of reasons these dynamics have now filtered down to SMBs. The SMB category has always been an attractive market opportunity for VoIP providers, but they needed the right conditions for the cloud to enable mainstream adoption.

As such, when considering SIP phones, you need to have a broader perspective in terms of why you're moving to VoIP and what benefits this will deliver to the business. Our industry research identifies six key drivers for why SMBs are now moving to VoIP.

**Table 1 – VoIP Drivers and Benefits for SMBs**

VoIP Driver	Business Benefit
High cost of legacy telephony	With VoIP gaining traction, the price-value equation for legacy solutions starts to look expensive, leading SMBs to ask whether the service is still worth it. Faced with ongoing pressure to reduce costs, SMBs are being drawn to the superior economics of VoIP, as well as the option of making telephony Opex-based by using a hosted provider and SIP-based phones.
Phones at end of life	For some businesses, this is the “trigger event” that necessitates a change and presents a clean-break opportunity for VoIP. Instead of replacing an old PBX with a new PBX, SMBs can now consider the broader world of SIP-based telephony. Not only are the phone system options more affordable, but this change allows the business to take full advantage of VoIP’s capabilities right away.
Changing needs	Businesses need to be more responsive to customers than ever before, and employees have higher expectations for all forms of communications technology. Legacy phones and telephony service both fall short in meeting heightened needs and have limited ability to upgrade. Legacy telephony lacks the intelligence that comes with VoIP, meaning that too many calls go to voicemail, time is wasted with phone tag, ad hoc conferencing is difficult, etc. VoIP and SIP phones are designed with these changing needs in mind, especially the richer calling features that make employees more productive and responsive.

VoIP Driver	Business Benefit
Many options available	Unlike legacy systems, where telephony was a commodity that all businesses used in the same way, VoIP provides options to suit any size of business or operating environment. For the first time, SMBs can choose the type of telephony partner that they're most comfortable with – their incumbent telco, a smaller competing telco, a cable operator or even a Web-based virtual operator. Additionally, most VoIP providers can offer either premise-based solutions or cloud-based, hosted deployment models.
Network management	Legacy telephony requires a lot of IT expertise to properly support, both on the network and at the desk. SMBs are challenged to sustain any semblance of IT support. Fortunately, much of that issue goes away with VoIP. Furthermore, employees can self-manage many features, making IT's job a bit easier. IT can reduce its burden further if VoIP adds too much complexity to the network by moving to the hosted model where network management resides offsite in the provider's cloud.
Becoming widely adopted	VoIP has been commercially available since 1995, but only recently has it broken through as a mainstream alternative for SMBs. By now, most people know about VoIP, have used VoIP and understand that this is the future of telephony. SMBs know they will eventually be all-VoIP, and as their legacy phone systems continue to age and fall behind the times, VoIP looks more like a strategic decision to make the business more competitive. In essence, VoIP is finally becoming demand-driven, which reflects the fact that businesses now understand its true value.

### Trends Impacting Business Telephony

While the above set of drivers explains why SMBs are now moving to VoIP, there is a broader context to consider in terms of trends impacting business overall. These trends don't affect just your business – they touch all SMBs, and for that matter, enterprises as well. Technology is all around us and is constantly evolving, especially when it comes to communications.

To help you keep up with the pace of change, this section summarizes eight key trends that relate to telephony. Given that the focus of this paper is on SIP phones, the analysis below explains how each trend plays into the decisions you'll need to consider when moving to VoIP.

#### Trend #1 – Mobility

**Implications for SIP phones:** Mobility is the hottest trend in communications and some businesses have indeed moved away from desk phones completely. Most businesses, however, are not ready to do that, and when it comes to telephony, fixed-line VoIP remains the best path for them. Mobility may become the preferred mode for data applications, but for everyday telephony, it's more expensive and less reliable than desk phones. You should also

consider the user experience, as mobile devices are simply not comfortable for people who are constantly on the phone – and at the mercy of battery life limitations and dead zones when roaming about.

Keep in mind that the definition of mobility is broad, and, in some cases, mobility inside the office environment is more important than being mobile outside the office. In this regard, DECT-based SIP phones can provide sufficient mobility coverage for telephony, with many advantages over personal wireless devices.

Whatever your needs, as 4G and LTE networks mature, wireless VoIP will become more common. For now, however, your internal telephony needs are best served with SIP phones, reserving smartphones for voice when employees are on the go outside the office.

### Trend #2 – BYOD

**Implications for SIP phones:** Bring Your Own Device reflects the rise of smart devices in the consumer world. With mobile broadband

being almost everywhere, demand has made these devices affordable; seemingly everyone at the office has one. Employees are increasingly bringing these devices to work with the expectation of using them for both business and personal communication. This puts tremendous strain on the network and reduces IT's ability to manage data flows.

To address this trend, businesses have been upgrading their networks with better management tools and security elements, but the habits of mobile users tend to evolve faster than IT's ability to keep pace. BYOD will continue to pose challenges for businesses. As part of the broader mobility trend, things will only get more complex and costly. Of course, there are many benefits, making BYOD too important to ignore; banning mobility outright at work simply isn't an option.

BYOD may be a major trend, but it is much more about data than voice. To the extent that BYOD represents a pain point for your business, you can rest assured that SIP phones are outside this realm, making VoIP a relatively low-risk investment.

### Trend #3 - Cloud Communications

**Implications for SIP phones:** Over time, the cloud will be an even bigger trend than mobility. Explaining why is beyond the scope of this paper, however. VoIP's rise is part of the broader shift of technology from hardware to software, which is now being superseded by the ability to move applications and services from being premise-based to being hosted in the cloud. In short, this is the on-demand utility model, where the business gives up ownership in favor of the cash-flow-friendly, decentralized approach to managing communications technology.

This evolution is great news for SMBs, as VoIP is a relatively easy service to host in the cloud. In the past, VoIP options for SMBs were limited, with the offerings only moderately attractive price-wise and often too complex for existing IT resources to manage. Cloud-based VoIP scales up or down seamlessly, making it viable for businesses of all sizes and highly adaptable for varying demand levels and growth scenarios when adding new locations or headcount.



Another virtue of the hosted model is the ease of deploying VoIP with SIP phones. Along with the affordability of these phones, the overall value proposition is very strong, especially when compared to legacy telephony.

#### Trend #4 - Changing Workplace

**Implications for SIP phones:** Workforce demographics are trending younger and changing the workplace. The nature of work itself is evolving in today's Internet-centric world and information-based economy. Millennials are tech-savvy knowledge workers, with expectations that are quite different from their pre-Internet co-workers. They expect applications to be flexible and customizable, and will find VoIP very familiar in that regard.

Beyond these expectations, however, is a change in how and where work gets done. Businesses are increasingly decentralized, especially when serving a global customer base. This leads to a disparate workforce that may rarely meet in the same place to collaborate. If that describes your reality, then VoIP is definitely the right move, especially for providing a distributed employee base with a reliable form of real-time communications. Near-real-time tools like email and chat are efficient, but telephony is more immersive, plus the intimacy helps employees feel connected. SIP phones play a key role in delivering that experience, and their affordability makes it easy to support all employees – no matter where they're located.

*While it's easy to think of telephony as a one-dimensional commodity, VoIP is highly customizable, allowing employees to tailor features to their specific preferences.*

#### Trend #5 - Improved Productivity

**Implications for SIP phones:** Competitive pressures facing all businesses today make productivity a core driver of success. Everyone wants to be productive, but the reality is we have too many tools, too much information and too many demands on our time. All SMBs will be receptive to new tools that boost productivity, especially those that are easy to deploy and easy for employees to use.

VoIP fits those requirements very well, although it may be difficult to see how it enhances productivity. When deployed from the cloud, SIP phones make VoIP a plug-and-play service that works from any Internet connection. This matters when you consider that VoIP has a richer feature set than legacy services. While it's easy to think of telephony as a one-dimensional commodity, VoIP is highly customizable, allowing employees to tailor features to their specific preferences. Typical examples would include custom ring settings for specific callers, updating voicemail message remotely, changing call forwarding settings on the fly, and prioritizing the order for reviewing voicemails. This level of flexibility is an upgrade from legacy telephony, and once new features such as ad hoc conferencing and visual voicemail are in use, employee productivity should noticeably improve.

#### Trend #6 - Opex over Capex

**Implications for SIP phones:** The shift from Capex to Opex ties into the cloud trend and is highly relevant for VoIP. For most businesses, telephony is a Capex decision, especially those with a legacy PBX system. Telephony has clearly moved away from this model, but that is the history businesses know best. Whether premise-based or hosted, VoIP holds appeal by shifting telephony to Opex. With cash flow being critical for SMBs, this shift is a key value driver. Long term, businesses may not be ahead financially with the Opex model, but it's hard to argue against the benefits that will be realized right from the start and remain in place going forward.

A key part of that appeal is the affordability of SIP phones. In the early days of VoIP, the price point was too high for SMBs. As demand grew and production costs fell, a wide range of SIP phones became available for any budget. Given technology's pace of change, there is no need to buy Capex-priced phone systems with a lifespan of more than ten years. Today's SIP phones are built to reflect that, and when funded with an Opex model, acquisition cost should no longer be an obstacle to adopting VoIP.

#### Trend #7 - Growing complexity

**Implications for SIP phones:** This is another cloud-related trend and speaks to the IT limitations that most SMBs face. Not only are resources often scarce, but cost-conscious businesses are increasingly outsourcing IT-managed functions to the cloud. SIP telephony has matured to the point where outsourcing IT is becoming the deployment model of choice, especially for these situations.

Key implications of the increasingly complex nature of technology are the high cost and expertise needed by IT departments to properly support legacy telephony. When businesses migrate to VoIP, that expertise is no longer needed and the cost savings can be allocated to other areas where IT still adds value. This is actually a challenge for SMBs when it comes to VoIP, as the incoming technology is new and complex in ways they are not trained to manage. But that doesn't get in the way of adopting VoIP, as the cloud makes it a non-issue. SIP phones make this an even easier decision, since end-users can do a lot of their own provisioning, resulting in fewer demands on IT than legacy phones create.

#### Trend #8 - Legacy losing relevance

**Implications for SIP phones:** The sum of the overall impact of the above trends is perhaps the most telling shift in terms of what the future holds. While most businesses still have functioning legacy phone systems, virtually everything else they use is based on modern technology. The PSTN may still be the gold standard for telephony, but the cost doesn't justify the benefit and VoIP is simply a better technology for voice.

The need for telephony does not change, but the technology has, as has the role of telephony. Voice remains the best form of real-time indirect communication, but its value is declining the longer it remains segregated from all the other modes we use to get our work done. Whereas legacy telephony functions in its own closed world, VoIP is seamlessly tied into everything else by virtue of running over the same network as email, chat, video, etc. This is how people work today, and SIP phones provide a great bridge between the old and the new. Since the experience basically replicates legacy systems, SIP phones are totally familiar for employees, so there is no barrier to usage. At the same time, they add business value by bringing telephony into the 21st century with new features that make employees more productive.

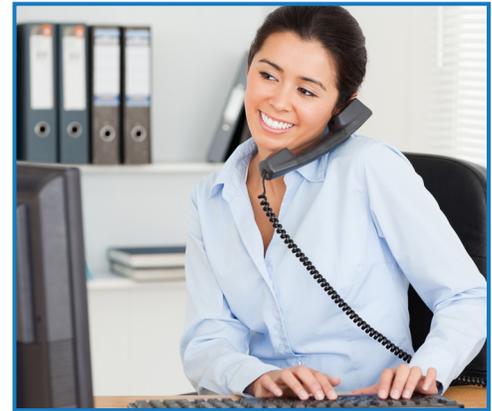
## PART 2 – SIP PHONE BUYING CONSIDERATIONS FOR SMBs

Up to this point, this White Paper has provided a foundation for understanding why SMBs are moving to VoIP now, along with how SIP phones add distinct value. Understanding these two elements is important for your success since a VoIP solution consists of both working in tandem – the service itself and the SIP phones as endpoints to access the service.

As noted earlier, some businesses will dispense with fixed line phones, relying on mobility and/or PC-based VoIP in the form of softphones or Web-based platforms such as Skype™. The majority of SMBs, however, will prefer – and be

much better off – with SIP phones. They can still use these other options for telephony, but VoIP really works best when they are used instead as an adjunct to fixed-line endpoints.

That brings us to the decision points associated with the buying process for VoIP. The criteria for choosing a VoIP provider and the related deployment models require a separate White Paper and will not be explored herein. SIP phones may seem like an afterthought, especially if you view telephony as a commodity service that “just works.” That should be your base expectation, but our research indicates that choosing the right SIP phones has a direct bearing on VoIP’s value, especially among end-users.



Hosted VoIP is fairly transparent for IT to manage, but the real experience – and engagement – happens with the phones, and you need to know that not all SIP phones are created equal. This is where taking a closer look at what defines value for SIP phones will really pay off. Our findings indicate there is an extensive set of attributes that need to be considered. To break down these attribute sets into manageable pieces, there are two types of value drivers to understand: the SIP phones you’ll be using and the vendor behind the phones.

**Table 2 - Key Value Drivers for SIP Phones**

Value Driver	Why It’s Important
Price	Although SMBs tend to be price-conscious, SIP phones are not a capitalized investment, unlike legacy phone systems. To get full value from VoIP, keep in mind that the quality of your phones has a major impact on the user experience. In that regard, the other drivers below come into play and it will be up to you to decide if the pricing of each vendor truly reflects the value of their SIP phones based on these collective attributes.
Features	At a minimum, you want comparable features to your legacy phones. But with SIP phones, you should expect more. These core features enable a good everyday end-user VoIP experience: <ul style="list-style-type: none"> <li>• Programmable keys – VoIP is more flexible and feature-rich than legacy systems, providing many options for employees to customize their phones</li> </ul>

Value Driver	Why It's Important
	<ul style="list-style-type: none"> <li>• Call management keys – It's easy to do routine tasks such as call hold, transfer, DND setting, conferencing, redial, speaker mode, etc.</li> <li>• Display screen – Consider the size, backlighting and ease of navigation; VoIP is your entry point into multimedia communication, making this feature a key value driver for moving beyond legacy, especially for managing shared call appearances</li> <li>• Multi-line support – How many lines is it able to support and what's the extent to which the status of calls on these other lines or extensions can be monitored</li> <li>• Directories – Ease of importing and exporting to/from other devices, as well as managing them in terms of access control, blocking calls, etc.</li> <li>• Support for other audio modes – Namely speakerphone and headset jack, along with volume controls for each</li> <li>• Power and connectivity options – Ability to support Power over Ethernet and Gigabit Ethernet speed</li> <li>• Audio quality – Support for the G.729 VoIP codec, as well as G.722 for wideband audio and high-definition voice</li> </ul>
Quality	<p>Generally you get what you pay for, but for SIP phones, there are two specific aspects to consider:</p> <ol style="list-style-type: none"> <li>1. How well the phone delivers a quality experience over time for employees – in terms of durability, not needing repairs or parts replaced, etc.</li> <li>2. Projecting a professional image – This is important for SMBs and is reflected by aesthetics such as color, ergonomics, modern design, etc.</li> </ol>
Range of models	<p>SIP phones come in many varieties and you should consider that end-user needs will vary by use case. For core everyday needs, vendors will usually offer a range, starting with entry-level phones providing basic features and a low price point. From there, you can add features at higher price points, with models targeted more at team leaders or executives. Three other use cases should be considered depending on your environment, as well as your plans for deploying VoIP:</p> <ol style="list-style-type: none"> <li>1. Cordless SIP phones – With DECT technology, this is an ideal option for employees who need to be mobile inside the office. The key considerations here would be the ability to support the VoIP features on regular desk phones, the number of handsets a DECT station can support, the quality of the signal, and the range of the signal.</li> <li>2. Home-based employees – A key benefit of VoIP is the ability to support remote workers, which is a great way to manage costs and make the</li> </ol>

Value Driver	Why It's Important
	<p>business more agile. If that is in your plans, then make sure your SIP phone vendor has appropriate models for remote workers.</p> <p>3. Headsets – This is a peripheral rather than a phone model, but it can be a key part of the overall product family for SMBs where desk-bound employees are constantly on the phone, such as contact center agents. Nobody likes cradling the phone on a shoulder all day, and headsets can make for a much better SIP phone experience. Consider a headset that integrates seamlessly with the desk phone, is easy to use, is easy to wear, blocks out external noise and is not too costly. In cases where employees need to move about, cordless headsets are the best option, but this can also be a great choice for all headset needs. Another factor here is the technology used, namely DECT or Bluetooth. If employees need mobility beyond 20 feet for headset use, DECT is the way to go.</p>
Warranty coverage	<p>When thinking about quality, it's easy to assume SIP phones will always work as they did from the beginning. After all, there are no moving parts and most of the features are software-based. However, everyday wear and tear takes a toll – phones falling off the desk, coffee spills, power spikes, electronic failures, etc. Warranty coverage is an important consideration here because SIP phones are not built or intended to last over ten years like legacy phone systems. These are not capitalized investments and the technology changes too quickly for them to stay current for more than a few years. In this regard, SIP phones are like PCs or consumer electronics, where the lifespan is around 3-5 years. When considering SIP phones, the longer the warranty coverage, the better; this will vary from vendor to vendor.</p>
VoIP compatibility	<p>Never before have SMBs been able to buy SIP phones along with VoIP service at the same time. Most SMBs are favoring the hosted model, and today there is a wide range of cloud providers for VoIP. Some will be familiar, such as your incumbent carrier or a major cable operator. Others, though, will be much smaller, newer and less well-known. Many specialize in hosted VoIP for SMBs but are not fully compatible with every SIP phone vendor. This will have implications for the VoIP features the service can actually support. As such, if certain VoIP features are must-haves for your SIP phones, you have to make sure the hosted provider can in fact support them. Additionally, as VoIP features evolve or are upgraded, you need to know that your provider can push them out to your SIP phones.</p>

Table 3 - Key Value Drivers for SIP Phone Vendors

Value Driver	Why It's Important
Product family	<p>When shifting focus from the products to the company, the product family is the first thing to consider. Aside from the product-based attributes discussed above, look at the full breadth of their product line. Some SIP phone vendors serve only SMBs, while others have a broader lineup that extends to large enterprises. An SMB-only vendor will hold appeal if you believe they will understand your needs better than a more diversified phone vendor. On another level, some vendors will have strong portfolios in other areas as well, such as residential phones, switched phone systems or mobile devices, not to mention broader markets such as consumer electronics. These variations might come into play depending on the mix of SIP phones you have in mind, both for today and down the road.</p>
Supply chain	<p>The comments in Table 2 about quality are product-related. Equally important is the broader scope of operational elements that determine that quality. To get the best quality for the best price point, you must understand the vendor's supply chain. Outsourced manufacturing may be the norm now, but phone vendors have varying degrees of control over their supply chains, and this is a good indication of what to expect in the price-value equation. Here are three questions to consider:</p> <ol style="list-style-type: none"> <li>1. Where are the SIP phones manufactured? Are these plants company-owned or contractor-operated?</li> <li>2. How does the vendor manage quality control to ensure high-quality phones?</li> <li>3. Where is their distribution network based? Are the shipping and logistics done offshore or locally?</li> </ol>
Ease of buying	<p>If you plan to buy SIP phones directly from a vendor or a dealer rather than as part of an overall solution from a VoIP provider, ease of purchase is a significant consideration. Keep in mind that you may wish to add or upgrade SIP phones on your own later on, so this factor may still be important for that overall decision long after the initial purchase. Presuming you know what you want, SIP phones are well suited to a wide range of channels, such as telecom dealers and resellers, service providers, retail outlets and online commerce sites. Ease of buying is important for any product, but given how VoIP is still new for SMBs, the more channels for SIP phones, the better.</p>

Value Driver	Why It's Important
Customer support	<p>The relative newness of VoIP makes customer support a key vendor consideration. SIP phones may be easy to use once properly provisioned, but to continue enabling a great user experience, both IT and end-users should have access to quality customer support. Here are three indicators that an SIP phone vendor can provide this:</p> <ol style="list-style-type: none"> <li>1. A toll-free number that's available during your hours of business; even better if longer</li> <li>2. Help desk staff that are located in your region, where language and culture will not be barriers to getting good service</li> <li>3. Access to highly trained product specialists, rather than generalists who can only refer to online manuals</li> </ol>
Solution-focused	<p>You may only think of SIP phones as a point product, but to get the most from VoIP, you will be better served by vendors that view their phones as part of a total telephony solution. This distinction is easy to make when talking to vendors or even reviewing their websites. When vendors focus primarily on price points and the virtues of their many features, their SIP phones will appeal to buyers looking for the lowest price point to support a commodity service. Other vendors, however, will focus on the value their SIP phones bring to a hosted VoIP solution. They know that end-users only use a limited number of features and instead base their value on phones that provide a great experience for the way people work today.</p>
Financial strength	<p>Stepping back, you should consider the vendor's overall viability. Their financial strength is the best indicator, especially for public companies. The VoIP space is still young, and most vendors have a short track record and weak financial results. With phones largely being commodity products, margins are thin, so financial viability is a concern for these types of vendors.</p>
Brand strength	<p>Due to VoIP's short history, very few companies boast a strong brand presence. The strongest brand identities by far come from vendors with pre-VoIP roots, typically legacy telephony, IT, data networking, software and even consumer electronics. While pre-VoIP brand associations may not carry over into SIP phones, it is also true that VoIP-based vendors selling SIP phones have little or no brand recognition. Generally speaking, the former is a safer bet, with the likes of Cisco, Samsung and Apple being great examples of crossover success in the SIP phone and smartphone markets.</p>

Value Driver	Why It's Important
Innovation focus	<p>A key indication of market leadership is a company's commitment to innovation. Tangible results are hard to gauge, but you need this in a vendor partner for long-term success. Unlike legacy telephony, VoIP is constantly evolving and we are still in the early stages of development. Innovation will determine the winners. Here are three markers to help you decide which SIP phone vendors fall into that circle:</p> <ol style="list-style-type: none"> <li>1. R&amp;D spending: This is easy to gauge with public companies and you can also ask vendors how much they are spending as a percentage of sales. If it's less than two percent, chances are they will not be innovators in this market.</li> <li>2. Patents and intellectual property: This is the other form of "IP" and is also easily tracked, either from the vendors directly or by searching patent registries.</li> <li>3. Industry recognition: While these citations and awards can be somewhat subjective, they are a good indicator overall as to which vendors are getting traction and bringing new value to the market. Key sources to monitor are telephony trade publishers, telecom and technology content portals, telecom channel communities, SMB portals and trade associations, and industry analyst firms.</li> </ol>

**Conclusion**

The purpose of this White Paper is to articulate the value that SIP phones bring to the overall solution offered by hosted VoIP providers for SMBs. When migrating from legacy telephony to VoIP, businesses need to understand how



the decision-making criteria have changed and the important role SIP phones play in making fixed-line telephony relevant in today's workplace. Businesses still need desk phones. Just because SIP phones do not require a capitalized investment, they should not be viewed as a passive commodity that is differentiated only by price.

While the process of providing hosted VoIP service is the domain of IT, the experience lies with end users – your employees. This is where VoIP's real value will be realized, and, for the most part, the user experiences will occur on your SIP phones. For

fixed-line telephony to remain relevant – and not be replaced by the likes of wireless telephony and PC-based VoIP solutions – SIP phones must deliver a great experience every day and with every employee. The industry research strongly suggests that SMBs will not get this result simply by going with the lowest cost option for SIP phones. By considering the attributes presented herein for both the SIP phones and the vendors, you will have a firmer foundation for delivering that great experience right from the start.

There are many SIP phone vendors, and if you view them as commodities, it will be difficult to tell them apart. This White Paper provides a roadmap for getting beyond price and will enable you to make a decision that's best for you. Otherwise, by leaving the choice up to your hosted VoIP provider, you may or may not get the right SIP phones for your needs.

Our research leads us to conclude that VTech® warrants careful consideration among SIP phone vendors. We encourage you to draw your own conclusions when evaluating them based on the attributes reviewed herein. In our view, notable differentiators are as follows:

- Breadth of product line, covering fixed-line, cordless and wireless headset options
- Comprehensive feature set at a competitive price point
- End-to-end strength across the supply chain
- SMB-friendly customer support and warranty coverage
- Strong company, especially in terms of financials, R&D and brand recognition

***Just because SIP phones do not require a capitalized investment, they should not be viewed as a passive commodity that is differentiated only by price.***

These are core qualities that we believe define value, not just for SIP phones, but for the company behind them as well. As presented herein, there are other qualities to consider as well, and whatever vendor you ultimately choose, our key message is the need to look beyond price if you want to get full value from your transition to VoIP.



*J Arnold & Associates, an independent telecom analyst practice, produced this White Paper, which was sponsored by VTech Communications. The contents herein reflect our conclusions drawn from ongoing research about the VoIP telephony market, along with specific research for this White Paper focused on the needs of SMBs. For more information, please contact us by email: [jon@jarnoldassociates.com](mailto:jon@jarnoldassociates.com).*