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Communications overspend?

The communications arena: state of play and hidden costs

When it comes to communications contracts and procurement there are many deals out there that appear to be great value for money. However, a lot of these seem, and are, too good to be true.

With unexpected hidden costs, upsells, cross sells and optional extras, what at first made perfect financial sense, can suddenly turn into a long term drain on your finances.

Fixed Voice solutions: costs are going up and overall usage is decreasing…

8.5p
The average cost of a fixed voice call minute [1]

29%
Of SMEs want to reduce fixed costs on telecoms equipment [2]

18%
Of businesses will outsource support services such as phone systems to reduce overheads [2]

7.8%
The rate at which the volume of fixed voice calls made by businesses fell by [1]

Advice
Think about your fixed voice solution – monitor how often your workers use their fixed telephones. The costs are rising so it's time to look at complementary alternatives such as outsourcing or integrated communications.

Mobile: confusing contracts, BYOD and roaming fees all add up to surprise costs

3/4
Of all mobile users were on the wrong contract when phone bills were analyzed by Oxford University [3]

2.4 billion
Per year is lost through unmanaged connectivity (roaming) charges generated on international trips. [4]

£65pm
The hidden charges that BYOD can cost a company per month [5]

£100,000 a year
How much extra a company with over 1,000 employees spends with BYOD compared with a business mobile solution. [6]

Advice
Look at your contracts and your tariffs. Have you got the best deal? Evaluate who needs a business mobile phone in your company. Look for shared contract servicing or bulk pricing deals to save money. Be aware of roaming charges!

Contact centres: set to grow

17%
The growth rate of contact centres compared to 2010 [7]

80%
Of consumers prefer talking to an agent on the phone [8]

50%
The potential cost savings of a cloud-based call centre compared to an on premise system. [9]

2.6-5.9%
The technology costs associated with running a contact centre. However this is pivotal to handling times and customer service. [10]

Advice
Is the service you are providing the best for your customers? Consider how many agents you employ and whether taking your centre into the cloud will represent savings and an improved service, or incur hidden fees.

Networks and Data: Networks are vital to businesses… but projects can often spin out of control…

2/5
How many SME's cite the failure of local network systems as one of their biggest technological risks. [11]

£3000 per minute
Businesses can lose an average of around £3000 per minute in an outage. [12]

6x
How much additional cloud storage SME's pay for. On average SME's only use 7% of their storage capacity compared to 26% for large businesses. [13]

27%
How much IT project costs overrun by [14]

Advice
Navigating network packages can be difficult and if your structure isn't scoped out and executed using milestones, costs can spiral. Ensure that your network is robust enough so no sudden downtime cost is incurred. Also make sure that you are aware of cloud risks before moving.

References 1. Ofcom 2. Vodafone's research report, 'Working smarter to succeed' 3. telegraph.co.uk 4. Information Age 5. www.waspbarcode.com 6. Aberdeen Group (cio.com) 7. Market and Business Development Ltd. 8. Fonolo customer service blog 9. Frost and Sullivan 10. www.strategiccontact.com 11. www.strategiccontact.com 12. computerweekly.com 13. tecweekeurope.co.uk 14. Symantec.com 15. Forbes.com

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