

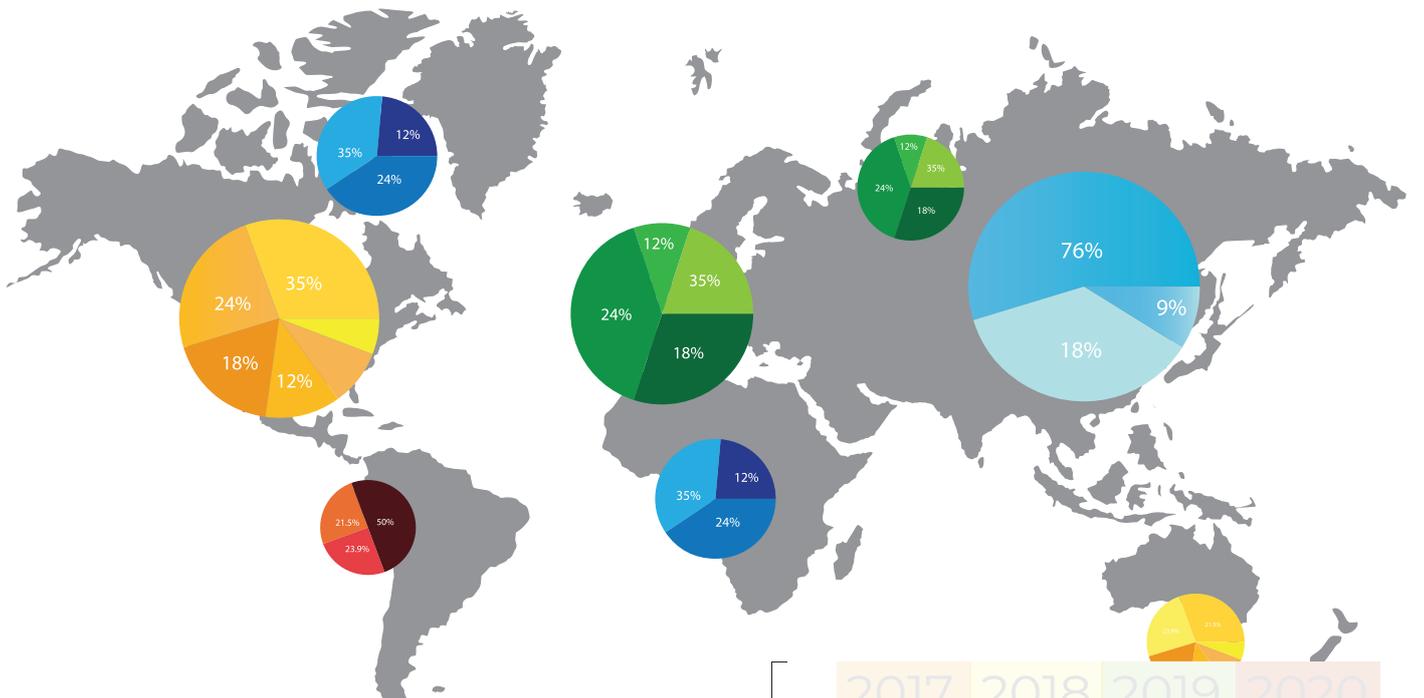


How to sell VoIP

**Finding your niche in
a \$140B industry**



www.xinixworld.com



The VoIP market is expected to grow at a Compound Annual Growth Rate of at least 9% between 2016 and 2021. This means it will jump from \$83 billion in 2015 to over \$140 billion by 2021.

(Source: Zion Research)



Despite this growth, nearly half of all businesses still do not understand why they need VoIP. Almost as many are held back by fear of the migration process. And even those businesses that have already adopted VoIP are often using it for only the most mundane and limited purposes rather than exploring its full potential.

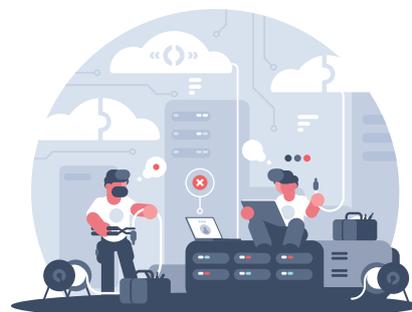
So why the discrepancy between the value of VoIP and the actual usage? There seems to be a missing link here; someone or something needs to **fill that gap**.

Now, more than ever before, is the ideal time to dive **head first into** the VoIP market as a Service Provider. Customers are ripe for the picking, they just need someone to come along beside them and show them what to do and how to do it.

The missing link is all of those extras that go beyond plain vanilla VoIP: UCaaS, the Cloud, BYOD, SaaS. Keep reading to learn all about these technologies and how you can stand in the gap and capitalize on the growing VoIP industry.

Five Steps to Building Your VoIP Service

1. Make a plan
2. Choose infrastructure
3. Find a niche
4. Add marketable features
5. Set your prices



Five Steps to Marketing Your VoIP Service

1. Educate on the benefits
2. Demonstrate the features
3. Guarantee an easy transition
4. Pledge ongoing customer service
5. Offer an incentive to join



Five Challenges to Selling Your VoIP Service

1. Lack of education
2. Fear of taking the step
3. VoIP as a commodity
4. Finding your place
5. Adding value
6. Fear of making the wrong decision



5 Steps to Building Your VoIP Service

You only get one chance to build your VoIP service from the ground-up, so it is worth taking the time to plan and do it right. Of course changes can be made later, but it is so much easier to simply maintain a solid system from the beginning. Let's take a look at five practical steps to building your VoIP service.

STEP 1 Make a plan

Grab a cup of coffee and sit down with a pen and paper. You are probably anxious to hit **the ground running**, but **this first step** should not be skipped. Start by thinking about **your goals**. **Be specific and make** both short and long-term goals for your company. No idea is too big or small - get it all on paper before you do anything else.

Your goals may include things like sell 50 extensions per month or gain 10 clients; you will know best how to get started.

Once you know exactly what you want to achieve, you can begin developing a roadmap. Unless you have previous experience with running a VoIP company, we do not recommend doing this by yourself. Get advice from experts and seek a provider that will work with you from the ground up.

Your roadmap should cover things like **finding a services provider**, setting your prices, and choosing a feature-set.

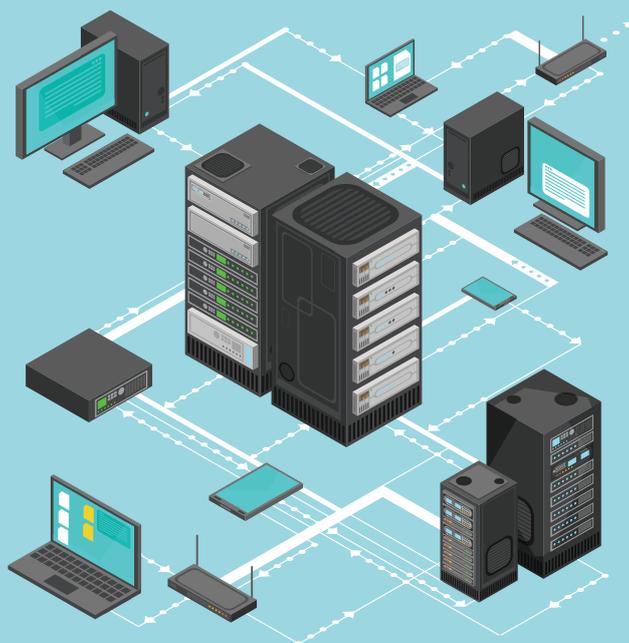


STEP 2

Choose infrastructure

The core infrastructure will vary based on the size of your operation. One server with two quad cores and 16GB of RAM can typically support up to 400 concurrent calls without call recording. This translates to 2,000+ business extensions or 5,000+ residential extensions, which is more than enough to allow a start-up business to begin operations, or for a pilot study to do a large national rollout.

Be sure to make your solution redundant, either with hardware redundancy so that if one device fails another can replace it, or with a reliable Cloud structure. To be effective, your redundancy must deal with “two brains” – what happens if the original server starts again?



Much of your infrastructure will be linked to the switch. Based on our own experience, providing the source of features and functions to our partners has saved enormous resource at the beginning of new business ventures, even for large OEM customers.

You may also consider Dual Location Redundancy to secure against acts of terror and natural disaster. This will cause the costs to rise considerably. **Your specific situation** will dictate whether the added insurance is worth the cost.

In all cases, a **firewall** is a must. Password-protected HTTP, root, and SIP endpoints should use the highest security. Without this protection, hacking is inevitable. With virtual security becoming such an important issue, we recommend seeking advice from professionals rather than doing this yourself.

STEP 3

Find a niche

Entering the market is the starting point to any business venture. Establishing your VoIP offering in the market will depend largely on your location and circumstance. It is important to **find a niche where** you can stand out and build a customer base.

A few things to consider include:

Urban or Rural



Large metropolitan areas will have needs very different than those of remote communities. Where you provide service will dictate much of what we discuss in this paper, including the type of technology and pricing models. Determine early on where your market is.

Residential or Business



In developed markets, the residential sector is often already catered to by a few large incumbents. Without considerable size and extras such as Triple Play or some technological gimmick, it will be harder to carve out a spot in the residential market. The business market, however, is wide open and it is not very **difficult** to get a foot in the door.

Public or Private



In our own experience, government has proven to be the hardest and easiest of institutions with which to deal. With restricting budgets, they often have the greatest need to take advantage of the cost opportunities that our technology provides. Of course, size will matter here, but the market is large and varied. There is space for many entrants in many forms.



Direct Sales or Distribution Channels

If you already provide Internet services, the question of direct sales or distribution channels may seem obvious. You already have a large existing customer based. But be careful – this can be a false paradise. Newer competition may enter the market with more value-added offers and opportunities for cost-savings.

The established providers must strategize to expand to a value-added offering or risk losing customers. Determine early on where your market is.

VoIP will also open the door to vertical sales opportunities to entities like hospitals, hotels, or schools that need an internal CRM and integration.

STEP 4 Add marketable features

Today's market favors buyers and most already know exactly what they want. They have done their research and seen the features that your VoIP competitors offer. And they want all of them. **The solution: Unified Communications.**

UC levels the **playing field so that** even the smallest business can offer the exact same feature-set as the largest enterprises. Not only will you have all the features that your customers want, UC opens the door to adding new features as they emerge.





A few key features that will make your product marketable:

Scalability

Customers love when you tell them that your product will last indefinitely. Maybe they have already changed providers a few times and are sick of the costs and processes involved. A scalable product will make their investment and transition worth it.

Comprehensiveness

If you are offering every single thing that the customer's company needs, they will jump at the chance to sign on with just one vendor. Make it so when they get to your company, they can stop shopping and get back to work.

Mobility

There was a time that mobility was an extra, the icing on the cake so to speak. But today it is simply expected. According to a study from TechNavio, the Mobile VoIP Market is expected to grow at a CAGR of 28% between 2016 and 2020. The bottom line: You have got to have mobility.

Security

This is the largest concern of most SMBs today. Even if serious threats do not exist, they are fearful and need assurance. Choose a platform that includes security measures that will give your customers peace of mind.

Flexibility

One size **does not fit all**. If you want to win all of the customers, you must be willing to work on an individual basis and provide custom solutions. We have won some of our biggest bids because of custom work that wowed and pleased the customer.

Integration

Finally, all of these pieces must work together seamlessly. As mentioned above, the goal should be to provide a one-stop-shop so that you are the only vendor and your customer can focus on their business rather than making all of their pieces **fit together**.



STEP 5 Set your prices

The most important piece of advice we can give about pricing: do not sell yourself short. While your prices need to be competitive, your product is also worth something and customers will know and respect that.

Find out what the competition is asking, evaluate your products and services, and set fair prices that give you what you need to keep going.

Add-ons and extras are a great way to increase your revenue without upping your prices. Include only your core service in your main product and then offer the rest as optional add-ins. Customers like this transparent approach too because it gives them **more flexibility** and control.

Use the below as a guide to help you get started.

Residential Phone Line

\$25 +tax

(Vonage Model)

Unlimited Local and Long Distance including Canada and the Caribbean.

Promotion could include a Panasonic Wireless Phone plus IAD Device.

Business Phone Line

\$30 +tax

Unlimited Local and Long Distance including Canada and the Caribbean.

Hosted PBX

Price upon agreement

This includes all PBX Features, plus router, switch, basic phone and unlimited local / long distance calling including Canada and the Caribbean.

Cost per Seat

1-5 Seats
\$29.95 +tax*

16-25 Seats
\$24.95 +tax*

51-100 Seats
\$19.95 +tax*

6-15 Seats
\$26.95 +tax*

26-50 Seats
\$22.95 +tax*

Above 100 can range from \$14.95 to \$16.95 +tax*

If they have their own phones, reduce the price by \$2.00 per seat per months

5 Steps to Marketing Your VoIP Service

Once you have built your VoIP solution and found a niche, you are ready to hit the market. Attracting customers will be one of the most challenging and rewarding steps in this process. Not something to simply tick off your list, marketing will be an ongoing, ever-changing process. But when the customers start coming in, all of your efforts will be worth it.

STEP 1 Educate on the benefits

Breaking Through

An Osterman Research Study found that 48% of businesses do not understand how **Unified Communications (UC)** will benefit **their business**. They may understand and even want UC, but simply do not grasp the real and direct benefit to their business.

This means that about half of the leads you approach will not understand why they need your product. The only solution to such a problem is education.

If you want to sell VoIP, you have to teach your customers about VoIP, thus lessening their uncertainties and fears. Throwing features at them will not help. Flashy product images and videos will not work. The only way to break through will be to make them see and appreciate what your product can do for them.

Start by showing your customer what VoIP itself can do for them – what value will it bring to their business. Be careful not to confuse **benefits with features**. Features like Presence and Click-to-Call and Instant Messaging are important, and you will want to show those too, but not quite yet.

The benefits are big picture values like:

- “Saves time so you can focus on selling”
- “Eases stress in the office”
- “Supports productivity in workers”
- “Enables you to provide better customer service”

These statements are all ways that VoIP improves the day-to-day lives of your customers. Put yourself in their shoes and consider what issues they face, how their time is wasted every day, what frustrations they express, and so on. If you address the issues that they face they will immediately identify and want to know how to attain your solutions.

There is a simple but fundamental phrase that we are going to use over and over again in this book:

“What do they get? How do they get it?”

We will keep repeating this because it just works. This is how you break through to potential customers.

Your product **benefits, those irresistible solutions** to customer problems, are the answer to “What do they get?”. The next section (Step 2: Demonstrate the features) will go into more detail about “How do they get it?” and how to use features to answer that question.





Earning Trust

According to Accenture Research, 94% of B2B buyers do research online before making a decision. A buyer's market plus the age of Google, means most prospects are going to know plenty about what is new in the industry and what your competitors are offering. Take advantage of this trend by doing your own research and establishing yourself as an expert. Customers will trust you and think highly of your company in return.

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Accenture Research

Prospects are naturally going to ask questions before committing to your company, so you better have the answers ready. And not just about the product; you need to know your company, your employees, your partners, and even the market in general. Leads will be more likely to trust and listen to you if you sound like an industry expert.

How to Sell with Benefits & Features:

Benefits are what make your product irresistible to customers. These are the big picture values like saving time, increasing productivity, lessening stress, etc. Illustrate **benefits** to convince your leads that they **NEED** your product to make their life better. Features are how your product delivers all those **benefits** you just told your customer about. These are things like presence, click-to-call, conferencing, etc. Demonstrate features to prove that your product has all of those life-improving **benefits**.





STEP 2

Demonstrate the features

Now that interest is piqued and your potential customer is realizing how **beneficial** your product could be, it is time to show them the product itself. Let's return again to our catchphrase:

“What do they get? How do they get it?”

You have told them what they will get, now is the time to answer how to get it.

The **benefits from above** (time savings, productivity, and so on) can be attained through your product features. But do not try to explain the features over the phone. Instead, show them in real and tangible ways. Use live demos and customer stories to illustrate real-life examples that are **relevant and relatable**. **Be specific**. **Once** you get started, they will not want you to stop.

Let's go through an example. Say you are giving a product demo to a potential customer and you come to the drag-and-drop feature. Which of these narratives is going to convince them that they need this feature?

Narrative 1

“The drag-and-drop feature is a quick and easy way to grab a contact and pull them into a call. Just grab the contact like this, drag them to the call window like this, and voila! they are on the call.”

Narrative 2

“Have you ever been on the phone with one person and needed quick input from a second person? How did you handle it? Did you have to hang up, call person number two, and then call person number one back? Shoot an email and hope for a quick response? What if it was as easy as grabbing that second person with your mouse and dragging them into the call like this?”

If they have ever faced the problem you propose in narrative 2, they will be instantly sold. Businesses in the 21st century are short on time and high on expectations, so you **must find a way** to quickly convince them that this will **benefit them now**.



Highlight your most interesting and popular features like click-to-call, drag-and-drop, presence, and screen share. Go back through the list of **benefits from step one** and assign at least one feature to support each. Those are the features that you will show your customers.

Let's do another example of how **benefits sell**.

Narrative 1

“Our **Communicator** desktop and mobile app can pass calls seamlessly from device to device without interruption. Just press this button and then answer on your mobile for more flexibility.”

Narrative 2

“Imagine that you are on an important call at your desk, but if you don't leave the office now, you'll be late for your next appointment. What are your options? Ask the person on the other end to reschedule and risk losing their interest. Ask them to hang up and wait for you to call back from your cell phone and risk losing them to another task. Stay on the phone and lose your next appointment. Lose, lose, lose. Or you could grab your cell and Bluetooth headset, seamlessly transfer the call from **Communicator** desktop to **Communicator** mobile by pressing this button, and walk out of the office with the caller none the wiser. Which would you choose?”

Keep our catchphrase in the forefront as you plan your marketing tactics.

What do they get? How do they get it?

At the end of the day, that is all your customers really want to know anyway.





STEP 3

Guarantee an easy transition

Research shows that 39% of business decision makers are intimidated by migrating to UC.
(Source: www.eWeek.com)

If you know that your prospects have fears about the migration process, take advantage of that knowledge to bolster their **confidence** right from **your first phone call**. Promise to take care of as much of the transition from your end as you can so that they have less to worry about. If you are **confident**, they will become **confident** too.

It is important to achieve a balance between promising to do it all yourself and being transparent so that they are aware of what is happening at all times. While they will appreciate you taking the burden away from them, they will not want to be in the dark, blindly trusting you to do it right.

Prepare a thorough plan of what you are going to do. Give them something tangible - a PDF or PowerPoint that they can study at home and share with their superiors or present at meetings.

This will ultimately serve a few purposes. On one hand, seeing the whole transition process laid out will validate their belief that it may be intimidating. On the other, it will conquer those fears by making it a manageable task to achieve. Show them every little thing that your company will do for them - each of those things is something that they do not have to do on their own if they sign on.

Be sure to include potential problems that will arise during the transition. It may feel backwards to tell a prospect all the things that could go wrong, but really it will make them trust you more and want a partner that preemptively promises to **fix any** issues.

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eWeek

Get your migration plan to them early on and their **confidence** in you will immediately soar.

STEP 4

Pledge ongoing customer service

Customer service is one of the most neglected areas in our industry. It seems that with advanced technology and complex solutions has come a belief that technical support equals customer service. This could not be further from the truth. Yes, if you are going to provide a VoIP service, then you must have great technical support, but do not stop there.

In addition to neglecting the non-tech side of customer service, modern IT companies are not nurturing their customers for long enough. We will usually bend over backwards for our prospects, up until the point of sale. But our job is not over after the sale. In fact, we are just getting started.

As you market your product, be sure to feature your ongoing customer care plan. Continued customer service will ensure happy customers that stick with you for the long-haul. Staying in touch with your customers will make you aware of potential issues before they reach the boiling point.

Your long-term customer service offers could include marketing materials, personalized advice, ongoing training, webinars, and even invitations to company get-togethers. Think back on how much time and effort it took to win **your first** client - do not neglect them once they are on board.



STEP 5

Offer an incentive to join

The final step to marketing your VoIP service is offering an incentive to come aboard. One option is to discount your prices, but you may have more success the more creative you get. Throw in one of your UC add-ons for free if they sign on for a year. Or offer free, no-commitment-required transition plans for a limited time. Maybe the more they spend, the more discount they get.

Whatever you chose, be careful not to devalue your product. If prospects see you giving too much away, it will cheapen the product in their eyes. You have developed a stellar VoIP service that is worth every penny you charge. Make sure you get what you are due, but then throw in some extras to sweeten the deal.

Another strategy is to target the customers of your competitors with specialized deals. Research and identify the weak points of your competitors and capitalize on those. Maybe a lack of features is a problem for one of your competitors. Approach their customers with your product and offer to throw in six months of free UCaaS if they transition over.

Just like you do not want to devalue your product with excessive discounts, you do not want to become that company that is always on sale. We all know the one. They never charge full price for anything, so you know that those original prices **are inflated**. Make sure you have periods where your prices are maxed and no freebies or discounts are available. This will make your promotions more believable and convey to the customer that your product really is valuable.



5

Challenges to Selling Your VoIP Service

With an industry so big and an opportunity so great, it is no surprise that you will face some challenges when selling VoIP services. The key is to acknowledge and prepare for them ahead of time. The development and marketing strategies we gave previously are designed to preemptively address these kinds of challenges, but it is still a good idea to discuss the issues themselves.

Lack of education

As mentioned previously, nearly half of all your customers will not know how **Unified Communications** can benefit them. If you are trying to sell VoIP, UCaaS is going to be a key component, so we better start educating. Along those same lines, many companies will have some knowledge and appreciation of VoIP, but their information will be outdated. VoIP has come a long ways in a short amount of time, and you must make your customers see those changes and why they matter. Make sure that not all of your marketing and publications are product-based. Share plenty of informative resources to educate your audience and establish yourself as an expert.

Fear of taking the step

Change is scary and the research shows time and again that your potential customers have fears about moving to VoIP and especially UCaaS. To reiterate from the previous section, more than a third of your customers will be intimidated by the transition process to UC. Others will be afraid of making the wrong decision and getting their company into a mess with no escape. These fears give you the perfect opening to come in with a clear, **confident** transition plan and reassuring customer service. Testimonials and case studies are an excellent remedy to this problem. Show them their peers that took the plunge and came out on the other side with something to show for it.



VoIP as a commodity

If we are not careful, we run the risk of turning VoIP into nothing more than a commodity. If all you are doing is selling \$20/month to each customer, you are not going anywhere. VoIP is not potatoes and we do not want you to limit yourself when so much opportunity exists. Where **does that opportunity lie? Unified Communications**. UCaaS enriches VoIP with **features and flexibility** and a path forward.

Finding your place

New, small businesses in particular may struggle to answer the question of "Why Us?". There is a lot of noise out there and customers will want to know why they should choose you over the rest. We can again come back to UC and the doors that will open. Liability is another issue here. Choose a provider with a rock-solid, comprehensive product to lessen the risk of liability.

Adding value

Finally, getting the revenue necessary to push forward can be a challenge as you try to compete with larger, established companies. The answer is not to raise your prices or overcharge your customers. Keep your prices at a competitive rate but offer plenty of extras and **add-ons**. **Not only will these increase the flow** of revenue, they will also set you apart and wow customers.

Conclusion

We hope this book helps equip you to begin your journey into the billion-dollar VoIP industry, but this is only the tip of the iceberg. If we could give you only one piece of advice, it would be this: choose a provider that will partner with you and support you from step one on. This is going to be a bumpy ride and you should not have to do it on your own.

If you are looking for a partner, **Xinix World** is a UC provider with all of the pieces to start and grow a VoIP company. We have helped thousands of partners grow the ground-up and believe strongly in supporting our partners from beginning to finish and beyond. Your success is our success. To learn more, visit www.xinixworld.com or contact us at sales@xinixworld.com today.