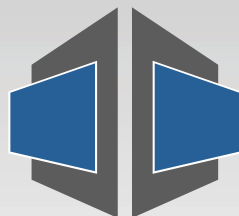


# 11 Vital Questions to Ask When Negotiating for a New Phone System



**COMPARE**  
**BUSINESS**  
PRODUCTS

# Introduction

Decisions . . . decisions.

Determining which phone system is best for your organization's needs can be a time consuming process. Yet, evaluating a new phone system demands your careful due diligence. Why? Because if you choose the wrong system, it could result in a costly mistake and produce long term consequences if your employees are stuck with a system that doesn't fulfill your business needs.

When looking at what seems to be an endless variety of business phone systems on the market, don't be afraid to hold your phone system vendor representatives accountable for making you comfortable when you're ready to buy. Your vendor representative should be able to thoroughly answer every question you pose to them, and provide business terms that you feel comfortable with.

Whether you're researching phone systems for a small- to medium-size business or a large enterprise, you'll have the advantage when you thoroughly prepare before you talk to vendors.

Make sure that you define your organization's phone system needs ahead of time and ask vendor representatives the right questions only after you're properly prepared. This will help you eliminate the various risks involved with

selecting the wrong system and help ensure you get the best deal on the right phone system for your company.

Following are 11 vital questions to ask phone system vendors while negotiating and well before you agree to make a purchase.

## Question #1

"Will you repeat our phone system needs that I've just described?"

### Clarity Is Key

After you define your phone system needs and then describe them to a vendor, ask their representative to repeat those needs back to you so you know that both of you are on the same page.

This question may seem fairly obvious, however, you want to make sure your vendor representative clearly understands your specific phone system needs so you'll have the confidence they'll meet or even better than that – exceed them.

## Question #2

Why is your phone system better than your competitors?

## Don't Rush Your Rep!

You may be researching a variety of phone system vendors, but be sure to ask your vendor representatives to tell you in their own words why their system is better, more cost effective, or more suitable for your needs than any other service available. You may have noted certain differences and similarities during your discussion. See if they can highlight others, or if they can't really differentiate at all. They're undoubtedly more familiar with their competitors than you are and it's up to your vendor representative to differentiate her company's products from her competition. So don't rush your representative. Allow her plenty of time to highlight her system's advantages and benefits.

## Question #3

Does this phone system have (specific features) and is there an extra cost associated with getting those features?

### Features, Features, Features

You'll want to have a clear understanding of the features you want in your phone system before you begin talking to a vendor. They may suggest those features you hadn't thought of that can be useful as well. Once you identify all of the key features, determine what, if any, the extra costs

will be.

Vendors vary greatly when it comes to what's included in a particular package and what's considered an add-on to the service. For instance, some providers offer a variety of different phone types that are considered add-ons to the service. You may end up being able to get the same phones somewhere else for less. In addition, certain features, such as voice mail, might seem like obvious inclusions, but are actually considered add-ons with an extra cost.

## Question #4

Is this system SIP (Session Initiation Protocol)-based and is it compatible with other technologies?

### Will The Marriage Work?

SIP is a signaling protocol used for establishing sessions in an IP network, and it is now the protocol of choice among VoIP users. SIP works very well with Internet applications, and with an SIP-based system, you have access to a host of innovative services, including: voice-enriched e-commerce; click-to-call on Web pages; instant messaging with buddy lists; collaborative, multi-party, multimedia conference calls; and more. Ensuring that your phone system is SIP-based can save you a lot of headaches over the long term.

In addition, you want to ensure that your phone system can be integrated with the other technologies you use, such as Microsoft Outlook for email and sharing calendars. Tell your vendor representative about the other technologies you use – both in your office and remotely – and have them explain compatibilities and other important issues.

## Question #5

Can this phone system scale as my business grows, and will there be extra costs if or when we expand?

### Avoiding Growing Pains

If you are planning to grow your business, open new locations, or otherwise make changes to your existing infrastructure, make sure your phone system is going to be flexible enough to make those changes with you, without adding on a lot of extra costs and hassles.

For example, do your employees change desks or move locations frequently? Are the phone lines and phone numbers easily transferable? Ask your vendor representative to share examples with you about how other clients' business needs changed over time and how their particular phone system performed amidst those changes.

## Question #6

“How many data centers do you have and where are they located?”

### Location Affects Speed

Along with scaling as your business changes, let your vendor representative know where and how your phone system will be used, such as whether it will be used mainly for local calls or internationally. Your phone system provider needs to have adequate data centers placed in enough locations to ensure that geographical distance is not a hindrance to speed and efficiency.

## Question #7

“Since we are considering a VoIP setup for our new phone system, what can you tell me about bandwidth requirements and any internal network requirements?”

### Handling The Load

Because VoIP requires a broadband connection, ask your vendor representative about what kind of bandwidth you'll need for simultaneous users. As for your internal network, such as your routers and switches, ask your representative

about any load capacity issues that you need to be aware of and what type of router you should use. Most providers will suggest using a router with configurable Quality of Service settings and assigning VoIP traffic high priority to maximize quality.

## Question #8

“Are businesses similar to mine using your phone systems?”

### Where’s The Evidence?

Now that your vendor representative understands your needs, ask him if other businesses similar to yours (in size and usage patterns, for example) are using his company’s phone systems. Vendors should be able to provide you with evidence such as case studies (also known as customer success stories), which can go a long way in helping you make your decision. This is a good time to ask for references or additional testimonials as well. If your representative balks at your request, or is unable to provide a positive response, view that as a definite “red flag” and consider other vendor options.

## Question #9

“Can I talk to 2-3 of your current customers about how they like the phone system?”

## Learn From Voices of Experience

Don’t be shy about asking your vendor representative for references. Sure, they will never give you the name of a past customer who was unhappy with the service, but if they can give you two to three references from customers who are happy and willing to share their experiences with you, that’s a good indicator. And more often than not, once you’re able to connect with a reference on the phone, they will be candid with you about their experiences.

## Question #10

“What kind of service and support will I get for both installation and on an ongoing basis?”

### Customer Support Can Vary

If problems arise, you’ll want to know who to call and when they’ll be available to help you. You don’t want to get into a situation where you sign a contract and then your vendor is totally unavailable. Level of service and support is another aspect to buying a phone system that can vary widely among vendors. This is something you want to be clear about before you sign your contract vs. being disappointed later on when there’s no one there to help you except an inadequate FAQs page on the vendor’s website.

## Question #11

"What will this system cost, and what if I need to make a change?"

### It's All About The Terms, Contract and Pricing

When all of your quality, benefits and features questions are addressed, you'll naturally want to make sure the price and contract terms of the phone system vendor you like best work for your business.

With phone systems changing rapidly and a lot of competition in the market, you should be able to avoid being locked into a long-term contract. Also, be sure to ask about cancellation and return policies – sometimes you won't be aware of certain issues until your employees actually start to use the phones. You want to make sure there's a way to get out of a contract if lack of service or functionality warrants it. In addition, as with the very first question covered in this guide, hold your vendor representative accountable to explain why they charge the way they do and how their pricing beats the competition.

## Conclusion - The Least You Need To Know

We're confident the questions we have presented in this guide will help you make a more informed decision when faced with negotiating and buying a new phone system. You may even think of more questions beyond what we've provided here – especially from a more technical standpoint – but those provided should give you a good start toward making a wise decision.

At the very least, make sure your vendor representative thoroughly understands your needs, ask about their competitors and how they differentiate from them, explore extra costs and system compatibility, look at technical issues that will affect speed and quality, ask to talk to references and current phone system users, inquire about the level of service and support offered, and most importantly, be comfortable when it comes to terms, contracts and overall pricing before you making your final purchase decision.