



The Real Costs of Doing Nothing

How to achieve dramatically lower TCO with eXperience Communications as a Service

About this guide

Your IT team has put a great deal of work into evaluating and understanding various business communications solutions that meet your organisations' needs. But securing funding for strategic priorities, like employee communications and customer engagement tools, is often complex.

Today, CIO's and CFO's are increasingly scrutinising their organisation's current infrastructure investments, including standalone phone systems, maintaining on-premises video collaboration tools, and undertaking expensive and disruptive contact centre upgrades. Two-thirds of IT and finance decision-makers admit that wasteful spending on upkeep projects does not "move the needle."

This Total Cost of Ownership (TCO) guide will help you build credible ROI models and provide an objective financial analysis to justify your business communications project investments.

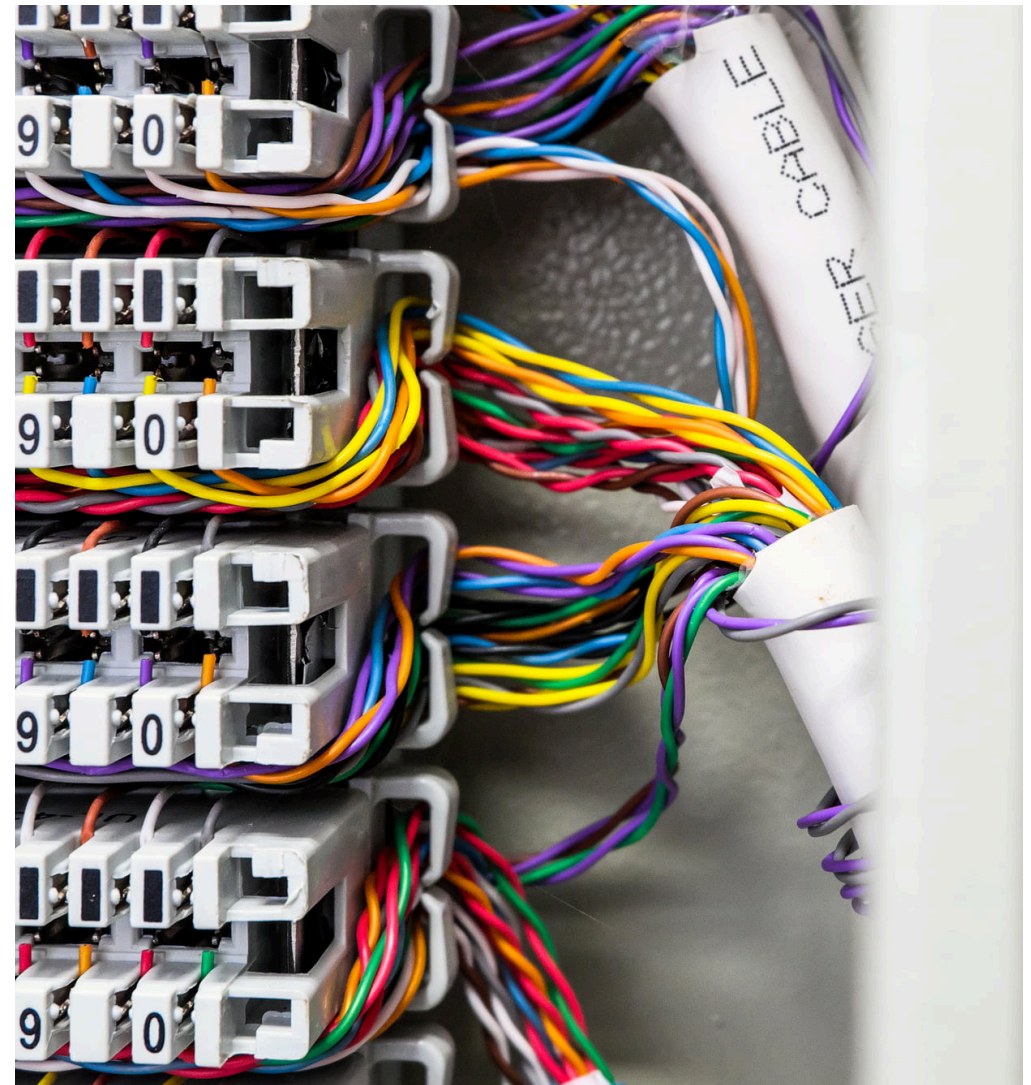


Sticking with outdated communications hurts

Sustained competitive pressures and demanding customer and employee expectations are redefining entire industries.

Hanover Research revealed that 51% of organisations choose combined cloud communications to improve productivity and employee experiences, while customer satisfaction accounts for half of all respondents.

Businesses with legacy communications technology may find it tempting to maintain the status quo and just “bolt-on” new services, but keeping ageing and disparate communications tools on “life-support” can bite deep into already stretched IT budgets.



The true cost of inaction

While on-premises communications systems offer full control over the hardware and configurations, they require specialists to provide system maintenance, making it costlier than cloud communications.

Integrating on-premises platforms with popular business apps and CRMs incur substantial manual activity costs. Human error in managing legacy systems can adversely impact staff productivity and risk reputational damage as customer complaints increase.

Trying to wrestle new functionality from on-premises communication tools is expensive and lacks the agility and hassle-free advantages of cloud alternatives.

Furthermore, connecting individual vendor platforms and maintaining separate communication tools requires considerable efforts from overburdened IT staff, struggling to make an older system work in the digital world.

Implications of a patchwork quilt approach

While doing nothing may seem like the best choice, maintaining a patchwork of legacy communications is counterproductive when considering the broader implications.

These organisations often experience communication outages and unplanned downtime, not to mention potential security threats. Service disruptions cause instant knee-jerk reactions and costly decisions for backup communications.

Legacy communications tools are limited in enabling digital channels for quick and easy customer interactions, and they disadvantage businesses compared to competitors using cloud-based communications for customers' social media contact.

The cost of doing nothing in the current business environment is unaffordable and a step backwards.

More than just ROI

Innovation powers today's world, and speed is the new business currency; that's why organisations using eXperience Communications as a Service (XCaaS) see more significant ROI benefits.

86% of organisations reported that a combined communications solution helped them maintain a competitive edge and secure market leadership, and 87% of companies that identify as a forward-looking business believe that integrated communications are the future of business communications. (Source: Hanover Research - April 2021).

For a significant majority of businesses, taking no action is not an option. Indeed, 83% of business leaders said that introducing a combined communications solution is part of the organisation's digital evolution to increase revenue and customer engagement.





8x8

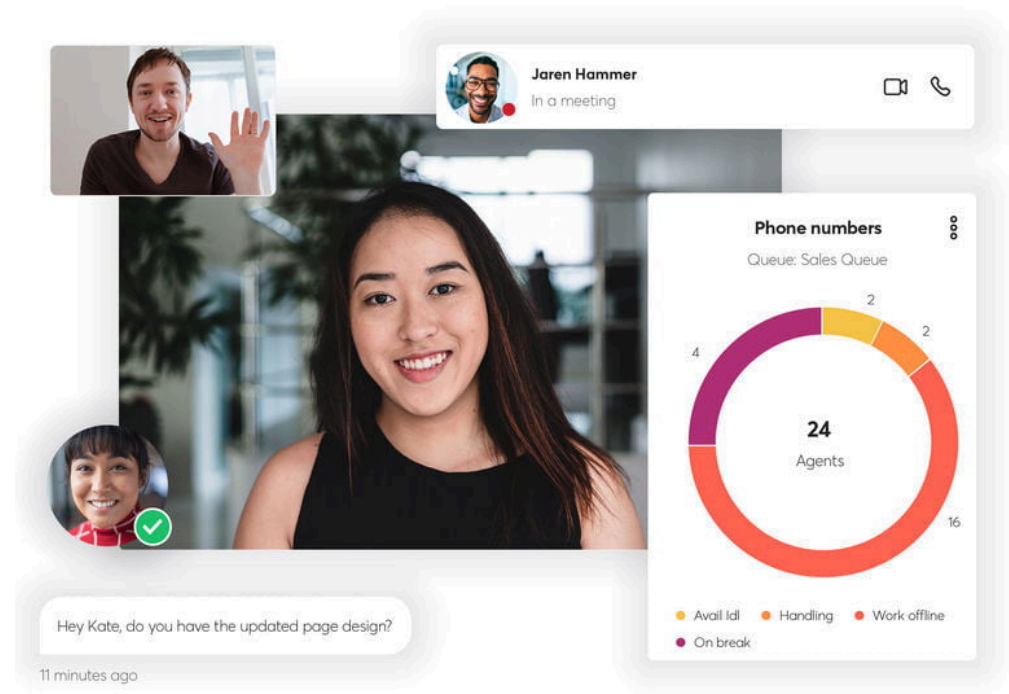
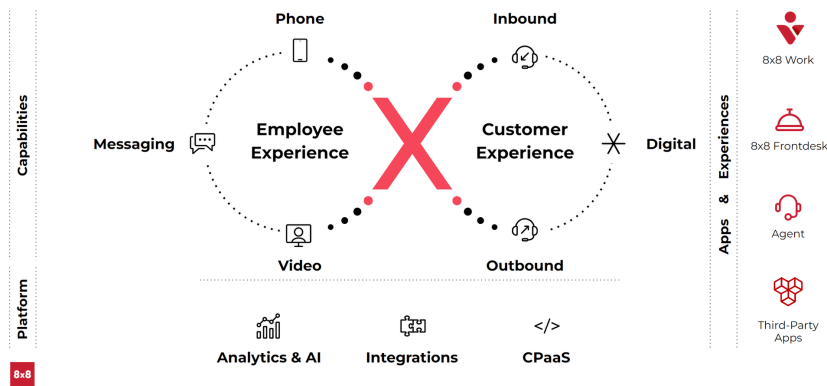
Rein in spiralling communications costs

See how the 8x8 powers modern communication experiences and delivers measurable value

The 8x8 eXperience Communications Platform™

eXperience Communications as a Service™ (XCaaS™) is the only integrated cloud platform for contact centre, voice, video, chat, and APIs. The 8x8 eXperience Communications Platform™ empowers enterprises with modern communication experiences, boosts employee productivity, delights customers, and reveals deeper insights for smarter decisions and a more agile business. This single platform approach can drastically reduce the total cost of ownership for all your business communications.

XCaaS by 8x8: One platform, one experience



Five ways organisations benefit from 8x8 XCaaS

1. Agile company-wide collaboration

Transform your organisation into an agile enterprise with tailored employee and customer experiences for all roles.

2. Unified administration capabilities

Provision, configure, manage, and monitor all of your communications with one administration interface.

3. Single integration framework to accelerate every workflow

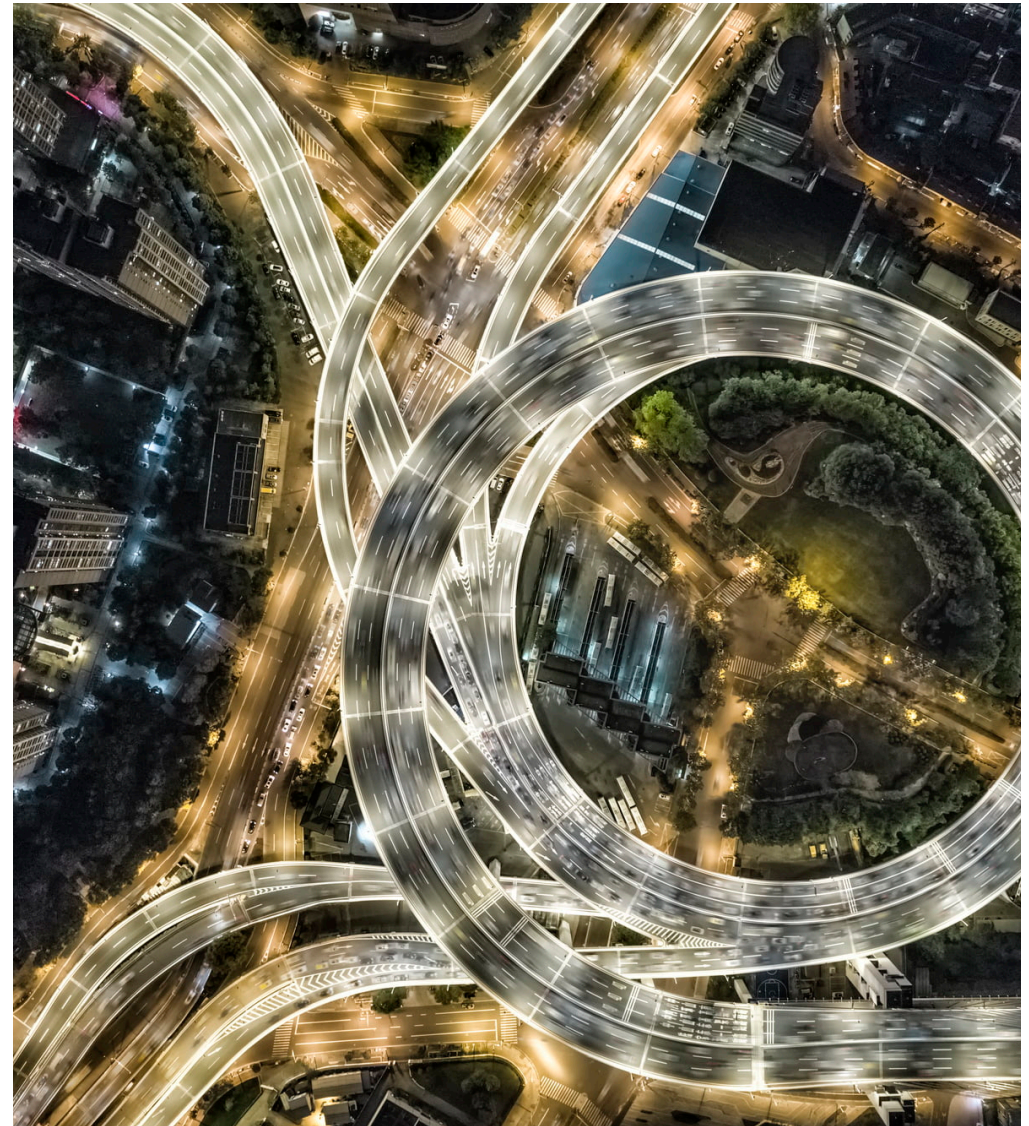
Easily connect popular business and CRM apps and help your teams achieve new productivity levels without complexity or cost.

4. Intelligent cross-platform insights and analytics

Make better decisions with unified journey analytics across all your employee and customer interactions channels.

5. Reliable global communications from a single vendor

One guaranteed 99.999% SLA for all your communications.





Consolidating communications in the cloud

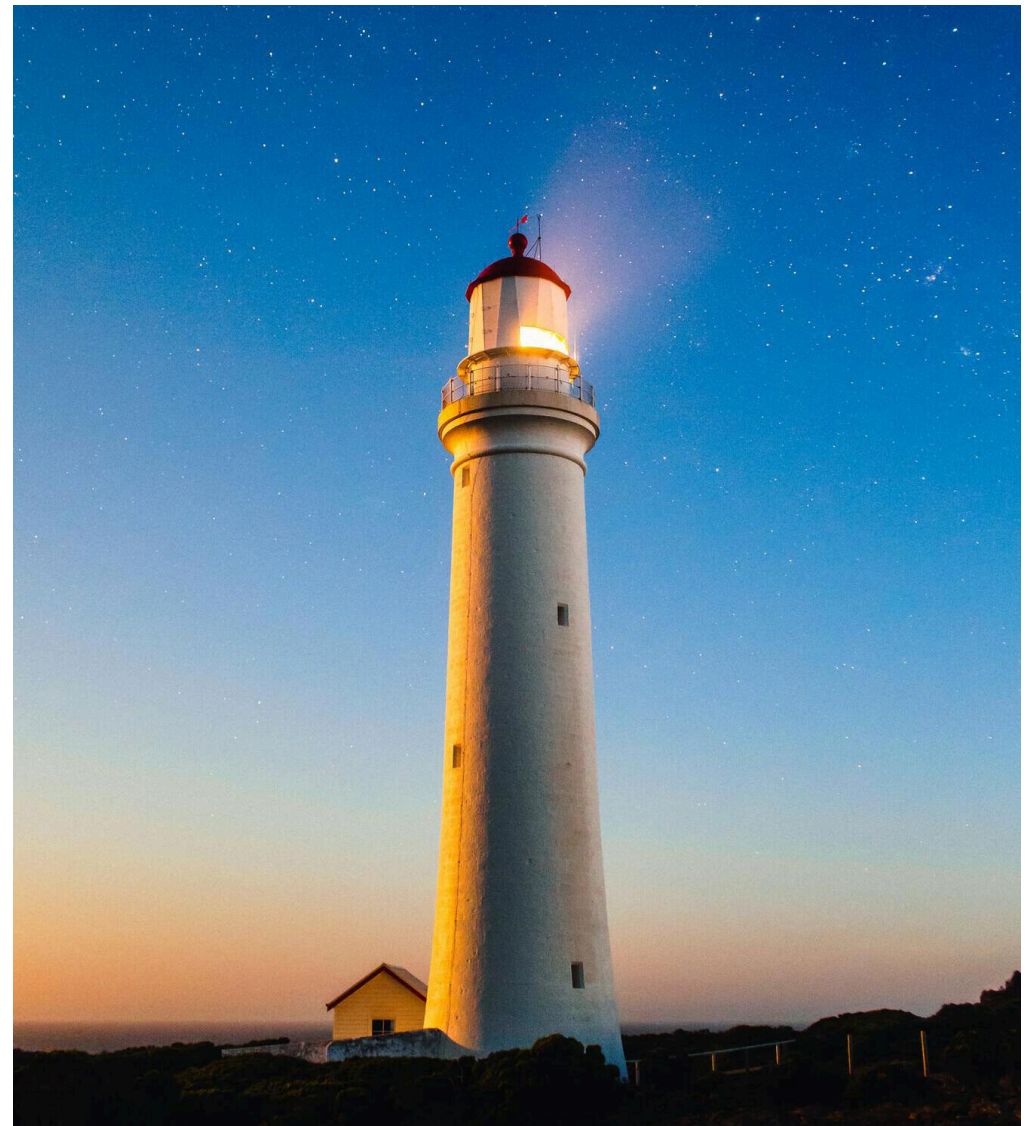
Calculating the potential TCO savings with the 8x8 eXperience Communications Platform™

Demonstrating clear business value

One of the best ways to achieve financial and IT goals is to choose a single communications provider that integrates all employee communications and customer engagement tools on a unified cloud platform.

According to Metrigy Research, having one integrated communications platform can deliver a measurable return on investment and 56% lower TCO than a multi-vendor strategy.

Articulating the benefits of the cloud to key business stakeholders and convincing them to take that step requires hard numbers to build the justification.



TCO Calculation Example

Business Profile: Blue Owl Stores LLC

This model calculates measurable outcomes for a mid-sized enterprise using real-world data and considers critical information for making an informed decision.

Employees:

- 1,250 Total employees across all locations

PBX Communications & Collaboration Profile:

- 8 Office locations
- 75 phones/headsets at each office location

Contact Centre Profile:

- 2 Call centre locations
- 18 Call centre agents that are working concurrently
- 50 Call centre agents in total
- 5 Call centre supervisors/managers



Total Costs

The table below illustrates five cost components: equipment, software, connectivity, operational, and depreciation costs. The total communications costs for Owl Stores amount to £635,689 over three years.

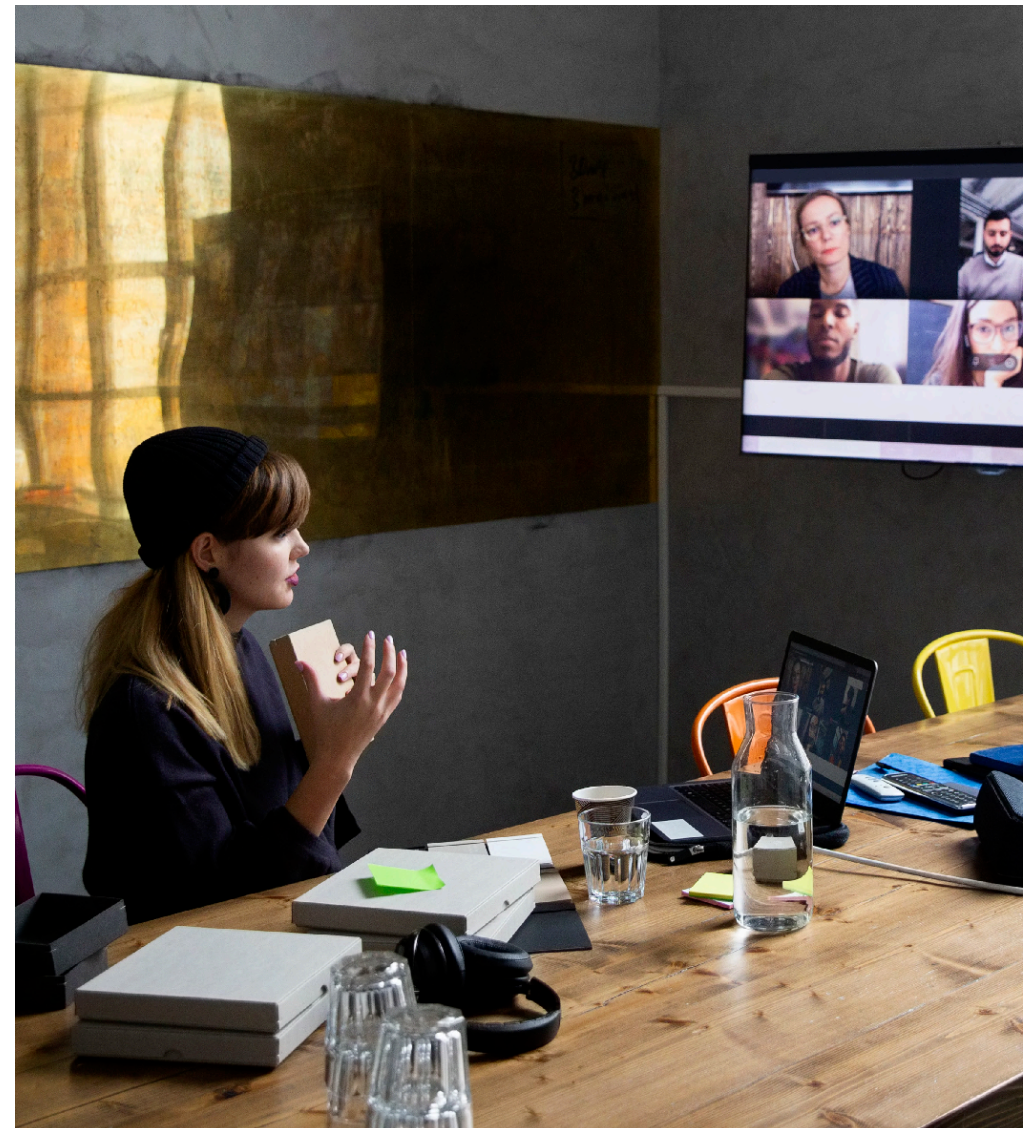
Ref.	Description	Initial	Year 1	Year 2	Year 3	Total	NPV
A.	Total costs (risk-adjusted)	£4,950	£280,028	£272,138	£285,938	£843,054	£635,689
A1	Equipment costs: <ul style="list-style-type: none"> ▪ PBX + phones (depends on lifecycle) ▪ Datacentre rental ▪ Spares ▪ People support for onsite systems ▪ Energy/ utility costs 						
A2	Software costs: <ul style="list-style-type: none"> ▪ Multi-vendor maintenance agreements 						
A3	Connectivity costs: <ul style="list-style-type: none"> ▪ Long-distance calls ▪ Local phone line costs ▪ PRI/Leased lines 						
A4	Operational costs: <ul style="list-style-type: none"> ▪ Automated call handling 						
A5	Depreciation						

XCaaS Productivity and Time Savings

The benefits of an XCaaS platform go far beyond volume discounts, licensing consolidation, and streamlined tech support. An integrated platform approach creates leaders out of laggards and fast followers with:

- Productivity and time savings that are not achievable through disparate solutions
- Intelligence that doesn't just inform and improve organisation-wide performance but accelerates the use and benefits of machine learning and AI
- Simplicity that is not just for your employees and customers, but for your IT team in management, maintenance, reporting, and transformational integrations
- Superior customer experiences with a single platform approach that breaks down communication silos and supports omnichannel interactions and saves time in the contact centre

The table on the next page shows productivity improvements and time savings delivered by a single XCaaS platform with advanced cloud contact centre features.



Time Savings Calculations

Owl Stores could achieve total time savings that equate to £758,122 over three years.

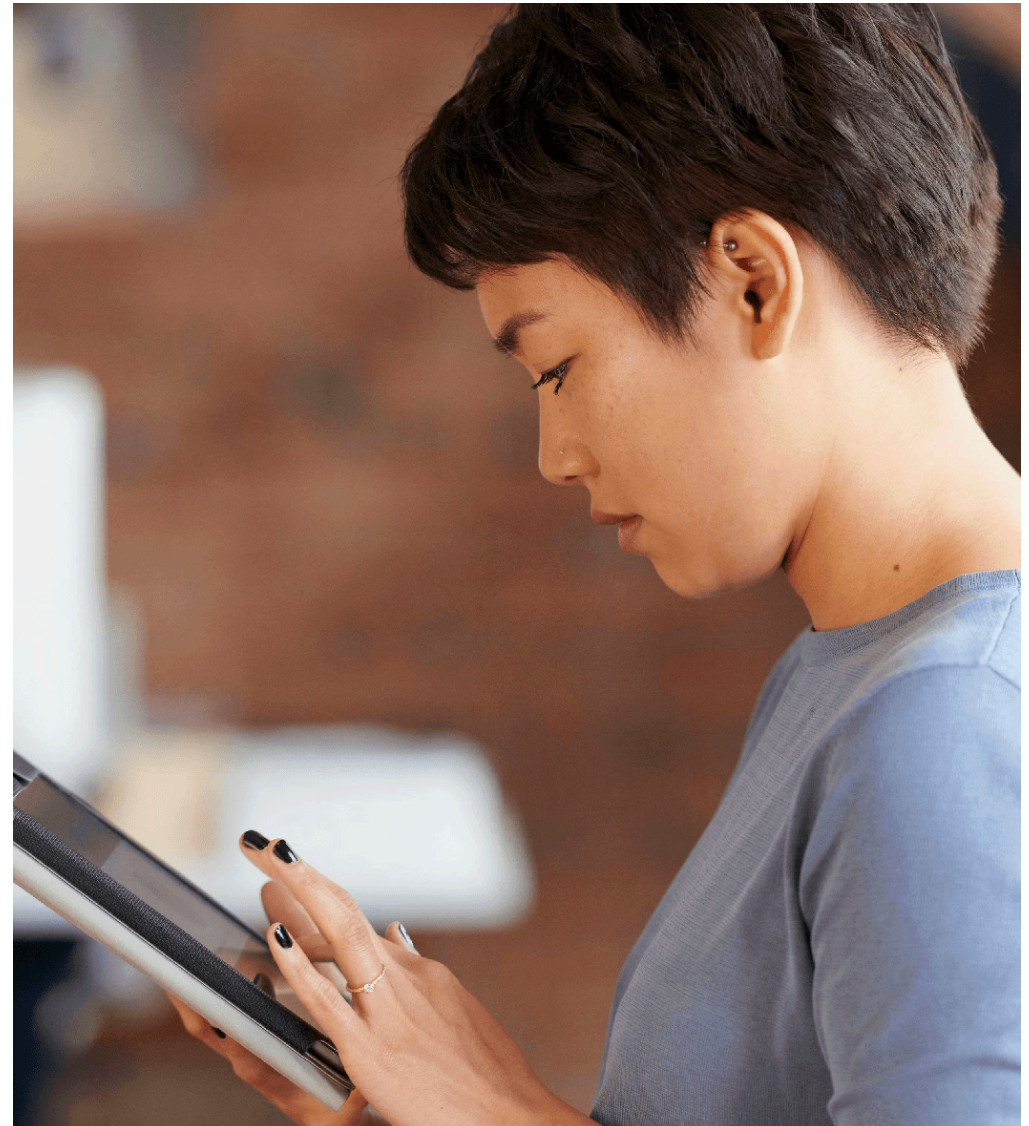
Ref.	Description	Year 1	Year 2	Year 3	Total	NPV
B.	Total time savings (risk-adjusted)	£269,686	£311,219	£340,399	£921,305	£758,122
B1	Improved productivity from: <ul style="list-style-type: none"> ▪ Company-wide collaboration ▪ Unified administration ▪ Single integration framework (app reduction) ▪ Cross-platform analytics (automated reporting, real-time decision making) ▪ Single point of accountability 					
B2	Time savings from: <ul style="list-style-type: none"> ▪ Training and adoption (IT) ▪ IT Support (Phone, Video, Audio Conf.) 					
B3	Time savings from: <ul style="list-style-type: none"> ▪ Transfer call improvement ▪ Integrations with CRM Screen Pop ▪ Analytics savings ▪ Live monitoring ▪ Agent productivity ▪ Chat/Social ▪ Quality/Training ▪ IVR/Routing verification ▪ iIVR/Automation ▪ iIVR/Speech recognition 					

XCaaS Customer Experience Impacts

Customer experience is vital to achieving sustained growth, and customers have unprecedented access to information. Social media amplify their voices, and they engage with businesses using phone, chat, email, or social channels, to ask product and service-related questions.

The 8x8 eXperience Communications Platform allows businesses to have quality customer interactions a cornerstone of their customer experience strategy.

77% of customers say they're more loyal to businesses that offer top-notch service, according to this CX Trends 2021 report.



Total Customer Experience (CX) Impacts

Omnichannel engagement tools included with the 8x8 platform improve average handle times (AHT) while maintaining valuable interactions. Omnichannel engagement makes first call resolution essential to build emotional connections with customers when resolving their issues. Owl Stores could achieve total customer experience improvements equal to £2,274,367 over three years.

Ref.	Description	Year 1	Year 2	Year 3	Total	NPV
C.	Total CX benefits (risk-adjusted)	£809,058	£933,658	£1,021,197	£2,763,914	£2,274,367
C1	Customer experience improvements <ul style="list-style-type: none"> ▪ First Call Resolution (FCR) Improvement ▪ Average Handle Time (AHT) improvement 					
C2	Improvements From Unified Administration					
C3	Contact Centre (Agent) Efficiency Gains from Single Integration Framework					
C4	Improvements From Cross-Platform Analytics + AI					
C5	Reduced Downtime with Reliable Communications and Platform Wide 99.999% Uptime SLA					

XCaaS ROI Impacts

One of the best ways to achieve financial and IT goals is to choose a single communications provider that integrates all employee communications and customer engagement tools on a unified cloud platform.

The 8x8 XCaaS Platform is designed from the ground up to ensure high-availability uptime for all employee and customer communications. We use Tier 1 platform infrastructure that enables rapid innovation, automated testing, and frequent deployments with minimal risk through management toolsets geared towards continuous delivery and elastic scale while reinforcing security and governance.

These are all the elements needed to build a solid investment case with a clear business value and strong ROI. The table below further illustrates how organisations can realise significant value over three years by using an XCaaS platform.

Ref.	Description	Initial	Year 1	Year 2	Year 3	Total	NPV
D.	Cash Flow						
D1	Total costs	-£4,950	-£280,028	-£272,138	-£285,938	-£843,054	-£635,689
D2	Total benefits (Time savings + CX Benefits)	£0	£1,078,745	£1,244,878	£1,361,597	£3,685,219	£3,032,489
D3	Net Benefits	-£4,950	£798,717	£972,739	£1,075,658	£2,842,165	£2,396,800
D4	ROI						377%
C4	Payback Period						<5 Months



Customer Success Stories

Discover how our customers are changing the world with 8x8 XCaaS



The Princess Alexandra
Hospital
NHS Trust

Hospital Trust Accelerates Digital Journey and Enhances the Patient Experience

Impacts

325 admin staff members were able to quickly and easily relocate

Hot-desking of 1:3 ratio was enabled, freeing up valuable clinical space at hospitals

The radiology/cardiology contact centre can now handle more than double their previous call volumes

The Princess Alexandra Hospital NHS Trust provides general, acute, outpatient, and diagnostic services, serving an extended catchment area of up to 500,000 residents in Essex, United Kingdom.

The Trust's telephone system was installed in the 1980s, and it often struggled to function reliably, with frequent switchboard failings.

The Trust chose 8x8 to bring them into the future, with 8x8 XCaaS which, combines voice, video, meetings, collaboration, and a contact centre in a single platform.

As the IT team moved employees to Kao Park —a redeveloped science and technology hub, they immediately noticed increased business agility and cost savings with 8x8.

To learn more, read the Princess Alexandra Hospital NHS Trust [customer story](#).



The Trust's corporate goals are built around the five 'P's — Patients, People, Place, Performance and Pounds. With 8x8, we've met every one of these.

Jeffrey Wood, Deputy Director of ICT,
Princess Alexandra Hospital NHS Trust





Leading UK Retailer Enhances Digital Transformation Efforts with 8x8

Impacts

Joined up communications for employees and contact centre staff, enabling better customer experiences

Omnichannel customer engagement - voice, webchat, email, SMS, call-back and social media

Enabling work from anywhere on one integrated interface

Halfords has seen steady growth amidst more challenging trading conditions during the pandemic.

With the massive increase in customer contacts over the lockdown, Halfords provides customers with the best possible customer experience; however, its on-premises telephony system wasn't adaptable or scalable and suffered issues.

While other legacy systems also made it difficult for Halfords to utilise metrics to track and improve the customer experience.

Halfords chose XCaaS from 8x8, which ties employee communication and the contact centre colleagues together – enabling employees to deliver and monitor the customer experience throughout the organisation.

After a year of having realised the 8x8 XCaaS platform's benefits, Halfords is on course for record-breaking profits, with employees empowered to serve customers better wherever they're working.

To learn more, read Halford's [customer story](#).



With 8x8, we're now starting to allow customers to interact with us when they want, how they want, on the platform they want. For retail, that's the future.

Gareth Brophy, Head of Customer Support, Halfords





Taking the next step

Build your TCO model to get a better sense of the hard and soft benefits of moving your business communications to the cloud

The next step

A significant majority of organisations are clearly “cloud-aware” and actively evaluating the benefits of cloud communications. This approach helps them understand the technological and fiscal hurdles to avoid so communications can run efficiently and affordably while reducing risks.

Forward-thinking companies using cloud communications are realising not only reductions in costs and operational expenses but are also spending less time setting up IT hardware, adding employees, and training.

However, it's not just about the cost. Regular system and security updates guarantee the latest functionality, enabling teams to work together whether in the office, in the contact centre, or the field from any device or location.

The flexibility of 8x8 XCaaS and the responsiveness of 8x8 as a service organisation provide unexpected and significant gains for customers when it comes to controlling costs and improving customer service.

See your potential savings with 8x8

The 8x8 ROI Calculator

Demo Video: How IT Managers use 8x8 XCaaS

Watch now:



Thank you for reading

The Real Costs of Doing Nothing

