

VoIP: It's Bigger Than You Think



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Several months ago, our discussion touched on VoIP (Voice over Internet Protocol) for telephone service. In reality, it's the biggest advancement in telephony since a Nova Scotian by the name of A.G. Bell came up with the idea of people talking to each other from a distance using wires and handsets. It is important enough that we will be discussing it in future columns.

The Internet, of course, has become the medium of the masses. It enables instant communication to virtually anywhere on the planet. Young people are totally connected, so it's not surprising that the Internet is becoming the method of choice for telephone communication. There are huge advantages, with cost savings at the top of the list. But VoIP was not immediately embraced when it was introduced, because the QoS (Quality of Service) didn't match up to the reliability of POTS (Plain Old Telephone Service).

We were introduced to new jargon such as 'jitter' and 'latency'. These terms became synonymous with poor quality, making VoIP something to avoid until technology found ways to overcome these problems. When we speak to a VoIP phone, our voice travels over the Internet in packets. These packets are reunited at the receiver's end. Sometimes packets get lost and then the speech is reconstructed without those packets. Conversations become clipped and you have to ask the people to repeat themselves.

These initial problems have been dealt with, although they have not entirely been eliminated. Research from Integrated Research reports in a recent study that 78% of large companies are deploying IP telephony; IP-based video conferencing was of immediate interest for 70% of those surveyed and shows a “clear willingness to exploit the enhanced capabilities that IP telephony provides over traditional telephony”. Only 1% of overall deployments were considered to have failed – over half during the “beta testing” phase.

Residential consumers of IP service are growing in droves, drawn by cheaper rates and more benefits. Some of them are middle and upper management types who bring VoIP to the workplace. Of course, it doesn't hurt at review time, to have been the one who came up with the idea that saved the company 40% in telephony expenses.

Those who have been holding back should know that large outfits like Scotiabank and Manulife Financial have converted to VoIP. If that doesn't do it, maybe you could ask your teenager for a bit of advice.

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