

The Real Costs of Doing Nothing

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

8x8

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Sticking with outdated communications disadvantages organizations



Introduction

Sustained competitive pressures and demanding customer and employee expectations are redefining entire industries. Hanover Research revealed that 51% of organizations 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 aging and disparate communications tools on “life-support” can bite deep into already stretched IT budgets.

51%

of organizations choose combined cloud communications to improve productivity and employee experiences

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 incurs 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 organizations 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 backward.

More than just ROI

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

86% of organizations 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).

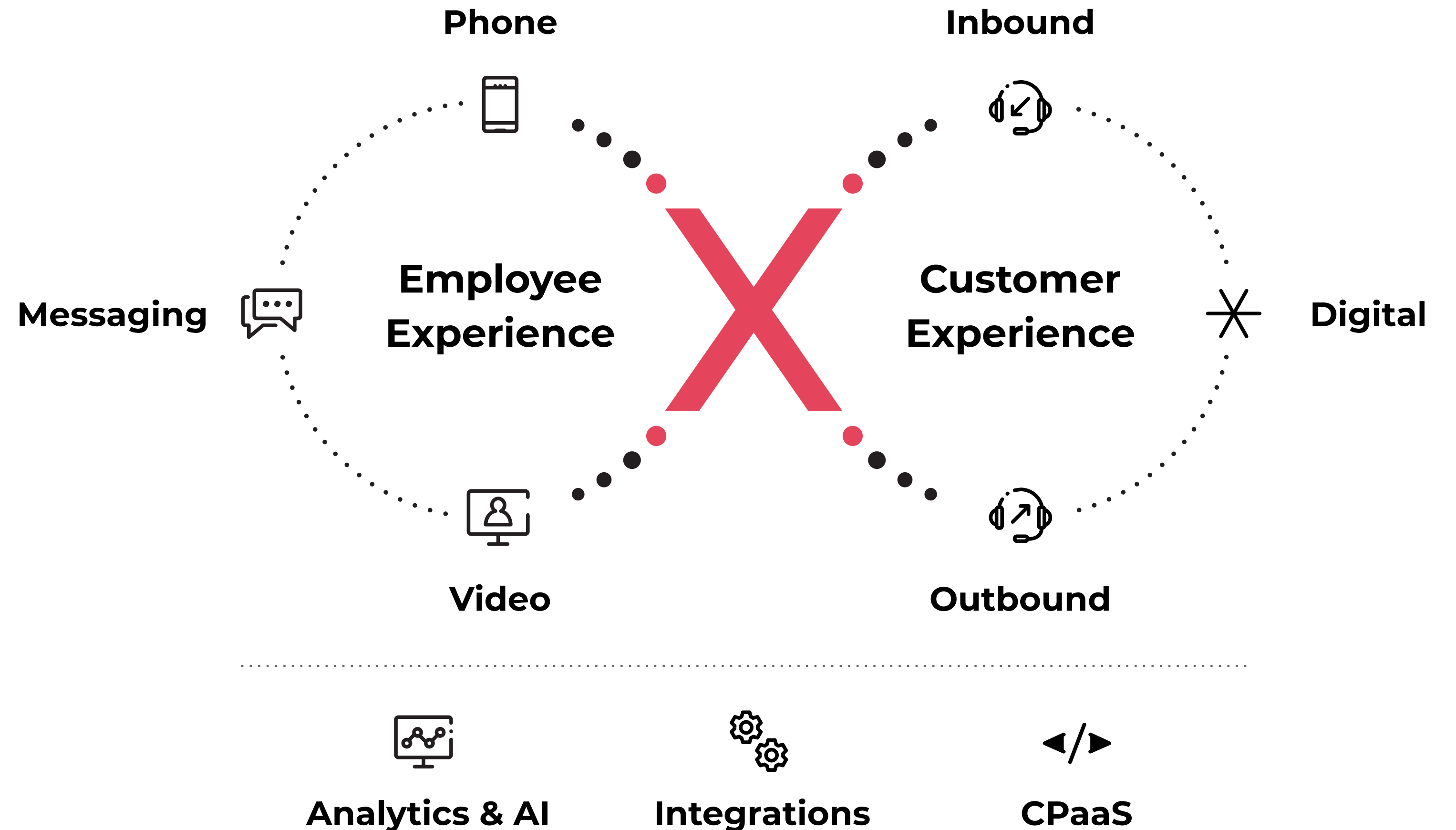
For a significant majority of businesses, taking no action is not an option. Indeed, 83% of business leaders said that introducing a combined communications solution is part of the organization's digital evolution to increase revenue and customer engagement.

87%

of companies that identify as a forward-looking business believe that integrated communications are the future of business communications

The 8x8 eXperience Communications Platform™

8x8 recognizes that no two organizations are alike. So, if your business is looking for a cloud-based solution with an integrated contact center, voice, video, and chat, the 8x8 Experience Communications Platform™ can help address your business challenges and simultaneously achieve a drastic reduction in the total cost of ownership. It provides flexible, powerful, and responsive communication experiences that delight customers and make your business more agile.



Five ways organizations benefit XCaaS from 8x8.

1 Agile company-wide collaboration

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

2 Scalable communications with unified administration capabilities

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

3 Single integration framework that accelerates every workflow

Easily connect popular business and CRM apps and help your teams achieve new levels of productivity 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



Critical factors every organization needs to consider

One of the best ways to achieve both finance 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.

56%

Having one integrated communications platform can deliver a measurable return on investment and 56% lower TCO than a multi-vendor strategy

Business Profile: Blue Owl Stores LLC

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

Employees

1,250

Total employees
across all locations

PBX Communications & Collaboration Profile

8

Number of
office locations

7

The average number of
phones/headsets at each
office location

5

Contact Center Profile

2

Number of call
center
locations

1

Number of call center
agents that are
concurrently working

8

5

Total number of
call center agents

0

Number of call
center supervisors

5

Potential Benefits with 8x8 XCaaS

The 8x8 eXperience Communications Platform enables businesses to eliminate upfront capital expenditures, improve productivity, and save time while transforming the customer experience.

8x8 empowers enterprises with modern communication experiences, boosts employee productivity, delights customers, and reveals deeper insights for smarter decisions and a more agile business.

Communication costs

Based on the business profile information on the previous page, Blue Owl Stores LLC can realize significant savings with XCaaS from 8x8.



Total Costs

The table below illustrates five cost components comprising 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	Net	Present
A.	Total costs (risk-adjusted)	\$4,95	\$280,028	\$272,138	\$285,938	\$843,054	Value	\$635,689
A1	Equipment costs: <ul style="list-style-type: none"> ■ PBX + phones (depends on lifecycle) ■ Datacenter rental ■ Spares ■ People support for onsite systems ■ Energy/ utility costs 	0						
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 just can't be achieved through disparate solutions
- Intelligence that doesn't just inform and improve organization-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 center.

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

Time Savings

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

Ref	Description	Year 1	Year 2	Year 3	Total	Net Present Value
B.	Total time savings (risk-adjusted)	\$269,686	\$311,2	\$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 		19			
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. Their voices are amplified by social media, and they engage with businesses using phone, chat, email, or social channels, to ask product and service-related questions.

The 8x8 eXperience Communications Platform gives businesses the ability to make 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.

77%

of customers say they're more loyal to businesses that offer top-notch service

Total Customer Experience (CX) Impacts

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

Ref	Description	Year 1	Year 2	Year 3	Total	Net Present Value
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 both finance 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.

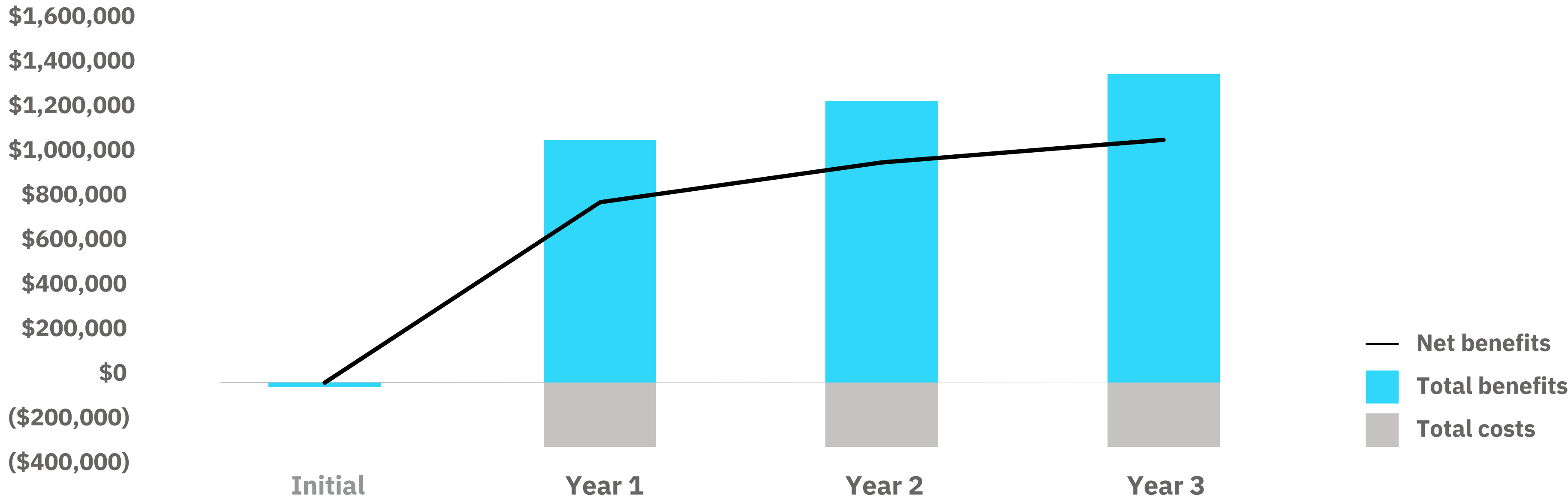
We use Tier 1 platform infrastructure that enables rapid innovation, automated testing, and frequent deployments with minimal risk through management toolsets geared towards continuous delivery and elastic scale while reinforcing security and governance. These are all the elements needed to build a solid investment case with a clear business value and strong ROI.

The table and chart on the next page further illustrate how organizations can realize significant value over three years by using an XCaaS platform.

Cash Flow Table (Risk-Adjusted)

Ref	Description	Initial	Year 1	Year 2	Year 3	Total	Net Present Value
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

Three-year risk-adjusted cash flow



Next steps



A significant majority of organizations 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 realizing 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 center, or the field from any device or location.

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

About 8x8

8x8, Inc. (NYSE: EGHT) is transforming the future of business communications as a leading Software-as-a-Service provider of 8x8 XCaaS™ (eXperience Communications as a Service™), an integrated contact center, voice communications, video, chat and API solution built on one global cloud communications platform. 8x8 uniquely eliminates the silos between Unified Communications as a Service (UCaaS) and Contact Center as a Service (CCaaS) to power the communications requirements of all employees globally as they work together to deliver differentiated customer experiences. For additional information, visit www.8x8.com, or follow 8x8 on LinkedIn, Twitter, and Facebook.

The logo for 8x8, consisting of the text "8x8" in white on a red square background.

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