

QUINTUM'S TENOR SWITCHES AND UNIQUE MARKETING STRATEGY PROVE WINNING COMBINATION FOR ISP

Australian VoIP Provider Partners With Shopping Mall Manager to Quickly Penetrate Local Market With No Time Limit Calling

The Challenge

Voice over IP can offer substantial cost savings to businesses of all sizes. But how do you sell smaller, less technically savvy business owners on an entirely new approach to voice communications? And how do you keep that sales cycle short and efficient?

CommsConnect, Quintum's distributor in Australia and New Zealand, recommended to Australian ISP-turned-VoIP-provider VoIPex, that they focus on smaller businesses and capitalize on existing relationships among those businesses – as well as to forge a unique distribution deal with the managers of a local shopping mall.

A mall management company may not at first seem like the ideal partner for a national VoIP pioneer like VoIPex. But the partnership is working for the company and its mall tenants, as well as for VoIPex.

The Wired Mall

A major shopping centre in NSW, Australia, owned and operated by a multi-national corporation, has invested heavily in network infrastructure – including category 6 cabling throughout the facility –to make shopping centre a showcase for digitally enhanced retailing.

The mall's management team heard about VoIPex and brought VoIPex, who is a customer of CommsConnect, Quintum's distributor down under, in for a consultation. VoIPex quickly saw the opportunity to provide VoIP services to all of the mall's tenants – thereby allowing them to make calls within the mall for free and calls to the outside world at a huge cost savings.

VoIPex structured the deal so that the centre owners would actually sell the discounted VoIP service to its tenants. Because all calls are routed through Quintum Tenor Gateway 800s, the individual stores don't need to install or rent any equipment themselves. Instead, they just pay VoIPex for the calls they make plus a small monthly fee per phone line connected to the Tenor, to the centre owners. Because VoIPex's carrying costs are so low, there's room for the centre owners to make a profit while still providing mall tenants with rates far below that of Australia's main incumbent phone company, Telstra.

Building The VoIP Market

Actually, VoIPex's customers get more than just a discounted rate. For an out-of-area call, Telstra typically charges around 25 cents plus 16 cents per minute. With the VoIPex service, customers pay just 25 cents for their out-of-area calls – regardless of their duration. That can be a huge savings for long calls. Calls from regional to metro centers are also untimed at just 15 cents.

VoIPex has built a network capable of delivering calls throughout Australia by getting businesses like the shopping centre owners to act as local POPs. This eliminates the cost of renting space to house its Tenor switches around the country. When a VoIPex customer places a call to Sydney, for example, that call is first routed over the VoIPex IP network for the long distance leg of the trip to Acme ISP Inc, a customer on whose premises VoIPex has placed a Tenor digital VoIP MultiPath Switch. From there, the call "hops off" the VoIPex network and onto the local telephony network. Because the local portion of the call only costs 16 cents regardless of its duration, VoIPex can charge customers 20 cents for the end-to-end call and still make a profit.

VoIPex selects highly stable businesses, such as the shopping centre and retirement villages, to house its network nodes. "We are very selective about where we place our Tenor switches, since having POPs throughout the country is obviously critical to our overall technical and marketing strategy," explains VoIPex Managing Director, Robert Muir.

According to Muir, it's also to capitalize on existing relationships between businesses when marketing VoIP. "We ask our customers for the names of the five other companies they call the most," he explains. "That way, when we come calling, we already have a good reference and we can tell them that they've actually already been using our service without even knowing it."

The Quintum VoIP Solution

Quintum Technologies' Tenor Platform: The VoIP Ideal

Muir also notes that Quintum's Tenor provides the ideal technology platform for his company's unique, "grass roots" marketing strategy. "The Tenor product line is very scalable, so we can start our POPs small and then scale them up as required," he says. "They are also very easy to manage, which is important when you're trying to keep the overall ownership costs of your network low."

Assured Voice Reliability

With Quintum's MultiPath switching technology, VoIPex and its customers don't have to worry about the reliability of their VoIP service either. If conditions on the IP network threaten call quality in anyway, calls can temporarily be routed over the public switched network until the problem is resolved. This assures VoIPex customers of uninterrupted service.

The Tenor switches also provide the intelligence necessary to support VoIPex's local network "hop-off" capabilities that are so crucial to its ambitious PSTN bypass strategy.

Assured Bandwidth

The bandwidth-efficiency of the Tenor architecture is another big plus for Muir and VoIPex. "To meet our profitability goals, we have to support as many simultaneous calls as possible over our existing network infrastructure," observes Muir. "Quintum's multiplexing technology allows us to meet this critical goal while maintaining the highest call quality standards."

MultiPath Architecture Assures Seamless Integration

Muir also praises Quintum for providing all the necessary integration with VoIPex's call tracking and billing systems. "Quintum's Tenor switches have fit in perfectly with everything we've needed to do to quickly and economically bring VoIP to the Australian market," he says. "They've just been a tremendous business partner for us."

"VoIPex provides a great example of the right combination of practical technology and creative marketing plan can enable service providers to grow and be profitable," said Chuck Rutledge, Vice President of Marketing for Quintum. "We look forward to a fruitful ongoing partnership with VoIPex as they continue to expand their capabilities and provide Australian businesses with quality discounted phone services."