Direct Routing and Microsoft Teams

Explosive growth of Microsoft Teams will springboard demand for premium telephony capabilities

8x8

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Increasing pressures on businesses to enable hybrid work environments have caused many organizations to take a fresh look at how their employees communicate, how they can continue to deliver great customer experiences, and how they can do this while containing costs. Some are accelerating plans to move their on-premises telecommunications to the cloud. Others are integrating contact center and back-office communications. One trend that is near-universal is growing Microsoft Teams adoption.

Kevin Keiller, of EnableUC published a nice summary of recent Teams growth. Microsoft reports 270 million monthly active Teams users. Concurrently, Gartner says "By 2024, 20% of total Microsoft Teams active users will adopt telephony services for external calling on Teams."

20%

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Source: Gartner, Selecting the Best External Calling Option for Microsoft Teams, Pankil Sheth, Rafael Benitez, Lisa Pierce, January 31, 2022

Assuming these numbers are accurate, simple math says there will be a minimum of 54 million users of third-party telephony services for external calling on Teams next year. That number is likely to grow.

One of the fundamental questions for these users is do they simply want a dial tone, or do they want the telephony service to be something much more such as a customer engagement tool or a source to collect analytics data. While there are many paths to adding telephony to Teams, the most common are via direct routing services or a Microsoft program called Operator Connect.

The good news is that Microsoft positions Teams as an enterprise productivity platform, which means opening more APIs and enabling third parties to innovate around and within Teams including telephony for all employees. This includes agents in the contact center. This paves the way for customers to reap the benefits of adding telephony to Teams.

Better together

SaaS companies like 8x8 are helping customers by adding new capabilities and benefits including improved global reach, cross-platform analytics, and support for analog devices such as shop phones, photocopiers, and fax machines. Organizations like common data platforms for the added agility and the need to reinvent business processes to cost-effectively manage customer experience challenges.

28%

of organizations using Teams say they are using direct routing as a service from a third-party cloud PBX/UCaaS provider.

Source: Frost & Sullivan, Evolution of the Cloud Communications and Collaboration Market Study, January 2022

Use this report for your due diligence

Use this report as part of your Teams telephony due diligence to help you get the most value and performance from your Microsoft investments. Ask questions of potential direct routing solutions providers and your technology advisors. Access product demonstrations, attend online information sessions, and review what your peers are doing. Platform and integration technologies are more important than ever and will continue to be prime considerations this year and beyond.

Microsoft Teams: State of the Union

According to a Morgan Stanley CIO Survey, more than half (54%) of organizations have now standardized on Microsoft Teams, and that number is expected to increase to 75% by 2025. When it comes to telephony specifically, 70% of surveyed organizations are using Microsoft Teams direct routing for PSTN connectivity according to Metrigy Research. While Frost & Sullivan reports that 28% are using direct routing as a service from a third-party cloud PBX/Unified Communications as a Service provider.

Those using a third-party cloud PBX along with Microsoft Teams and Microsoft's cloud phone system note it allows them to supplement the existing cloud PBX with additional collaboration functionality. But those aren't the only considerations IT leaders are making.

54%

of organizations have now standardized on Microsoft Teams for communication and collaboration.

Source: AlphaWise CIO Survey, Morgan Stanley Research

Security, in offices and now more commonly in employee homes, is an ongoing concern. Security, respondents said, is the most important thing to organizations when selecting cloud communications platforms. Change management, governance, user adoption, and training are all areas that impact an organization's overall experience with Teams or any other platform. Take a look at how 8x8 survey respondents viewed selection criteria for cloud communications platforms and see how that aligns with your cloud communications strategy (Figure 1).

Top five attributes when selecting cloud communication platforms / data

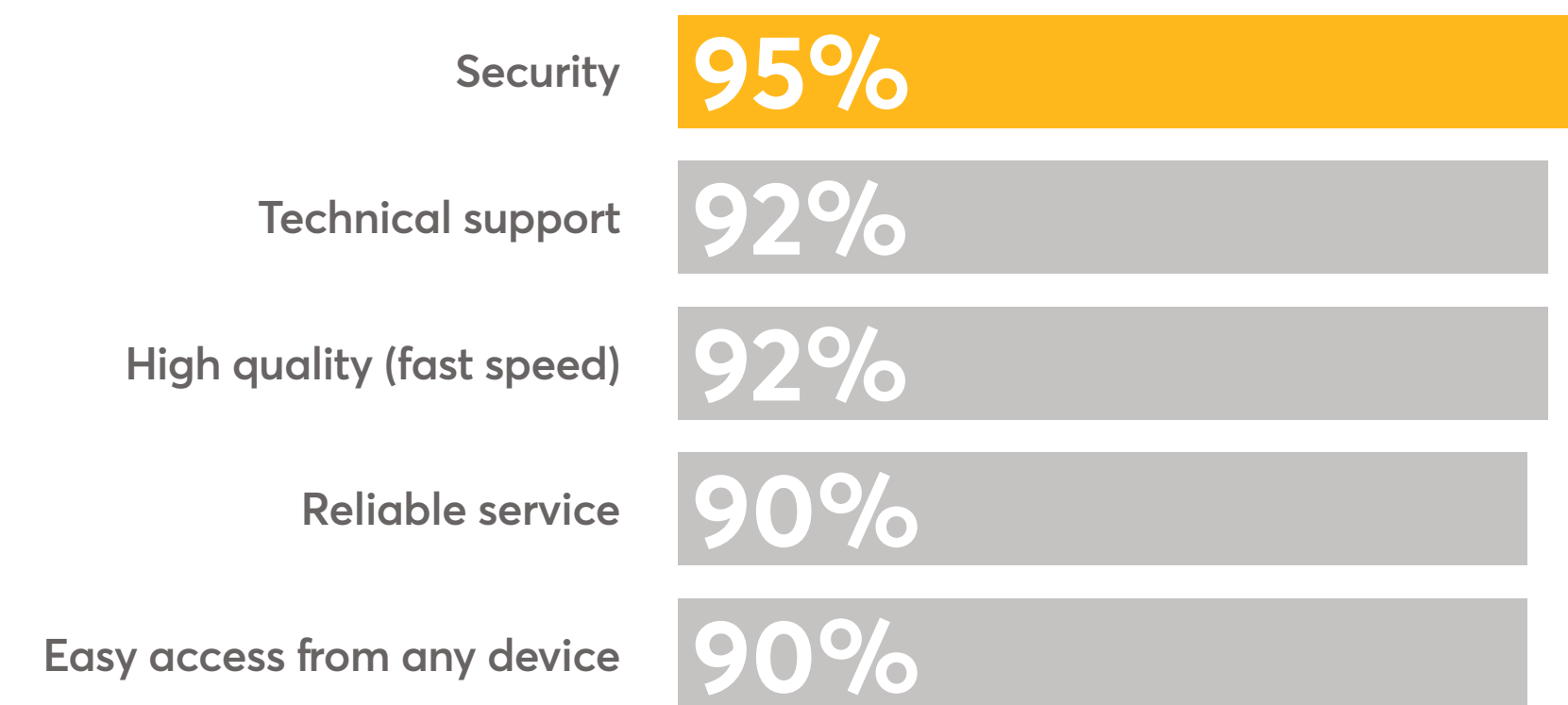|	
Security	**95%**
Technical support	**92%**
High quality (fast speed)	**92%**
Reliable service	**90%**
Easy access from any device	**90%**

Figure 1

Who wants BYOC?

One of the motivating factors for conducting external and internal research is to better understand demand for Microsoft Teams direct routing solutions. Anecdotally, we know organizations are very interested because as one sales person put it, "it comes up in every customer conversation I have."

According to Frost & Sullivan, another key reason cited for not using Microsoft's cloud phone system is that organizations prefer to source enterprise telephony and contact center from the same provider.

In the same report, 18% of companies that use direct routing from a third-party cloud PBX/UCaaS solution say it allows them to extend Microsoft Teams calling to their organization's contact center agents.

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Source: Frost & Sullivan, Evolution of the Cloud Communications and Collaboration Market Study, January 2022

What this means for you.

The obvious interest among end-user organizations to augment Teams' voice capabilities for contact center or back-office employees means that they will be able to select from a wide range of direct routing solution options, in addition to being able to choose their own carrier. In a subsequent chapter of this book, we provide a list of questions you can ask a potential provider.

Do your due diligence. Use the competition to your advantage. Work with your technology advisors to understand how each option fits your needs from contact center functions, call reporting quality, and integrations with business applications.

Is Microsoft Teams in your contact center?

When people have a great experience doing business with a company, chances are they will want to do more business with it or will refer their friends and colleagues. This is one reason why there is so much innovation and investment in contact centers today.

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A study by 8x8 explored what respondents had to say about Microsoft Teams in the contact center. To set the stage, they asked respondents whether contact center strategy should be included in an organization's unified communications strategy (Figure 2).

Ninety-one percent (91%) said either they somewhat or strongly agreed that unified communications strategy includes contact center strategy. This makes a lot of sense because more products and services are becoming available that lets customers merge both worlds that yield more comprehensive analytic insights. Plus, not every customer interaction flows through a contact center.

It is important that my organization has a unified communications strategy between the contact center and the rest of the organization

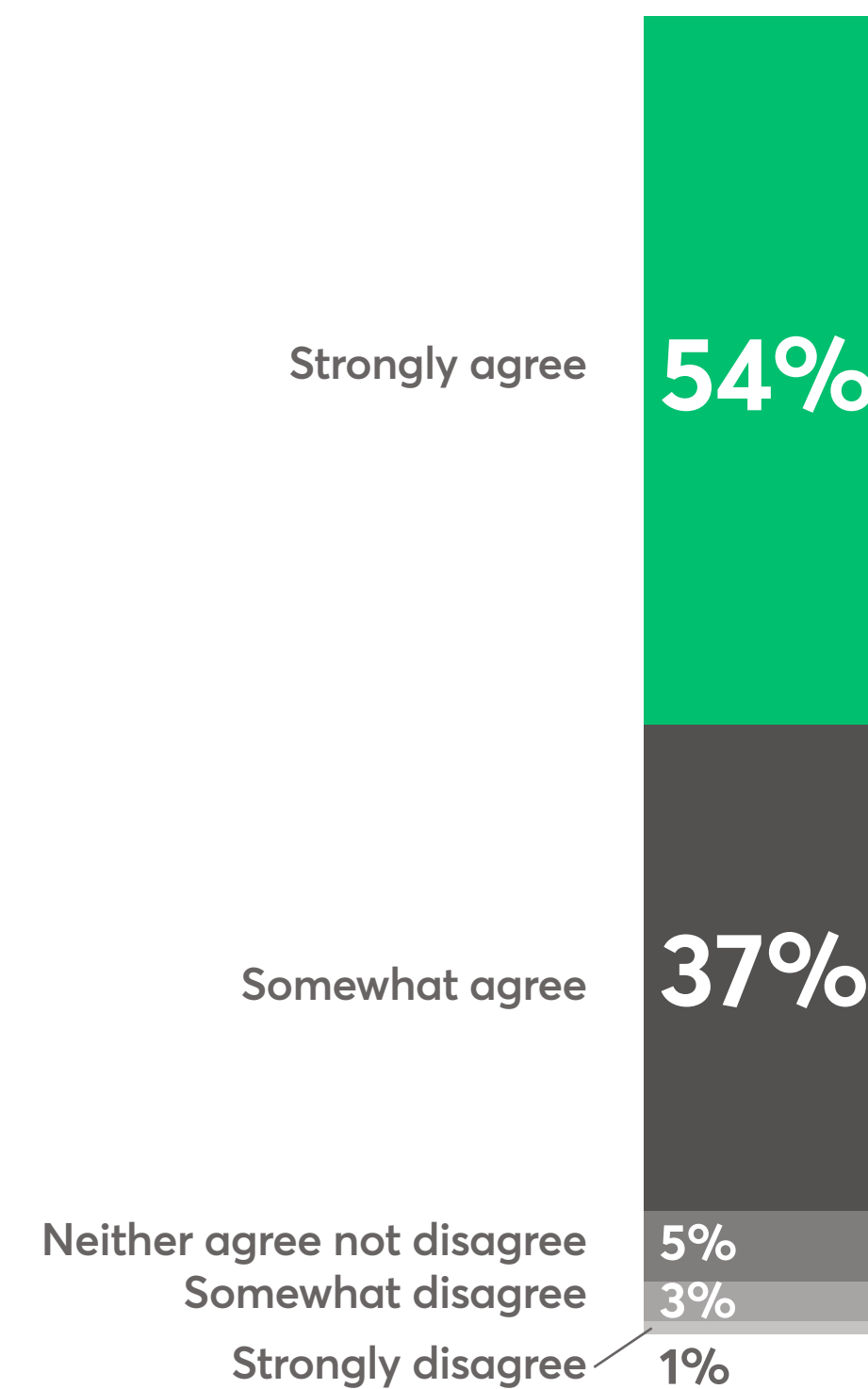|	
Strongly agree	**54%**
Somewhat agree	**37%**
Neither agree not disagree	5%
Somewhat disagree	3%
Strongly disagree	1%

Figure 2

Microsoft Teams is a common thread between office calling and contact center for many organizations. Ninety percent (90%) of respondents said Teams is part of their contact center with nearly four-fifths saying it is somewhat likely or extremely likely that they will integrate Teams into their contact centers in the future.

64%

of respondents said they currently have on-premises based contact centers.

Direct routing solutions for Microsoft Teams offer similar benefits in office environments as in contact centers.

Sixty-four percent (64%) of respondents said they currently have on-premises based contact centers. We think a lot of them will shift to cloud-based ones in the near future. If that is your plan, we urge you to:

- Consider the role Teams will play and evaluate how a direct routing solution makes sense for your needs

- Consider how Teams can deliver more value for you across both contact centers and office calling—make sure your unified communications and contact center planning are tied together closely

You deserve more than just a cheaper phone bill.

Direct routing solutions are much more than giving an organization a cheaper phone bill. Sure, voice quality is important as well.

We asked respondents about features, available via direct routing solutions but not yet available directly from Teams. We wanted to understand the capabilities that interested them the most.
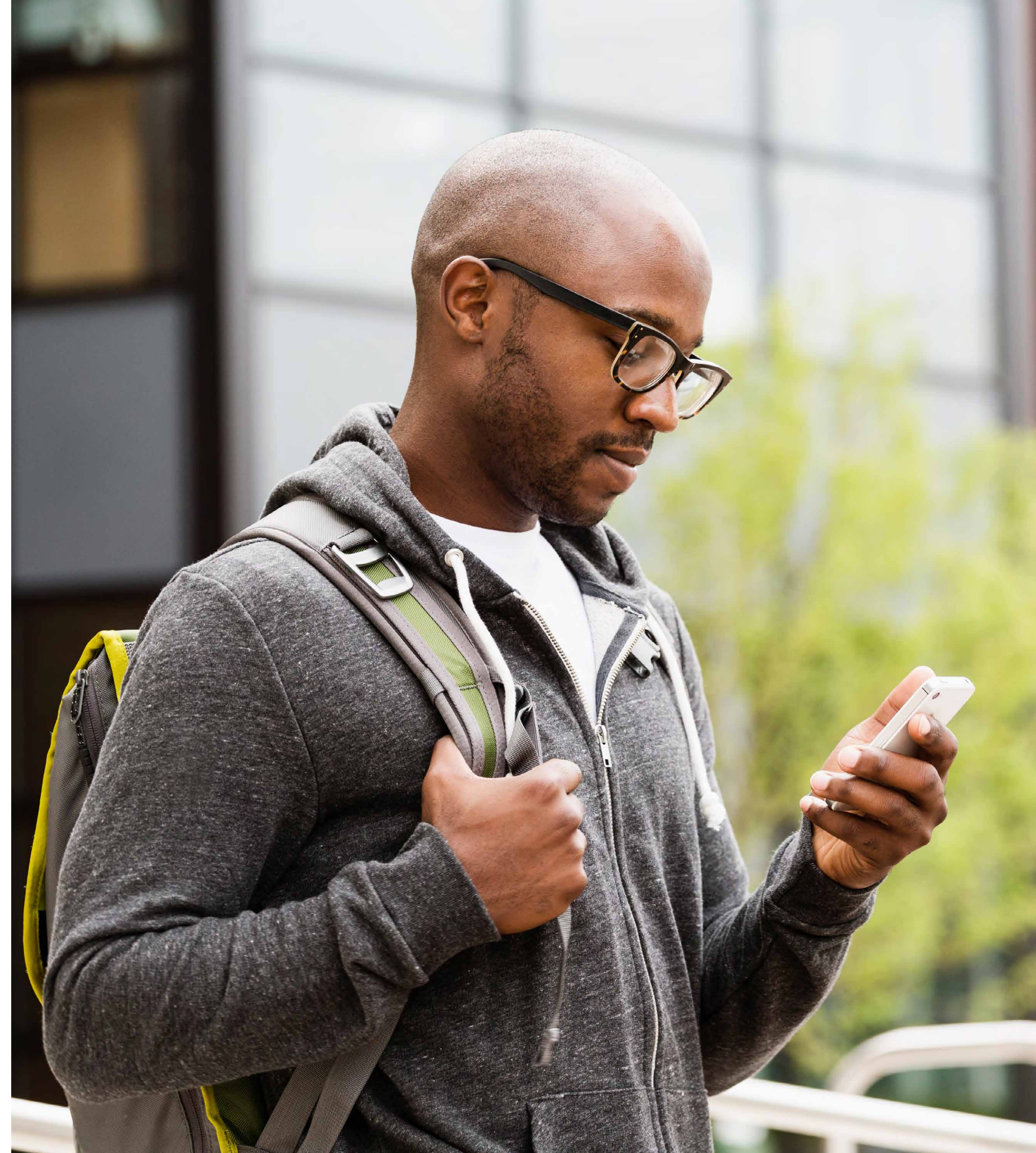
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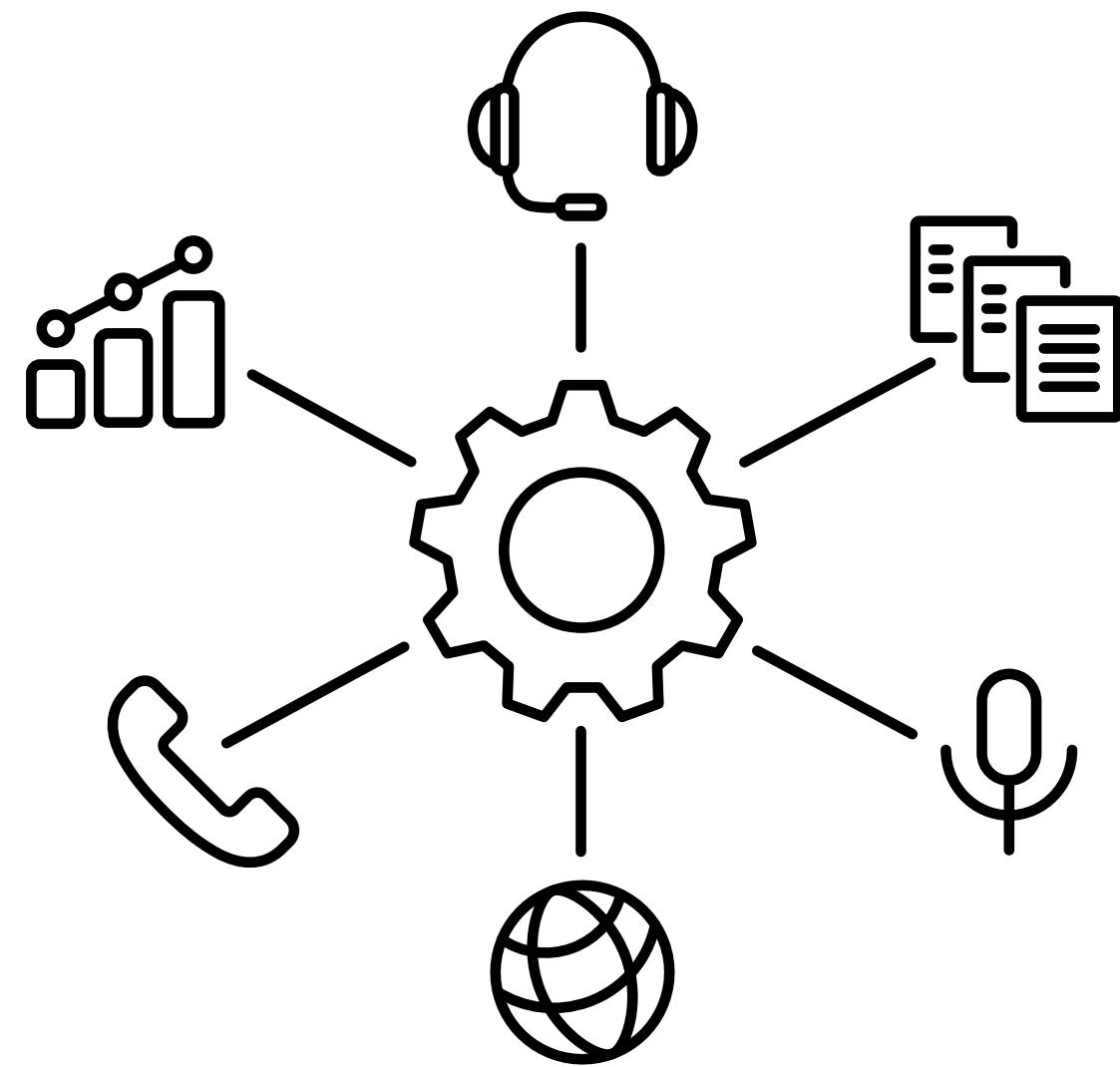GLOBAL SOLUTIONS. WORLD CLASS SERVICE.

Figure 3 highlights the interest levels which illustrate that reducing phone bills are just a part of the story about the growing demand for direct routing solutions.

Concurrently with the interest for trend, keyword and sentiment analysis, artificial intelligence/machine learning capabilities that accelerate and deepen analysis are improving. Plus, new storage technologies are making it easier to store analytics data, from different apps, in a common repository, often called a data lake. This will help algorithms do their work.

IT decision makers' extreme or strong interest in voice communication features offered by Teams

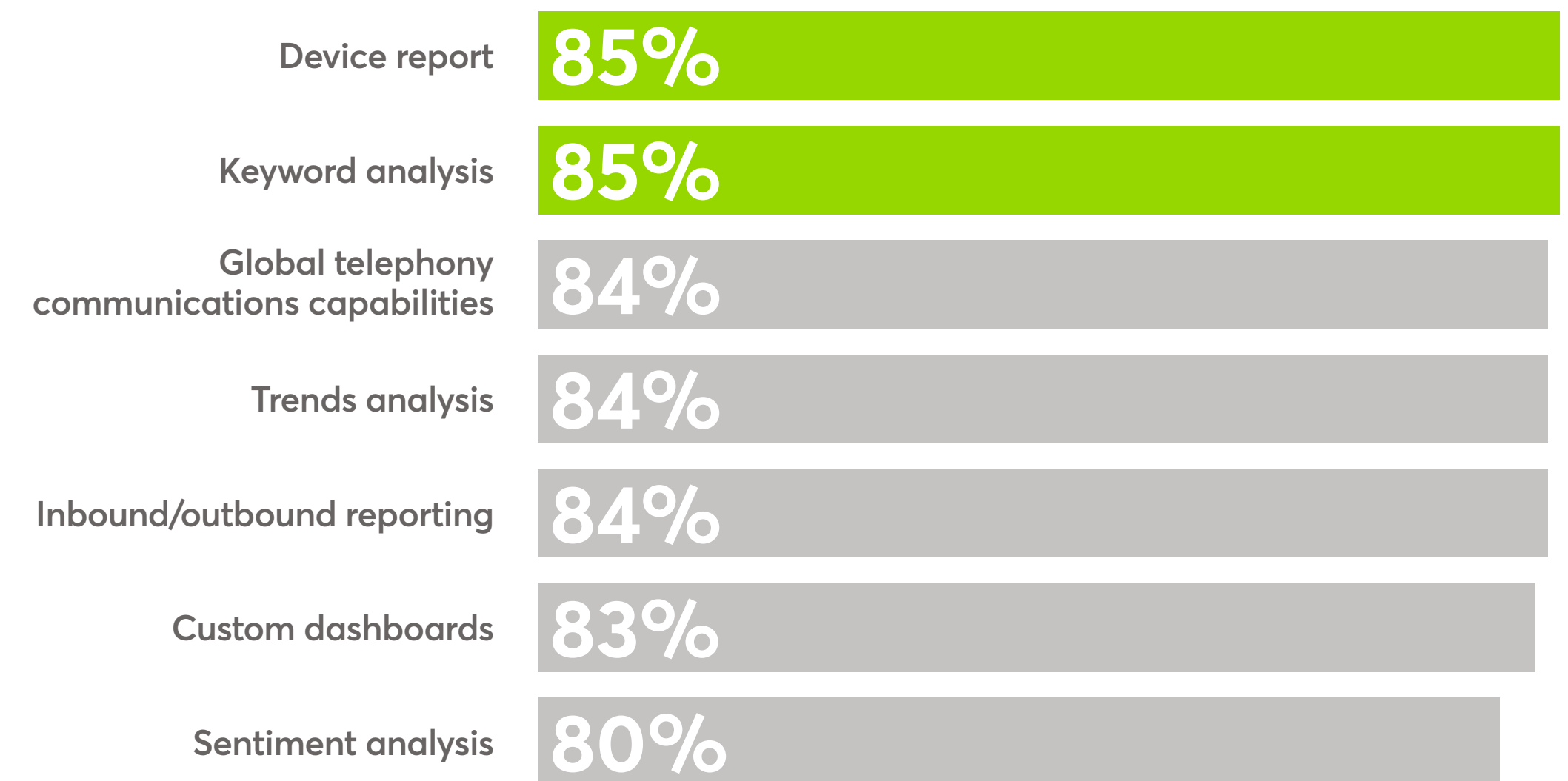|	
Device report	85%
Keyword analysis	85%
Global telephony communications capabilities	84%
Trends analysis	84%
Inbound/outbound reporting	84%
Custom dashboards	83%
Sentiment analysis	80%

Figure 3

Is your UCaaS strategy more than voice, video, and collaboration?

As platform and integration technologies mature, the scope of what constitutes unified communications expands. Unified communications is no longer just voice, video, collaboration, and text messaging. Ninety-three (93%) of respondents said that CRM systems (e.g. Salesforce) and existing business apps are part of their unified communications strategy.

It will not be long before Internet of Things (IoT) sensors report status and other information to humans within a chat app. Robots too, will eventually need to be a unified communications component in some kinds of organizations.

93%

of respondents said that CRM systems (e.g. Salesforce) and existing business apps are part of their unified communications strategy.

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The vast number of choices that organizations have to enable business communications and that speed at which the landscape is changing reiterates the importance of having a documented unified communications strategy. Communications tools are now receiving board-level attention because they are critical to business resiliency. Yet, in the survey, 15% of respondents said they either have no unified communications strategy or are unsure (Figure 4). That number is too high.

IT decision makers' belief that their organization has a unified communications strategy

Strongly agree **47%**

Somewhat agree **37%**

Neither agree not disagree **6%**
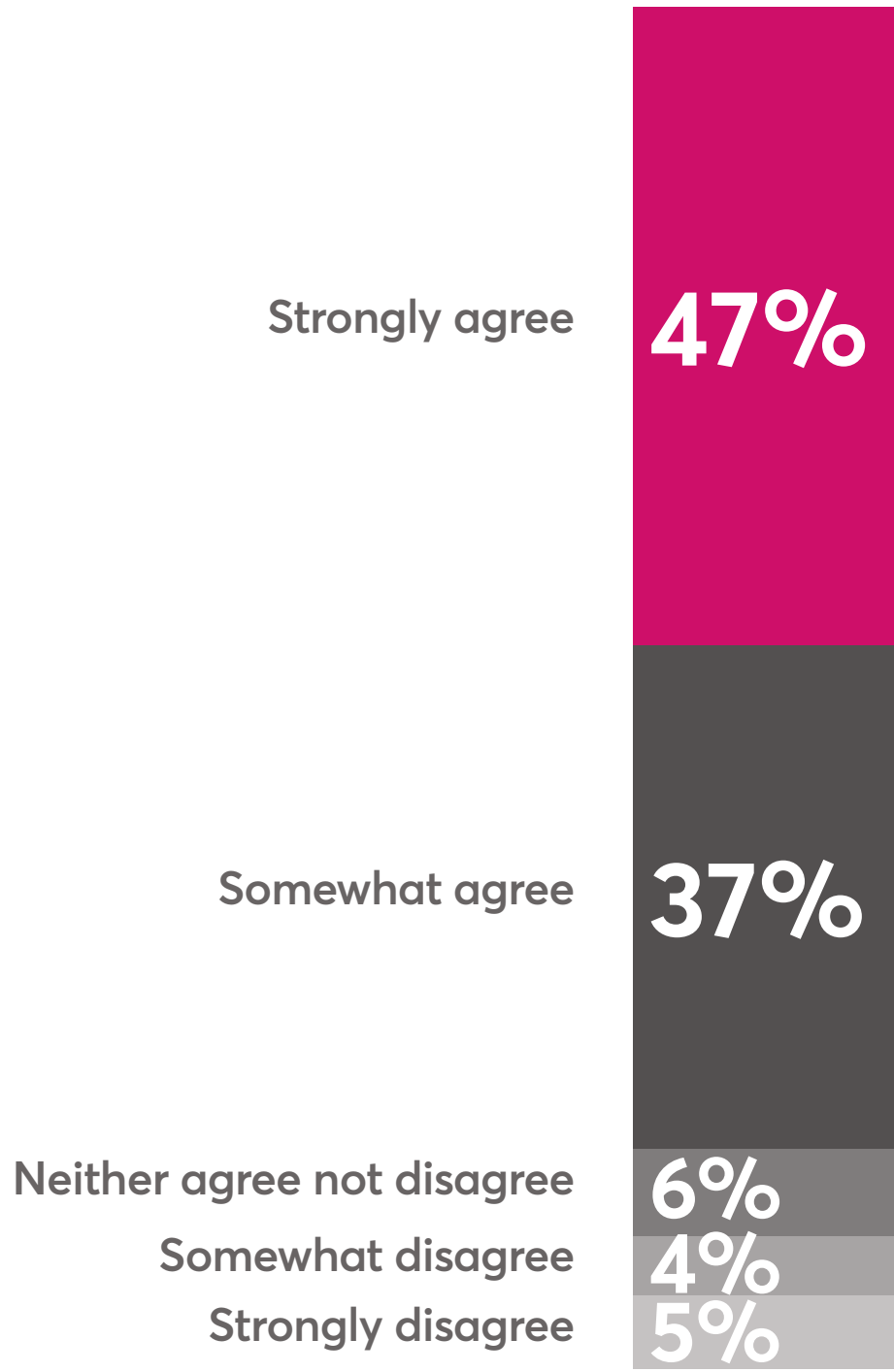Somewhat disagree **4%**
Strongly disagree **5%**

Figure 4

The lesson is that before diving deep with any unified communications platform or direct routing solutions, work with your technology advisors to develop plans that allow you to benefit from the applications that matter to your business most in addition to voice and video, for example.

The study examined how important IT decision makers felt contact centers ought to be part of their unified communications strategy. More than three-quarters (79%) of organizations who do not currently use Microsoft Teams as their contact center plan to integrate it in the future.

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Top questions to ask potential Microsoft Teams direct solutions providers.

Here are some key questions to ask your Microsoft Teams Direct Routing provider when adding voice capabilities for Teams:

1. Does your solution still allow users to use the native dialer within Teams?

2. Can you enable non-Teams users to view the presence status of Teams-based clients?

3. Is it possible to enable call recording and how do Teams users playback their recordings without leaving their client interface?

4. How do you enable Teams users to access eFax and other messaging services that are not supported within the standard Teams client?

5. Does your direct routing solution require a Bot or Web extension installation on the end-user device?

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6. In how many countries do you offer full PSTN replacement for Microsoft Teams?

7. Do your call plans include unlimited calling? How many countries?

8. Do you offer a Microsoft Teams certified contact center solution? Does it integrate natively on a single platform with your Teams voice calling solution?

9. Does your Microsoft Teams certified contact center allow agents to make and receive calls within Microsoft Teams?

10. Does your certified Microsoft Teams contact center include omni-channel interactions, and workforce engagement management, for Microsoft Teams?
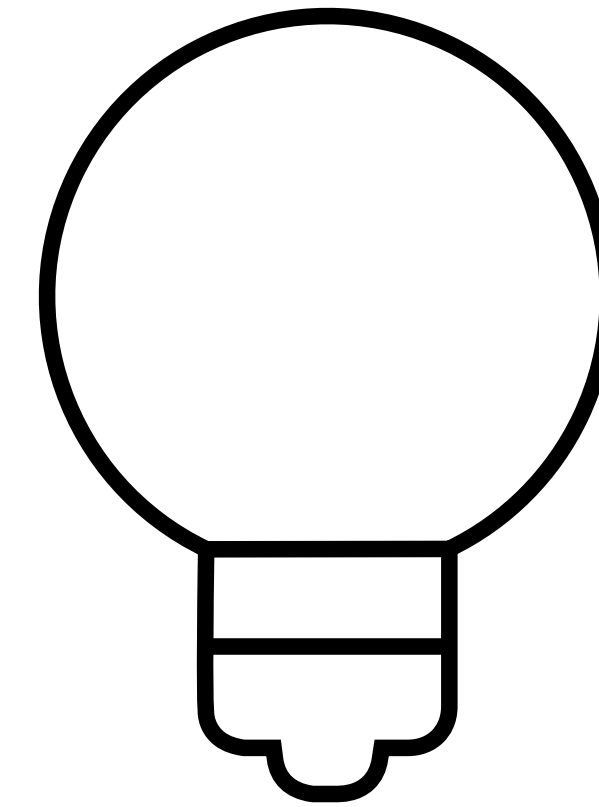
Does your Direct Routing solution provide key insights into Microsoft Teams calls as well as non-Teams users, across the enterprise workforce and contact center agents?

11. Does your Microsoft Teams Direct Routing solution support native business application and CRM integrations? Which integrations are supported?

12. Does your Direct Routing solution provide key insights into Microsoft Teams calls as well as non-Teams users, across the enterprise workforce and contact center agents?

13. Does your Direct Routing solution provide speech analytics and quality management reporting?

14. Which security and compliance certifications do your Direct Routing solution support?

15. Does your Direct Routing solution allow users to use the native dialer within Teams?

16. Do you enable call recording?

17. Do you allow Teams users to playback their recordings without leaving their client interface?

18. How do you enable Teams users to access eFax and other messaging services that are not supported within the standard Teams client?

Contact Global CTI for more information on you might add Teams functionality to your organization.

Email: Sales@GCTI.com   Call us: 800-366-1711   Or visit http://GCTI.com for more information