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Turning the  
**threat** of  
Microsoft into  
an **opportunity**

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In the past few years, Microsoft, alongside other major UC players, have redefined the way we look at business communications.

Since this shift began, a lot of providers in the telco space have seen the big purple monster from Redmond, Washington as nothing but a growing threat and a nuisance.

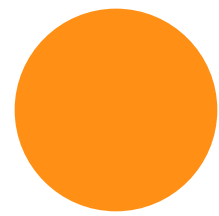
**But their thinking is flawed...**

All of these organizations are looking at Microsoft Teams as a barrier to their business when they should be looking towards the app as a big opportunity for growth and expansion.

Microsoft don't want to become the world's biggest telco provider or have a monopoly over voice - In fact, most of its calling options heavily rely on external providers.

Whether its Direct Routing or Operator Connect, the features and options that Microsoft provides are simply one side of the coin, and they are encouraging providers, resellers and distributors to empower the other half.

The question is, how can you become the missing piece to this puzzle?



# Microsoft Teams Phone - **The great equalizer**



On the surface, the world of business communications is the exact same as any other aspect of industry - Enterprise-level organizations are noisy and seem to get all of the attention, when they make any significant moves you usually hear about it in some way.

Titans of industry as they are however, **enterprises are far from the sole focus of the massive developments we have seen in business communications in the past few years**, even though it may sometimes feel like it. And rightly so, as in terms of actual people behind the screens, small and medium businesses far outnumber the big fishes when it comes to the composition of the business communications market.

In days gone by (not to make it sound like ancient history), to have even a slightly advanced communications stack meant exactly that – a stack. This equated to a pile of software and hardware, probably in the basement, with people who knew what they were doing to make it tick (who were hopefully allowed out of the basement every now and again).

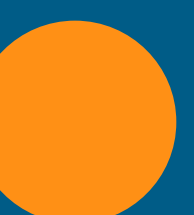




And now, as the accessibility and popularity of UC software rapidly rise hand in hand we are entering an era where **even the smallest of SMBs can almost have parity with the call functionality of a multinational.**

From the packages they are offered to the features they can utilize, this equal(ish) playing field has brought forth a boom in how smaller businesses can operate and communicate efficiently, instead of just being a single business line with little to no call control, save from the absolute basics.

Of course, Enterprises exclusively have extra levels of security and some niche features that most SMBs would struggle to benefit from, but what functionality is Microsoft Teams Phone delivering that's levelling the playing field? And ultimately how is this impacting ways of working for everyone across the globe?



# Microsoft functionality

After all of the changes that went on with Microsoft licensing structure last year, you wouldn't be remiss for being a little confused as to where businesses actually stand when it comes to the Microsoft licensing stack. But even though it is certainly more complicated than before, it is also almost certainly simpler than you think

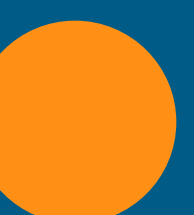
Thankfully, the features of Teams Phone are essentially the same for all Teams Phone licenses. This includes:

- Cloud auto attendants (including the ability to create IVRs)
- Cloud call queues
- Hold music
- Call forwarding
- Simultaneous ringing
- Transfer capabilities
- Call park and retrieve

This goes for the smallest of small businesses and the largest of corporations alike. With all of these features at their fingertips, organizations of all shapes and sizes are finding that they can run their own unified contact experience directly through Microsoft Teams.

But all of this call control doesn't just exist in a vacuum. After all, one of the main reasons why UCaaS in general has become so popular is that it gathers all of the aspects of communication and collaboration into one place.

With Operator Connect and Direct Routing being the choice for a hefty chunk of the 8-figure PSTN enabled Teams userbase, Providers are realising how they can differentiate themselves by adding their own features on top of those already in Teams Phone, but they're also realising how Microsoft exclusives like Microsoft Copilot.



# How Microsoft Teams has affected **ways of working**

By bringing communications to the forefront and actively creating efficiencies, Teams is allowing smaller businesses to focus on what matters. Where Enterprises have any number of people to manage and run their infrastructure, and any amount of money to accomplish their communication goals, (practically) any Tom, Dick or Harry can now run a contact centre from their own laptop.

By handing out this power to everyone, and by letting them effectively hold it in one place (in some cases quite literally in the literal palm of their hands) Microsoft, alongside some of the bigger UCaaS platforms, have made it known that the communications world is no longer restricted to just those with big pocketbooks.

## **Meet Lucy, Hannah and Nick.**

They all work for the Not Real Plumbing company who are based out of London with a total of 15 employees. In the organization;

- Lucy is a supervisor who manages those who are in the field
- Hannah is a receptionist taking calls from customers and organizes appointments
- Nick is a plumber working for NRP who spends most of his time outside of the office



When it came to their calling method, NRP elected to go for a Direct Routing option. They chose Direct Routing as they didn't want to spend the time and money 'rip and replacing' their existing phone system that they'd gotten used to. They also needed something simple to implement & maintain and crucially they wanted to avoid downtime at all costs. With Direct Routing they integrated what they already had into Teams, reducing app complexity and they hit the floor running with minimal downtime.



Lucy is able to keep a keen eye on all of those who were out on calls or in the field natively in Teams where she can communicate and collaborate with them all in one place and whilst they're on the go. Outside of this she has the call functionality to manage the whole team efficiently and the powerful features of Microsoft Teams such as CoPilot and call transcription to rely on outside of regular communications.



As a receptionist, Hannah is often the first point of contact for customers. With Teams she can mutli-task, manage calendars, message team members, schedule appointments, answer and transfer calls and ensure the smooth running of the company all without the hassle of having to constantly switch apps. Where appropriate she can perform consultative transfers to SMEs if technical questions need answering and manage the usual high call volumes that NRP face on a day-to-day basis.



Finally, Nick is able to rely on the 99.999% uptime SLA that Teams Phone promises and is safe in the knowledge that he is always connected and nothing is missed. He was already used to the Microsoft Teams interface from a previous job and he finds it clear and concise, giving him the exact features that he needs to get the job done. Ultimately, Nick can now communicate with the office, talk to clients, monitor his appointments, collaborate with teammates all in the same place.

# **Evolve or die**

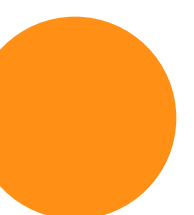
- The mantra of modern communications



I can guarantee that everyone reading this is within arm's reach of something that, even if it's brand new, reminds them of the way things used to be. Whether it's a piece of tech, an entire setup or simply the way in which something gets done, everyone is going to struggle to find a single thing that hasn't been entirely transformed in the past ten, hell even the past five years.

And in most cases, we're all happy for these transformations. These changes have either iteratively or in one massive leap made each of our lives better. Yet when it comes to facing these shifts there is a resistance as we hold onto what we know and what we're used to.

This goes double for when this change is made by an external force. After all it's only natural to initially distrust a move that someone else has made for us, which is made even worse by jargon that's seemingly impenetrable and the blurring of lines between what belongs where or whether something is being used in the right way.





Case and point, the way in which the IT and Telco industries have been coming together has slowly but surely progressed to the point where you would be excused for thinking that they are one and the same. For better or worse (depending on what you bring to the table), things are simply not the way they used to be... And they never will be again. Even the slow and confident telco is near the finishing line of the race towards the cloud, and that's a race that only goes one way.

The future is now hybrid, and one thing is certain - This future does not include isolated boxes in basements, a single terminal workforce or even traditional communications. Ultimately this means that you can no longer survive by providing something that everybody else already takes for granted. If this vision of the future is daunting, I'm here to let you know that it doesn't have to be.

You don't have to rush to fully embrace the cloud and discard everything that you've spent your time building. There are routes into the cloud that leverage existing tech, and everything from migration to implementation is a lot easier than you think. The organizations who are leading this change in modern business communications have made it easy for you to evolve with the times, all you have to do is stop avoiding it and make a choice.



# How our industry is evolving

Gartner now predict that 97% of European organizations will have adopted either a cloud or mobile PBX solution by the end of next year. As decisive as this figure sounds, the true scale of this shift is only revealed when you look into the ancient history books (otherwise known as the start of 2024) and see that back then only 10% of those organizations were cloud-based.

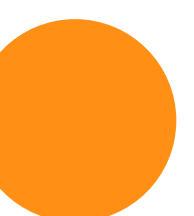
The drivers of this change? Improved tech and evolving work models - Organizations are increasingly embracing flexible working and are leveraging improved, simplified UC to support workers wherever they are without having to worry. And when we say wherever they are, we mean it. A lot of leaders are looking to the deskless as the next focus of their attention, after all they represent over 80% of the global workforce. If this wasn't enough, there is also of course the looming shadow of the big PSTN switchoff that will spell the ultimate demise of traditional communications once and for all.





But this market shift isn't just about the move to the cloud. It's also being driven by the fact that businesses realized long ago that they can have everything they will ever need all in one place. With a unified system, they get simpler IT management, easier logistics, straightforward compliance and a smooth experience, all of which often outrank advanced features for SMBs in most markets. Having one platform that handles all of their communication and collaboration needs is the logical first step for any small business, and because of this expectancy a lot of UC features that once kept you ahead in the market are now commoditized.

Drilling down on this a little bit, when it comes to differentiation, AI tooling is of course a big draw for a lot of businesses, but it is in fact voice that's still viewed as one of the most crucial communication features in office-based, hybrid or fully remote SMBs.



# How you can evolve with the market

There is one simple way in which providers can stay ahead of the curve and stop their customers from going elsewhere - Integration. Businesses are equipping their users with the collaboration platforms that they know and love as a first step and looking to sort communications after the fact, and by integrating into these platforms you retain that userbase with minimal effort.

A primary example of this is the absolutely massive boom that we're seeing in Microsoft Teams users, and their voice-enabled seats. Let's just get one thing out of the way.

Like it or not, you're not going to 'out-Teams' Microsoft. No matter which way you cut it the collaboration market is now fully dominated by the big purple monster from Redmond, Washington. With a burgeoning user base and a percentage of PSTN enabled users that feels like it ticks up a point every other week, Teams has shown that businesses of all sizes can indeed have it all when it comes to their cloud communications stack.

And as we've already covered, your customers want to have everything in one place, which means a lot of them are already looking to add comms on top of their collaboration tool within the Microsoft tenant. But here's the good news, and it's something that has seemingly gotten lost in the noise for a lot of organizations - Microsoft are putting service providers at the centre of their communications strategy and they're giving you a few ways to do it.

There is one simple guiding truth for you to know – You need to stop seeing the likes of Microsoft, Webex and Zoom as a threat. Are you a UC vendor looking for a way to stop the flow of customers leaving your platform for more popular solutions? Integrate. Are you an MNO trying to give the people what they want? Integrate. Are you a fixed operator looking for the next thing that's going to help you innovate and increase your reach? Integrate.

Co-opetition is one of the leading trends that we are seeing for channel companies looking to win in the long term and the vast majority of vendors on Gartner's Magic Quadrant for UCaaS have already seen great success in offering a route into Microsoft for example when it comes to comms. Whether it's through a Direct Routing solution or through the Operator Connect marketplace, providers across the globe have already proven that they can are able to turn Microsoft Teams into one of their biggest opportunities to reduce churn and boost seat numbers.



# The (not so) **secret** to playing well with Microsoft Teams





Love them or hate them, if you're in the business of providing any kind of IT solution you probably work around Microsoft in some way. As one of the largest tech conglomerates of all time, the thinking that you have to play well with Microsoft (or one of their main competitors in the IT space) is firmly baked in, because of course you do...they're Microsoft.

But as Teams firmly plants its feet in communications, a lot of providers are feeling the brunt of the disruptive moves that Microsoft are making. This may be because even though telco and IT have always been in a state of orbit, they've also always kept each other at arm's length. From the speeds at which they move, to the ways in which they think and behave, the two industries seem almost incompatible.

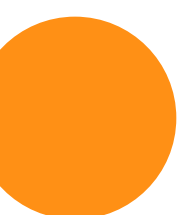
With this being said, the convergence of voice and IT that we've been seeing for the past few years has already broken down a lot of barriers to get where it is today.

General ways of thinking across the globe have come around to the notion that when voice and IT are used in tandem, **magical things can happen.**



The problem is, a good chunk of providers are either ignoring this change or approaching it from the wrong direction, causing friction in their product strategies. What these providers don't know however is that becoming a part of this change is neither complex nor expensive - **All you have to do is let everyone else do the hard work for you.**

To be a little less cryptic, integrating into Microsoft lets you get the best of both worlds. If the PSTN enabled side of Teams continues to grow (and all signs are pointing towards it doing so) then you have an established avenue in which to sell your services. If Teams growth falters, you're still appealing to a customer base that totals in the hundreds of millions with very little commitment on your end. **Either way, you're the one giving people what they want.**



# Why you need to work well with Teams

From getting an easy win to adding an extra layer onto what you can give your customers, leveraging the native power of Teams has a range of upsides. But why exactly should Teams integration be the way forward for you and how can this impact your current approach?

We get it, nobody wants to put even a small part of their roadmap in the hands of an external entity. We would all rather have the time, money, expertise and foresight to develop everything in-house, but the fact remains that this is near impossible at scale. Case and point, even Microsoft relies on external providers to keep Teams telephony ticking – external providers like you.

If you're looking at Microsoft with the mindset that they are overtaking the communications market then your thinking is wrong. Microsoft are in fact relying on the voice providers of the world to bring telephony into the world's most popular UC platform.



You may now also be thinking about the impact that integrating into Teams may have on your core product set, your brand identity and the future of your roadmap. But becoming a part of the Microsoft Teams communication ecosystem doesn't mean you have to give up on your trajectory or completely rehash your positioning. All of this is due to a number of factors:

- You no longer have to build it yourself
- You can lean on the Microsoft to strengthen your brand identity
- Your customers don't have to change any BAU, software or hardware
- You don't even need industry expertise (if you find the right partner that is)



# How to work well with Teams

Leaning into the power of Microsoft Teams Phone used to be quite a difficult thing to do.

Early forms of Direct Routing required a lot of investment and maintenance, calling plans were limited and the Operator Connect marketplace was just finding its feet.

But in terms of progress, the Teams Phone ecosystem has come on leaps and bounds. Now boasting a 99.999% uptime SLA and over 23,000,000 voice enabled users (who are almost half made up of those using third party providers), the Teams phone ecosystem is set to become one of the most dominant forms of business communications that the world has ever seen.



As more and more features and capabilities become commoditized in the modern market, **its difficult to differentiate** (and that's putting it lightly) and when it comes to specifics, your options depend on how you're looking to use Teams Phone to your advantage. Largely however we have found that one of the best pathways available is Direct Routing. It leads the way due to the way in which it allows you to tap into the power of Microsoft with very little risk or investment if leveraged correctly. It can even be woven into your existing portfolio of products.

With Direct Routing you can bring an extra level of service that not only eliminates a massive threat in Microsoft but also turns that threat into one of your biggest strengths. By acting as a bridge between Microsoft Teams and an existing phone system, you can get your customers set up to have their entire communications stack within their preferred platform and play a massive part in their voice strategy moving forward.



The key to playing well with Teams isn't a secret. **But you need to stop viewing Microsoft as a threat.**

Because of the overwhelming presence of Microsoft and an over-reliance on the way that things have always been it may have been lost in the noise for some providers, but the truth is unlocking the potential that Teams has for your business is easy, after all, the hard work has already been done for you. You simply need to find the right partner.

If you're ready to start unlocking the opportunity that Teams has to offer, why not get in touch?



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