The Channel Opportunity for
CPaaS and Digital Cloud Fax

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The CPaaS Opportunity

The Communication Platform-as-a-Service (CPaaS) market is booming - analysts IDC estimate that it will be worth $17.7 billion in 2024.[1]

Why? Because enterprises are finding that their requirements are not met by standard, off-the-shelf applications, and customers, whether businesses or consumers, want an ever more personalised experience.

This means that organisations need engagement applications and services that need not only to be customised, but have the inherent ability to incorporate a wide variety of tools and technologies.

But what is CPaaS? Put simply it is a platform that is primarily focused on enriching customer communication channels, no matter what they are. It's a route for businesses that lets developers program the entire breadth of real-time, cloud-based communications platforms into their own applications to give customers the best experience available.

The benefits of turning to a CPaaS solution are clear. From in-house customisation that aligns with broader digital transformation strategies, to not needing to replace existing business applications and benefiting from scalable, flexible cloud-hosted infrastructure, it is no wonder that enterprises are turning to CPaaS platforms to meet their requirements.

For partners, whether managed service providers or those that focus purely on communication application programming interfaces (APIs), this could be a huge opportunity. However, they themselves need to meet certain criteria.

First, partners need to be comfortable with an as-a-service model, with recurring revenue rather than capital expenditure and maintenance contracts. This is a major change to incumbent ways of revenue raising and may in turn require a broader change to corporate mindsets.

Second, they need to have a stable of applications and services that meet the needs of enterprises. That means partners need to be able to offer solutions and build a portfolio that aligns with the benefits of using a CPaaS platform.

Building the right CPaaS Portfolio

To build a portfolio that meets the needs of customers, all partners need to understand not only what the enterprise says it wants but more importantly, have a clear picture of what services are going to deliver the ideal end-customer experience.

The options available are vast, with CPaaS solutions covering everything from standard business services to emerging technology. That includes artificial intelligence, virtual assistants, video and WebRTC, to more prosaic offers such as cloud PBX, phone, messaging, and SMS.

But for it all to make sense, partners need to be prepared to educate enterprises on what is available, and how it all fits together. Some organisations may be clear on what they need in order to offer an enhanced customer experience; others will need guiding through their assumptions.

In addition, partners need to remain focused on the end-goal – supporting the enterprise to deliver the right customer experience. That does not necessarily mean going for the most cutting-edge technologies available – in fact, while the latest and brightest offering may be generating all the hype and headlines, it could well be that other, more suitable options get overlooked.

One example of this is faxing.

Despite its widespread use, there are many who think it has been phased out, thanks in part to the ubiquity of the likes of email. Yet there are significant instances where a missing fax has caused problems. One good example was

during the migration from public switched telephone network (PSTN) in Germany where "there were early problems with the IP migration process in Germany in terms of service interruptions, inadequate information supplied to customers, and use of fax machines." [2]

What is striking about this case is how the report goes on to say that neither Deutsche Telekom, the operator leading the PSTN switch off, nor the national regulator BNetzA, "has any idea of the extent to neither which [fax machines] are used nor how many have encountered problems as a result of the All-IP migration."

In fact, such is the importance of fax that some CPaaS providers report being unable to close deals due to not having a fax application within their portfolio.

We would argue that it is therefore critical that partners do not overlook what they might consider analogue technology. Not that fax is analogue, of course. Digital cloud faxing services offer businesses a way of seamlessly integrating fax into their digital operations, using the tools (such as email) and workflows employees are using day-in, day-out, to securely share documentation and information, irrespective of location, without impacting productivity.

It then leads on to the next logic step - the next question a partner needs to answer - whether they build or buy. In other words, do they build their own applications to add to their portfolio, or do they use a supplier to provide the appropriate services? This will very much depend on the partner's inhouse expertise, specialisms and natural strengths, but the complexity of the application will also be a factor.

Digital cloud fax is one such service that cannot be easily built. The way it can integrate with the likes of email may make it seem straight forward, and it is certainly simpler to use than on-premise server-based fax, but it still requires specialist knowledge and experience to execute.

As such, MSPs and comms API providers need to evaluate whether they want the hassle of trying to develop digital cloud fax applications with varying degrees of success, or work with a supplier to provide that capability to the overall CPaaS portfolio. The latter option is likely to be the preferred route, as long as the right digital cloud fax provider can be identified and engaged.

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Why Fax Still Matters

Before we focus on choosing the right digital cloud fax supplier, it is worth looking at fax as a whole. We know that many CPaaS partners understand the role of fax in modern communication offerings.

For those not aware, it is worth pointing out that despite being dismissed by some as archaic,[3] the fax remains an important method of sharing documentation. This is particularly true in highly regulated industries such as healthcare, law and financial services where the ability to share documents quickly and securely is not just business-critical, but a regulatory requirement.

This helps explain why nearly 17 billion faxes are sent around the world every year. In the UK, more than 125,000 were sent and received by the public sector in 2019 and in the US, fax transmissions account for 75% of medical communication.[4] These figures speak volumes and illustrate starkly the continued power and importance of fax even in today's digital world.

It is also important to consider the fax's integration with multi-function printers (MFPs). Fax machines as standalone hardware are dying off, as more organisations combine faxing and printing in MFP devices. While the way many work (and therefore how offices are used) is undergoing huge changes, the MFP market is still expected to grow over the next five years.[5] This will continue to provide a physical touchpoint for faxing for some time to come.

But how does that fit with the digital transformation organisations as a whole, and what their communications infrastructure, in particular, are going through? It's a question that many are wrestling with, both in and out of the CPaaS space. In unified communications-as-a-service (UCaaS) for example, MSPs can be caught between their strengths (the delivery of UCaaS) and customer expectations (that everything previously delivered via telephone remains in place).

Moving to a digital infrastructure makes sense for services like voice/data and messaging. But fax is different. It simply does not reap the full benefits of the IP platform. This might seem like no one has put any thought into converting fax into an IP network-friendly format, but that isn't the case. A number of protocols have been developed, from what's known as fax pass-through, to 'store and forward', and fax relay.

Yet while these try to tailor fax to the structures and requirements of IP networks, they in turn create new challenges. The overall result is an imperfect, unwieldly method of communication that has to be endured, rather than one that can be integrated seamlessly into digital workflows.

This is where digital cloud fax comes in. Rather than rely on a phone line, digital cloud fax uses any device connected to the internet (whether PC, tablet or mobile) to send and receive faxes. It transmits emails with faxes as attachments either to physical fax machines or other digital fax services (such as mobile apps). Documentation is encrypted before it's sent, and remains protected through processing and transfer, making it more secure than standard email.

By allowing faxes to be read directly on devices (and digitally archived), overheads such as hardware maintenance and printing costs can be reduced, while having a dedicated fax number is also no longer required. For MSPs this offers an opportunity to bundle a digital cloud fax service into a CPaaS offering, adding value by tailoring the digital cloud fax provision to the needs of the business, thereby giving customers a simplified way to access and pay for fax.

Choosing a Digital Fax Provider

When it comes to choosing the right provider there are many considerations to factor in. However, MSPs and API providers need to focus on six core elements:

1. Reliability: As with any cloud solution, digital cloud fax needs to be reliable, with a robust infrastructure that can scale to handle the millions of faxes being sent every day.

2. Security: With increased digital footprints come more opportunities for cyber-attacks, and digital cloud fax is no different. Any provider should be able to demonstrate how they secure their service with the latest TLS encryption for all digital cloud faxing across IP networks, strong audit trails, and compliance with all relevant privacy regulations.

3. Availability: A cloud provider's entire business model is built upon their ability to delivery consistently high levels of availability and service. This means architecting their network with strong failover and redundancy, ensuring customers can still access their data and applications, irrespective of interruptions, cyber-attacks, or other service compromises.

4. Financial flexibility: While traditional faxing would have required maintenance contracts, capital expenditure on hardware and ongoing telecoms costs, digital cloud fax is fax-as-a-service. Customers only pay for what they use, with the ability to scale up and down as required, rather than having to fund redundant fax numbers and associated resources.

5. Expertise: Fax is complicated, and due to its misrepresentation as a phased-out technology, understanding is limited. That's why the right digital cloud fax provider should be able to supplement a partner team's knowledge and solve all the issues that come up as customers use CPaaS solutions.

6. White labelled: MSPs and comms API providers will be well known for their CPaaS capabilities and complete portfolio services. Introducing other parties can complicate the partnership between enterprises and provider, so having a digital cloud fax provider prepared to white label their services ensures the enterprise receives a complete portfolio and only has to work with one partner.

MSPs and comms API providers delivering CPaaS to enterprise customers have a massive opportunity to grow their own revenue streams. In what is undoubtedly a competitive market, achieving success comes down to being able to put together the right portfolio of applications and services. To do that, partners need to be conscious not only of what enterprises want, but how it fits with the end goal of improved customer experiences. They need to be conscious of not simply going for the latest and brightest new tools, but aware of everything available and the best way to integrate it within their portfolio.
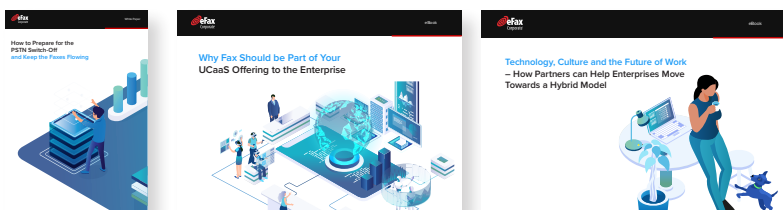
Further Reading

PSTN Whitepaper

We are witnessing the end of an era. The foundations off communication are transforming as we all strive to embrace true digitalisation.

The switch off of legacy PSTN is necessary to propel the world into the digital era. From faster broadband to the introduction of 5G, the proliferation of Internet of Things technology to being able to work from anywhere, on any device, we need communications networks that are future proof, that are suited to sharing vast amounts of data rapidly, and that can do that even as ever more devices are added to the network.

This paper reviews the progression of PSTN switch-offs, and how in the rush to introduce new technologies some things have been forgotten. It considers how businesses can ensure that they do not overlook critical communications channels, such as fax, and how they can be integrated into a digital organisation.

1 https://www.idc.com/getdoc.jsp?containerId=US46864820

2 http://www.broadbanduk.org/wp-content/uploads/2018/12/Plum-BSG-Preparing-the-UK-for-all-IP.pdf

3 https://www.gov.uk/government/news/health-and-social-care-secretary-bans-fax-machines-in-nhs

4 https://www.vox.com/health-care/2017/10/30/16228054/american-medical-system-fax-machines-why

5 https://www.wboc.com/story/43692939/multi-function-printer-market-size-is-expected-to-grow-with-a-cagr-of-25-globally-with-top-countries-data-analysis-and-forecast-2021ndash2027

Why Fax Should be Part of Your UCaaS offering to the Enterprise

Out of all the technologies and tools which have seen a massive uptake in use since the beginning of the pandemic, unified-communications-as-a-service (UCaaS) has enjoyed some of the most impressive results.

As UCaaS takes over analogue telecoms this may lead to a disconnect as managed service providers (MSPs) focus on UCaaS services, while at the same time customers will expect everything (that ran on phones) to transfer over. This could create a situation where services like fax, that can't be packaged up in the same way as data and voice, will fall through the gaps.

This new eFax paper explores the opportunities for MSPs in adding digital cloud fax to their UCaaS solutions, and how they can meet the needs of customers that may not even realise how important faxing is to their organisation.

Technology, Culture and the Future of Work – How Partners can Help Enterprises Move Towards a Hybrid Model

A revolution is underway in the world of work. Remote working has both supporters and detractors, and the signs indicate many companies are choosing a hybrid model – a mix of on and offsite work, a combination which combines the best of both models.

Yet to implement hybrid working effectively is challenging. To overcome those obstacles requires specialist guidance. The question is, who will provide it? Will enterprise businesses simply get their technology from a supplier, or will they look for a partner that can provide genuine consultancy, guidance and added value?

eFax's latest paper looks at how hybrid working offers an opportunity for those businesses looking to move from being a transactional supplier to a strategic partner, and how bringing their experience to bear can drive significant value for enterprise customers.

About eFax

eFax launched its digital cloud fax service with the goal of using the convenience of email and the speed of the internet to make it easier for people to send and receive faxes. eFax lets users and our 11 million customers receive, review, edit, sign, send and store faxes by email or through a web interface. Our appeal and success are built around three key features: the widest selection of phone numbers; an easy way to send and receive faxes and voicemail by email; and a fast, reliable and secure communications network.

To learn more about outsourcing to a digital cloud fax model with eFax, visit us at: eFaxCorporate.com

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