Avaya SMB Solutions Competitive Comparison Guide

Cisco Small Business

(Cisco Channel Partner Use Only)

Solution Overview

IP Office Essential Edition

IP Office is Avaya's strategic platform for SMBs. It has built in IP routing, switching and firewall. IP Office Essential Edition is the entry-level basic telephony package for the IP Office 500 v2 platform, which is designed for offices with fewer than 500 employees. IP Office Preferred Edition adds a Web-based applications suite including contact center reporting, voice and email messaging, IVR, conferencing and computer telephony integration, but at significant additional cost.

BCM 50

BCM – The mainstay of the former Nortel offering into SMB, the BCM is a true "office in a box" with a full suite of integrated voice and data communications capabilities. However, Avaya has announced it will end-of-life the BCM at some point in the future.

Target Applications

- Small and medium-sized businesses, either greenfield or as a key system upgrade.

Insertion Strategy

- **Customers**: Key targets: Essential Edition: Small standalone offices. Preferred Edition: standalone or branch offices where IP Office can be used as remote survivable switch.
- **Channels**: Avaya resellers and partners, including former Nortel channel partners.
- **Avaya Product Positioning**: IP Office is positioned as Avaya's all-in-one communication solution providing PBX, data communications, voicemail, conferencing, and contact center functionality. IP Office scales from 2 to 384 users (Essential Edition: up to 29 users).

Avaya Weaknesses

- Avaya has struggled in the SMB segment, having launched and then retired several products (IP Office Small Office Edition, one-X Quick Edition) in the recent past.
- In spite of efforts to streamline its SMB product range around IP Office, Avaya still lacks a true low-end IP PBX solution.
- IP Office is known to be complex to install and configure, whereas both resellers and end customers in the SMB segment demand simplicity above all else. Cisco UC320 's Web-based configuration wizard makes for quick setup and easy changes, saving both time and money for resellers and end-users.

Product Comparison (Avaya solutions vs. Cisco UC 300 series, Model UC320W)

	IP Office Essential Edition	BCM 50	UC320
Maximum IP phones, analog station, and/or analog trunk.	IP Office Essential Edition designed for up to 29 stations; base unit supports 4 analog trunks; additional cost modules expand capacity up to a potential 384 users	3 up to 30 stations (up to 44 digital or 32 IP stations with expansion pack); 12 simultaneous trunk-gateway sessions	24 user licenses and 4 FXO lines included in base system, expandable to 12 lines with SPA8800. Max of 9 analog phones when used with SPA8800 IP Telephony Gateway
SIP Trunking Support	Additional-cost option	Yes	Included
Phone license included	No	No	Yes – all 24 user licenses are included
Inbuilt Ethernet Switch and IP Routing support	Integrated router and 2-port 10/100 Ethernet switch. IEEE 802.3af Power over Ethernet for IP phones.	IP Routing included; no PoE	Integrated 10/100/1000 routing; 4-port 10/100/1000 switch. Dual VLAN support
Voicemail to e-mail integration	Includes embedded 2-port basic voicemail in basic system price. Additional 4-port card is an extra-price option.	Yes	Included
Wireless LAN Support	No	No	Yes, 802.11b/g/n wireless access point included with support for two SSID's

Avaya Solution Pricing

Base Units

IP Office 500v2 Essential Edition 4x6 package: $1,850 street ($308/seat) including extra-cost SIP trunking module; 8x12 package: $2,850 street ($237/seat) including SIP; 20 user system: $4,750 with phones ($237/seat) including SIP.

BCM50 base system – list price $1,300; street price $850-1,000; Typical configuration: BCM50 with 4 digital and 2 IP phones: $2,400 list ($400/user)

End Stations

Avaya Digital 5410 digital phone: $175 street
Avaya IP 5610 IP phone: $178 street
Nortel IP Phone 1210: $175 street

Avaya SMB Solutions Competitive Comparison Guide

Cisco Small Business

Competitive Selling Strategies	
How to Beat the Competition	Set the Agenda: Position Cisco Unified Communication 300 Series as an IP communications platform that is designed for the sub-20 line market. Its groundbreaking all-in-one design, combined with Cisco quality and ease of use, provides very small businesses with the ideal upgrade path from key systems to a future-proof Unified Communications (UC) solution. Cost-effective to acquire and inexpensive to operate, the UC300 Series allows even very small businesses to lay the foundation for deploying productivity-enhancing UC applications for years to come. Many future features will be downloadable at no charge, providing another Cisco advantage. Challenge Avaya: Question the wisdom of investing in BCM, which Avaya has announced will be retired in the not-too-distant future. Challenge IP Office Essential Edition by showing that the UC 320 is a better fit for SMBs, with built-in 802.11n wireless access point and the ability to deploy either as an PBX or key system. Point out hidden costs in Avaya's solution, including additional licenses required for all endpoints and SIP trunk channels.
Strengths and Positioning	Avaya's Positioning: Avaya positions IP Office as the preferred migration path for its extensive installed base of key systems. Avaya will point to over 150,000 installations of IP Office and position it as a safe choice for SMBs. It claims up to 25% lower TCO than "a competing vendor solution" and offers a ROI calculator tool. Key Strengths IP Office is a versatile all-in-one communications platform, supporting voice, data, and conferencing. Its scalability enables Avaya to target SMB and SME markets with a single platform. → Counter by saying that Avaya is trying to serve too wide a market with a single platform. IP Office is not a true low-end PBX platform: its pricing model and configuration complexity were clearly built with the small enterprise in mind. Extensive installed base of older KSU units for Avaya to target with upgrade/migration efforts IP Office can emulate Partner KTS features and support Partner phones. Cisco will likely be a harder and more expensive upgrade for Partner users. → Point out that upgrading from an older Partner system to IP Office isn't as easy as Avaya claims. Not all Avaya phones are compatible with IP Office, meaning the "migration" is actually a forklift upgrade in many cases. Lower TCO claims → Demonstrate the TCO benefits of an integrated wireless access point, which Avaya does not offer. UC320 can support voice over WLAN, which can mean significant one-time savings in greenfield situations by avoiding costly premises wiring; and significant ongoing economies by eliminating expensive moves, adds, and changes (MAC), while providing a better experience for office workers.
Avaya's Solution Weaknesses	Avaya still has no true low-end solution for SMBs. The future retirement of the BCM; end-of-sale for Norstar and Partner key systems; launch/retirement of IP Office Small Office Edition and one-X Quick Edition; all call into question Avaya's understanding of the needs of very small businesses. Current Avaya customers' upgrade choices are limited: the latest IP Office 6.1 will work with BCM series end stations, but migration options for the extensive BCM installed base to IP Office are still limited. The latest 6.1 IP Office update provides only partial support for integrating the BCM installed base. IP Office is known to be complex to set up and administer. SMBs and resellers want true ease of use. Avaya knows this, and recently introduced streamlined provisioning software that allows resellers to set up an IP Office system in 30 minutes. But it works only with the new Linux option, meaning it does nothing for all the IP Office customers who are on the earlier Windows platform. When compared to UC320, Avaya is more expensive than UC300 Series (both Essential Edition and BCM). Avaya charges license fees per end point and for each SIP channel utilized.
Countering Avaya FUD Sales Tactics	Avaya's main sales angle with IP Office is to tout the system's flexibility and expandability, and ability to provide a migration path for its extensive installed base of aging Avaya and Nortel KSUs. Show how UC 320, for a similar system price, provides better overall value and long-term investment protection in an easy-to-install and easy-to-use package with the Cisco name. With the planned discontinuation of the BCM50 line, Avaya will have no product tailored specifically to very small businesses. Avaya's product line has been contracting rather than expanding in recent years, so it's unclear if they'll ever have a product specific to this market segment. The UC300 series, by contrast, is a fresh design that is purpose-built for the under-20 line segment.