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**On-Premise vs.  
Cloud Technologies:  
How Do You Find  
the Best Fit for  
Your Business?**

Cloud technologies aren't simply a step toward reaching some far-flung digital transformation goal in today's business environment. For many organizations, moving technology off-premises is essential for providing the tools and support their work-from-anywhere teams need to stay productive.

A recent survey found that 81% of business leaders believe hybrid work models will be standard by 2024, with more than half of all work performed offsite.<sup>1</sup> But despite the growing popularity of this flexible working model, only 25% of

employees say their company is ready to support a hybrid workforce.<sup>2</sup> If your business currently lacks the technologies needed to offer hybrid work options, cloud solutions can help you keep up with the competition.

In this white paper, we'll explore the key differences between on-premise vs. cloud technologies, discuss the cloud tools that outperform their on-premise alternatives, and explain how to navigate the saturated cloud market to find best-fit solutions.

## Key Differences Between On-Premise and Cloud Technologies

The fundamental difference between on-premise and cloud technologies is location. On-premise technologies are implemented and managed on-site, typically by an organization's in-house IT department. Cloud technologies are – as you've likely already guessed – based in the cloud. Cloud tech is typically hosted and managed by a third-party cloud provider and accessed as needed.

Both cloud and on-premise solutions allow users to access mission-critical business data and applications. However, there are several key differences to consider when deciding which option is right for your company, such as:



### Disaster Recovery

If power and connectivity all live on your premises, there's no out-of-the-box resilience or redundancy. Putting the data center in the cloud means your critical data is still accessible in the event of a disruption.



### Cost

Initial investment in on-premise voice can be extensive, and typically requires a large up front cost for hardware, support, and other services. If there's a hardware failure on your premises or you need to replace handsets, cabling, or other equipment, replacement costs can add up.



### Deployment

On-premise technologies typically require hardware and equipment installation, so deployment can be a time-consuming process. Deploying cloud services takes less time comparatively and is often performed by the cloud service provider.



### Security

Multiple security tools are required to fully maintain network and data security for on-premise systems. Cloud services also require security measures, but many providers offer disaster recovery, monitoring, and redundancy protocols to keep systems safe.



### Control

Organizations have complete control over their on-premise systems and resources. With cloud technologies, data and systems are stored in third-party servers and may be inaccessible if the provider experiences network downtime.



### Maintenance & Support

With on-premise technologies, businesses are completely responsible for maintenance and management, either by hiring dedicated resources, using a third-party MSP, or creating long-term service contracts from the PBX provider. Cloud voice services are maintained by the cloud provider, who assumes responsibility for keeping your technologies up-to-date and working properly. There is no added cost for support, maintenance, patching, end of life upgrading, or refreshes – ever.



### Mobility

On-premise voice technology is exactly that: based on your premises, which means remote workers don't have easy access to the communication tools they need. While on-premise systems offer limited support for mobility, cloud voice technology can typically be accessed on any device with an internet connection, often via a robust mobile or web application, easily enabling employees to communicate from anywhere at any time.

Finding the best fit for your business will depend on many factors, as there are advantages and disadvantages to each option. However, studies show that by 2025, organizations will deploy an estimated 95% of new digital workloads on cloud-based platforms.<sup>3</sup> No matter your thoughts on hybrid work, it's clear that cloud technologies are becoming integral to business success.

# On-premise vs. Cloud Technologies: Which Perform Better?

In many cases, moving technology off-premise offers organizations greater flexibility, cost savings, scalability, and ease of use. But with so many new solutions on the market today, how do you know which cloud technologies can provide the most benefits for your business? Below, we explore how three popular cloud technologies stack up against their on-premise counterparts.

## Legacy Voice Systems vs. UCaaS



### Legacy Voice Systems

Legacy systems lack many of the features needed to support hybrid work models. Work-from-anywhere employees must rely on other tools, such as third-party instant messaging apps, to collaborate and communicate with on-site teams.



### UCaaS

Unified communications as a service (UCaaS) solutions move phone services away from local facilities and into the cloud via internet connections. UCaaS systems provide businesses with a centralized platform that makes remote communication easier. In addition to voice calls and video conferencing, your employees gain access to instant messaging, SMS/MMS, and features that enable them to collaborate from anywhere in real-time – all within a single, unified system.

Companies can scale as needed without having to wait for new lines to be installed. And because UCaaS providers handle system updates and management – eliminating the need for in-house maintenance – many save on costs as well. One report found businesses that switch to UCaaS solutions save \$304 per user each year on average<sup>4</sup> – and CommQuotes clients save even more.

## On-Prem Call Centers vs. CCaaS



### On-Prem Call Centers

When a call center is located on-site, employees are tethered to the physical office. Hardware installation can be pricey, and ongoing maintenance and management are the company's responsibility.

While on-premise call centers offer some advantages, including greater control over systems and data storage, modern, cloud-based solutions offer financial advantages. Because all CCaaS providers' customers use the same software instance, it's easy for a business to purchase the software when it's needed – and to cancel the entire package or parts of it when they don't. This allows for greater flexibility and cost savings.



### CCaaS

Contact center as a service (CCaaS) platforms are deployed in the cloud, allowing employees to connect with customers and provide service from anywhere. CCaaS solutions combine tools for voice, SMS, instant messaging, and more into a single

system to deliver an omni- or multi-channel customer experience. Many vendors also offer systems with CRM integration, which allows you to deliver an even more streamlined, unified customer experience.

CCaaS solutions also scale readily, so businesses can invest in a basic platform now and add additional features later as needed. These systems can also enhance employee productivity, as workers no longer have to use multiple platforms to access various contact channels.



## On-Premise Data Centers vs. Cloud Computing

### On-Premise Data Centers

Building an on-premise data center can be very expensive, both in terms of upfront investment and ongoing maintenance. Managing the servers, hardware, and additional equipment is the company's responsibility, which puts increased pressure on in-house IT teams to act fast when unforeseen connectivity issues occur.

Scaling an on-premise data center is difficult as well, requiring additional office space and installation. Many of these systems also lack redundancy, so if a server fails, data may be difficult to access or lost altogether.



### Cloud Computing

Cloud computing platforms aren't located on your company's physical premises. Instead, this type of data center refers to renting virtualized computing resources – such as servers, storage, and networking – from a cloud services provider. Amazon Web Services (AWS), Microsoft, and Google are a few of the public cloud providers that offer this service, along with many private cloud providers.

Cloud computing services allow businesses to reduce their hardware investment and ongoing maintenance costs, gaining more flexibility in terms of resource sharing, redundancy, and availability. Additionally, companies can expand their usage to meet growing data storage needs without taking on capital expenditures or waiting for installation.



## Find Best-Fit Cloud Solutions With CommQuotes

Migrating technology can be a challenge if you're struggling to find the right voice solutions, especially with so many providers vying for your attention. As your agnostic, trusted advisor, CommQuotes can help you navigate the crowded voice landscape to ensure your business has the right technology you need to stay competitive.

We've helped thousands of companies find on-prem, hybrid, and cloud voice solutions that meet their unique needs. We have long-standing vendor relationships and can give you the good, bad, and ugly about any providers under consideration. We'll help you find solutions that keep your business communicating effectively no matter where your employees are located – at the lowest possible price point.

Companies that don't have a reliable partner by their side often end up frustrated by service gaps or overpaying for features they don't need. Our CommQuotes trusted advisors advocate on your behalf every step of the way. We'll work with your team to help you find the best-fit voice solutions – at price points that are lower than going to any cloud provider directly.

If you're ready to learn more about the pros and cons of cloud versus on-prem voice technology or get real-world recommendations on any of the leading suppliers in the space, [CommQuotes is here to help.](#)

**Contact our experts** today to discuss your cloud technology needs and get started with a best-fit solution that drives your business forward.

#### Sources:

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