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# NO MORE | Copper Wires!

By Katie Hendrick

Florists discuss the advantages of a cloud-based phone system.



> On the evening of October 29, 2012, Superstorm Sandy struck the New Jersey coast near Atlantic City. The 820-mile, category 1 hurricane killed more than 100 people, flooded thousands of homes in the region (as well as low-lying streets and subway stations in Manhattan), and knocked out power for more than 8 million households. According to financial analysis firm IHS Global Insight, Sandy caused a \$25 billion loss in business activity.

For nearly two weeks, Rutland Beard Floral Group had no power at its three Garden State locations; yet the company still managed to communicate with customers by routing their calls to salespeople at one of its many Maryland branches. "There weren't a ton of callers for the New Jersey shops, obviously, since most locals were without power and inundated with cleanup efforts," said President Skip Paal, AAF. "But those who wanted to could place a future order or schedule a bridal consultation."

That's because a year or two prior Paal had swapped out his traditional,

copper wire analog phone system for a cloud-based, Voice over Internet Protocol (VoIP) service that operates similarly to Skype or FaceTime video sessions. Doing so slashed Paal's monthly phone bill by about \$1,000, a metric that doesn't fully capture the success of the change. "It's tough to truly quantify how a cloud-based phone has paid off, because it's helped us tweak so many things that ultimately affect our bottom line, from staffing appropriately to training our sales team," Paal said. "Most people don't get excited talking about their phone system, but this technology is pretty incredible."

Paal is hardly an anomaly. Floral Management spoke with several shop owners who gushed about how VoIP has enhanced their businesses. Here are just a few reasons they advocate embracing the cloud.

### 1. Affordability

The traditional system — known as plain old phone service (POTS) — requires the business owner to pay per phone

extension. "In the old days, there were only a certain number of copper analog phone lines, and florists felt compelled to get a lot of them so they could handle the volume during holidays," said Chris Drummond, AAF, PFCI, of Plaza Flowers in Norristown, Pennsylvania. "It was cumbersome and expensive."

VoIP drastically cuts costs by replacing fancy (and finicky) hardware with a simple phone and headset. This eliminates the need for in-house servers, along with their pricy equipment and maintenance fees.

"Theoretically, you don't even have to buy a phone because VoIP systems all have apps that work on cellphones, tablets and laptops," Drummond said. (Those who choose to use one of their existing devices need to make sure they connect to a Wi-Fi source to avoid affecting their personal data plan.)

POTS also charges a few cents per local call — "which sounds like nothing, but it really adds up," Paal said — and a hefty fee for international calls. Additionally, setting up features



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“It’s a very intuitive system,” said Drummond, who makes the changes himself through a web browser. “It’s really gratifying to not have to pay the phone company or a consultant anymore.”

Last summer, Howard Hurst of Tipton & Hurst, which has six locations in Arkansas, purchased a shop in Pine Bluff that had a traditional, multiline phone system. He immediately switched over to VoIP, buying five phones for the shop. “In one month, our phone bill went from \$850 to \$150,” he said.

## 2. Flexibility

Because VoIP allows users to answer from anywhere they have Internet or cell service — be it a car, a living room, a beach or a second shop location — florists don’t have to keep their shops fully staffed nine or 10 hours every day.

“Few shops are constantly busy,” said Hurst. “And no one wants to pay a bunch of people to stand around doing nothing.” Before adopting a VoIP system five years ago, Hurst had to choose between hiring a robust roster for each shop, just in case they got a rush of

shoppers, or paying a handful of people in a call center to answer phones if employees at one of his locations got tied up. (He chose the latter.)

“Now, if someone calls one shop and employees are busy, they click a button and the call automatically goes to one of our other locations. The caller has no idea,” he said. “It’s really made us more efficient in terms of labor, which, for many florists, is an Achilles heel.” (Hurst makes sure all locations receive the same products so a salesperson in Little Rock won’t pitch an arrangement to a Conway customer with flowers unavailable at the sister shop.)

Like Hurst, Paal, whose company has 16 locations, insists that VoIP is “a no-brainer” for multishop floral businesses that can leverage their existing workforce, but he believes the system would benefit smaller businesses too.



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such as call waiting, call forwarding, call transferring and remote extensions typically incurs additional charges, and upgrades are a major undertaking. In contrast, VoIP includes unlimited toll-free, inbound, outbound calls anywhere in the world for a flat monthly fee, which ranges between \$20 and \$30, depending on the provider.

VoIP includes a slew of features (more on a few later), which users can add or drop monthly, as well as the number of phones used — so February’s business does not dictate the bill year round.

"You can forward it to your cellphone with a click of a button, so you're not tethered to your desk," Paal said. For owners who have to wear a lot of hats, this technology frees them up to take calls while making an arrangement, going on a delivery run or traveling to their wholesaler, a networking event, conference or any errand, really. "To me, that flexibility is even more rewarding than the cost savings," said Paal, who has used VoIP in South American hotel rooms on numerous occasions "with perfect clarity and volume."

The call forwarding function is a godsend during inclement weather, said Drummond, who relieves employees when a snowstorm is in the forecast. "We lock up the shop and they get home safely before the roads get bad," he said. "Meanwhile, we're still able to take orders to fill as soon as we reopen."

### 3. Training Tool

VoIP has a lot of bells and whistles available, but one capability especially advantageous for retail florists is call recording. Being able to review exactly what was said and how provides valuable insight for customer service and sales training. Each week, the salespeople at Plaza Flowers hone their skills by listening to their recent calls, analyzing the good, the bad and the ugly. "I pay an extra \$10 a month for this service, but it's totally worth it," Drummond said.

Additionally, for the aforementioned shop owners taking an order on the go, call recording lets them replay the conversation and enter the information as soon as their hands are free.

### 4. Special Treatment

Have an (ahem) "discerning" customer who only wants to talk to a specific em-

ployee? You can program certain incoming calls to only ring on certain phones. Drummond, for instance, assigns his top five salespeople's numbers to his VIP corporate clients to make sure those conversations run as smoothly as possible. "You can customize it in all kinds of ways, such as designating certain people to handle calls about weddings or sympathy work or an ad campaign," he said. "Or you could set it to round robin, sending it to the person who's been idle the longest." 🌿



## VOIP 101

There are several VoIP programs available. Drummond uses 8x8 ([8x8.com](http://8x8.com)), Paal uses RingCentral ([ringcentral.com](http://ringcentral.com)) and Hurst uses 3CX ([3cx.com](http://3cx.com)). Additionally, several Internet and cable companies are now offering VoIP services in their bundles. For a rundown on different providers and packages, visit [getvoip.com](http://getvoip.com).

A dependable Internet connection is a must for this service. Drummond recommends having two different Internet lines and hiring a technician to install a managed router at the shop. This way, if one Internet line goes down, the alternate one kicks in.

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