

Save a bundle

How bundling IT services saves money and time **Interviewed by Dale W. Hlaves**

The marketing strategy known as product bundling has been around for a while, providing consumers with choices and discounts when purchasing more than one product or service from a supplier.

In the communications field, bundling is becoming even more popular, as customers are able to save money by having a number of services such as telephone, Internet and cable installed at one time.

"Bundling is relatively new in the communications sector," says Tara Lucente, operations development manager at InsightBusiness. "We're following the lead of other industries by either developing multiple services internally or partnering with companies that can compliment the offering."

Smart Business asked Lucente about how bundling can save businesses money on their IT needs.

How has the practice of bundling changed?

Marketing bundled services is not a new concept. Computer software and other products have been packaged and sold as bundles for quite a while now. The communications industry has become very competitive as illustrated recently by the marketing blitz we hear on the radio and see on television. This competition combined with bundling of services is a windfall for business owners because they are the ones who save money.

What are some of the benefits of bundling services with a single provider?

When products are bundled, the provider can deliver its best services at a lower cost to the customer by coordinating a single installation. In addition, receiving one monthly billing statement and managing only one relationship with a vendor can greatly simplify day-to-day operations.

What should a business consider before choosing a provider?

The first step is to determine exactly what products and services are needed. Be sure all the services you want are offered and that bundling is available.

You should also research potential providers to assure they are truly providing a single point of entry for installation and have a good reputation in both delivery

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and ongoing support. Many times, companies will tell you that they are the provider of the bundled services, but in all actuality you have three separate installations which have to be coordinated and sometimes compromise the aesthetics of the building itself. You've got multiple entry points and multiple points of failure.

How can a company decide exactly what its needs are?

Typically, we only think about bundling involving voice, data and video. Businesses also need to consider long-distance services, data speed needs, telephone features, Web-hosting services, or even high-definition channels for televisions in a lobby or waiting room.

Business owners should think about their current operations and future plans to determine which services are needed to help them grow. If a customer wants cable television and phone services as well as a new Web site, all of that will be taken into consideration before pricing is delivered because fewer installations equal greater savings.

Does the size of the company matter?

Bundling can be applicable to any size customer, from a small mom-and-pop

with one phone line up to an extremely large organization. The types of services and how they are packaged for specific needs would determine how best to assist the customer. Any business customer out there today has multiple services that could be bundled through one provider. They may need one or two products or they may need four or five.

How do you find the right provider for your needs?

There are Web sites for researching services available and the companies that are providing them in a particular area by simply entering a zip code. Certainly word-of-mouth is a great resource; most business owners have peers at other companies or their IT folks have friends who have used that provider's services before. It's not just the price that you want to think about. You want to think about how smooth your implementation will be. Will the provider supply all of the features it said it would? What kind of support will you get once everything is up and running?

What advances in this area can businesses expect to see in the future?

I think the technology will continue to grow. I see the trend we are heading to, and the products that we will be able to offer in the future, giving IT people the ability to manage a lot more than they are able to do today. Telephony services are a perfect example of that. In today's world, most IT folks have to place a call to the provider to have even small changes made in the set-up. The larger switch providers are moving to actual Web portals where an educated, savvy IT person or even the customer could go to make modifications to their account. The more flexibility a provider is able to give to the customer, the quicker the turnaround time and the more money they can save in the end. <<

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