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A hosted PBX (Private Branch Exchange) system is a concept widely welcomed by the business community because the PBX is leased or rented on a monthly rental basis and the users are not required to buy expensive equipment. The necessary equipment is hosted by the service provider, and all communication is routed through that provider to and from the business owner's site. A hosted PBX solution can also be cheaper to operate and there is no hardware maintenance to bother about.

The service provider manages the hosted system and the users need just the phones - usually obtained from the service provider. Hosted PBXs are indeed ideal for small and mid size businesses. Hosted PBX systems may vary in cost, but the heartening news is prices have been steadily coming down for the past couple of years, due to increasing competition. More and more service providers are surfacing by the day and this is good news for the consumers.

Hosted PBX systems perform on IP networks, meaning that they use the same circuitry and wiring as your data network or LAN. The chief benefits of this setup are you only need one set of wiring in your business premises for all communication needs, data and voice networks. You can cross-communicate with one another more easily, and you probably only need one trained employee to administer and maintain the voice and data networks. Another advantage of hosted PBX is the service provider can easily upgrade the system and hardly any local infrastructure will be needed at your office location.

To exactly know the details about competition in hosted PBX market, you can refer to The Definitive VoIP-News Guide to Hosted PBX and The VoIP-News Hosted PBX Comparison Guide. There are also several sites that you can visit to obtain an impartial look at the various hosted PBX service providers in the market, and which provider can ideally fit in to your business communication needs.

Since no business house can afford to risk their business communication, it is of paramount importance that you tie up with a reliable service provider and not merely be influenced by the price. As a matter of fact, if a hosted PBX service provider offers abnormally low rates, then the provider's credentials could be suspect.

Hosted PBX systems cost less than traditional phone systems and allow users to save money. Once you are clear in your mind what service and features you require, you can ascertain from the market what hosted PBX will cost you. Hosted VoIP providers should be able to furnish you with an exact quote. Make it a point to obtain minimum three or four quotations from reputed and reliable service providers who have been in the business of hosted PBX for a few years.

If you are looking to replace your phone system or install a new one, you should certainly consider a hosted PBX in view of its many advantages. But to derive the most from a hosted PBX system, your business needs to make sure that your IP network and connection to the Internet has adequate bandwidth. Consider the capability of the service provider to manage multiple locations if your business has remote offices. Also, consider whether the hosted system provides the kinds of tracking, metrics and reporting tools that your company may need.

Shop around for the ideal hosted system and remember you do not have to settle for less as there are numerous hosted PBX service providers vying with one another to capture your business.

Article Source:

<http://www.articleside.com/voip-articles/competition-in-the-hosted-pbx-system.htm> - [Article Side](#)

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