voxbone

Are Global Numbers on the Verge of Disappearing?

By Dries Plasman, VP Marketing and Product Development, Voxbone



Dries Plasman, VP Marketing and Product Development, Voxbone

s the economy rebounds, businesses are expanding internationally in search of growth. In theory, global telephone numbers should make it easy for existing and prospective customers to reach these businesses, but in practice, that's often not the case.

To clarify, global phone numbers are numbers that

have a country code, but are not bound to a single country. Although they are not a new concept, they are gaining attention because of the continued internationalization of economies and businesses.

UIFN - the first global telephone number

The International Telecommunication Union (ITU) created the first global numbers in 1988, and the first type were the Universal International Freephone Numbers (UIFNs), the global equivalent of local toll-free numbers. These numbers debuted in 1996 via ITU recommendations E.152 (http://www.itu.int/rec/T-REC-E.152/e) and E.169 (http://www.itu.int/rec/T-REC-E.169-200205-I/en). Each UIFN consists of 11 digits: a three-digit country code for global service application (800 in this case), followed by an eight-digit Global Subscriber Number (GSN). The ITU allocates UIFNs, and telephony providers request them on behalf of multinational enterprise customers.

UIFNs can be called from approximately 70 countries today. Calls are billed to the called party, making them ideal for multinational companies, government agencies and humanitarian organizations, such as the United Nations, that want to encourage people to call them by eliminating the cost of doing so. Another key benefit is that organizations can advertise a single phone number that can be used in dozens of countries versus having a separate local number in each country.

Or at least that's how UIFNs are supposed to work. At last year's annual IISF meeting (http://www.iis-forum.com/cms/), where global telephone service providers meet to discuss improvements in international inbound voice services, it became clear that there is little progress with

UIFNs. In 2013, UIFN numbers could be dialed from at least one network in 70 countries, a status quo compared to 2012. Usage of the UIFN service decreased in Germany, Slovenia and the Netherlands and slightly increased in Switzerland and France.

Challenges to upgrading UIFNs for today's global use UIFN usage has remained basically unchanged over the past five years because of several hurdles:

- Local telephone network providers determine whether
 or not their customers can call UIFNs. And many do
 not allow it. For example, in most of the 70 countries,
 customers cannot call UIFNs from a mobile phone. This
 is a major problem, considering how many consumers
 and businesses alike in both developed and developing
 countries now use a mobile phone as their primary or
 only phone.
- For service providers, the process of activating a UIFN is time-consuming and typically requires a per-country activation and/or recurring fee.
- UIFN call charges are not standardized across countries, making it difficult for the organization providing that number to estimate the costs it will incur.
- The UIFN format makes the number look different from other types of toll-free numbers. That unfamiliarity makes some people reluctant to call UIFNs.

A similar situation happened with UISCNs (global shared cost numbers), which have been available for a couple of years in a limited number of countries. The service closed in 2013. Universal International Premium Rate Numbers (UIPRNs) were created by the UN, but were never used.

Other types of global telephone numbers are simply not accessible from the PSTN

Voxbone (www.inum.net) and Bandwidth.com (www.bandwidth.com/republic-wireless) were assigned international toll numbers in the +883 global telephone number range, and integrated these numbers into a communication service. However, there was little effort to make these numbers accessible from local telephone networks. Only a dozen landline and mobile providers opened up access to these numbers, whereas many cloud communication providers, such as Skype and Google, opened up.

The +888 numbers awarded to the United Nations in 2012, which should have been used by the UN's mobile disaster intervention teams, are still not in use because few operators feel motivated to open access to these numbers. Large network operators need to spend a considerable amount of time and money to configure their infrastructure to allow calls to +888. The revenue that can be gained from this service is very limited, so only few operators have implemented access to +888, despite the good cause.

A Catch 22: Despite the obvious benefits, global numbers are still declining. As a result, alternatives have developed.

Despite the globalization of economies and people, and the resulting benefits of global telephone numbers, the overall usage of these numbers is declining. The main cause is a "Catch 22" situation where landline and mobile telephone networks do not allow calls to global telephone numbers because they are used too infrequently to justify the cost of implementation (and because with global telephone numbers, they put revenue for international calling at risk). Demand from multi-national enterprises and institutions, on the other hand, remains low because few operators allow calls to these numbers.

In such situations, where the free market mechanisms do not work, governments and its regulators intervene. But for telecommunications, there is no global regulator. The ITU is a global standardization body that recommends, but not enforces. And there are local regulators who enforce only when it comes to local telephone services and numbers, but not for global telephone numbers. Until now, the European telecommunication bodies have focused mainly on pricing (roaming), data protection and network security.

Over time, alternatives to UIFNs numbers have developed, enabling enterprise contact centers and service providers to extend their reach internationally through the use of local telephone numbers.

- The International Toll Free Service (ITFS), where the business or other organization use its local telecom service provider, mostly the incumbent provider, to get local toll-free numbers in foreign countries. Through bi-lateral agreements foreign and local service providers transfer the calls internationally.
- Direct Inward Dialing (DID) or international inbound SIP trunks, where the organization gets local geographical or toll free phone numbers from foreign countries via a specialized service provider.
 The DID provider converts calls to a local geographical or toll-free number into a SIP trunk that is routed to the organization over the Internet or a private interconnection.

Global telephone phone numbers may cease to exist – what's next?

In the light of the above, it is highly probable that the use of global numbers on the traditional telephone network will remain marginal, and possibly even disappear over the next five years. And that the international expansion of enterprise telephone networks will be done through the use of local DID numbers (aka international inbound SIP trunks) and new technologies, such as WebRTC click-to-call applications.

For more information visit:

www.voxbone.com

voxbone

Enabling cloud communications

DID numbers from +50 countries and 8,000 cities.

Voice termination to local emergency numbers compliant with regulations.

Recognized as the market leader in Quality of Service. (*)

Company owned licenses, numbers and network infrastructure.

Real-time provisioning through webportal and API.

Leading providers rely on Voxbone to apply telephone numbers to their applications & services:



(*) 93% of customers recommend Voxbone to others

Annual customer satisfaction survey 2013 (n= 239)