

## RETARUS WHITEPAPER

# How Companies Benefit from Cloud Fax

## Consolidation, Digitalization, and Process Automation

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## Internationally uniform

standard

As an integral component of many business processes, there are numerous reasons why fax remains an indispensable communication channel for most companies. Fax is an internationally uniform standard and complies with data protection regulations which cannot be met efficiently by other media in many countries. Additionally, fax adds value by providing options for automation, thereby facilitating the digitalization of previously analog workflows. Yet companies only fully unlock the benefits offered by this well-established medium through the use of modern cloud fax services and fax APIs. In contrast, running their own fax servers, fax cards, or conventional fax machines should best be consigned to the past, as these approaches entail high costs for licensing and operation, considerable efforts for maintenance and, in the All-IP era, often lead to communication problems.

This whitepaper lays out the benefits of cloud fax solutions, describes what companies need to bear in mind when selecting a provider, and explains how cloud fax can support digitalization efforts.

Flexible scalability and

## increased agility

Cloud solutions offer flexible scalability, increased agility, and support companies in the development of new business models. Even though a large proportion of all companies are now using IT services from the cloud<sup>1</sup>, appropriate solutions have not always been made available to cover all relevant business processes. Especially when it comes to communication, there is a huge and pressing need to catch up with business requirements. While email is already commonly utilized as a cloud service, this is less often the case with fax – despite the fact that it can significantly benefit companies.

Secure, traceable, and

## legally binding

Furthermore, it is crucial for successful cloudification to encompass all technologies – including fax. This trusted, standardized technology is firmly entrenched as a communication channel in many sectors, as it is easy to use and can be integrated into just about every application. Fax is secure, trackable all the way to delivery, and legally binding. Cloud-based solutions are superseding fax servers and, to the extent that they are still used, also replacing the conventional fax machine – connecting the analog with the digital world. In fact, fax can no longer be considered an analog technology but rather a medium that offers the benefits of the proven communication protocol in a digital environment.

<sup>1</sup> Source: <https://www.pwc.com/us/en/tech-effect/cloud/cloud-business-survey.html>

## What is cloud fax?

No need for an

### in-house fax infrastructure

The term “cloud fax” represents a range of different services for sending and receiving faxes, as well as integrating fax documents into processes further downstream. It can integrate into business applications such as ERP systems and desktop applications such as email clients, in addition to classic office appliances as well as multi-function printers. In contrast to fax solutions run on-premises (i.e., fax servers), cloud fax allows companies not to worry about hardware, software, or cables. All steps in the process are carried out in the cloud made available by the provider. In this way, the enterprise is not required to maintain and update hardware and software.

In addition to using standard interfaces such as HTTP(S), FTP, or SMTP to connect systems with the cloud, enterprise-grade providers also offer certified, application-specific interfaces, for instance BC-SMTP and SAP-RFC, APIs such as REST and SOAP, as well as other web services.

### Value-adding

options

Apart from the pure sending and receiving capabilities, which are virtually unlimited and flexibly adaptable to the enterprise’s changing needs, cloud fax services also boast an impressive array of value-adding options. In addition to classic fax features, users also benefit from additional functionality including scheduling delivery times and, prioritization options, customizable elements, digital signatures, fax encryption, or the archiving of inbound messages. All of these options support companies in their efforts to digitalize and automate their processes.

### Digitalization

made easy

#### **Cloud-based messaging platforms add value**

Adding barcodes to faxes when they are sent, for example, enables automated document processing and routing downstream. Incoming faxes can also be read using OCR technology and filed conveniently in a searchable archive. Providers of messaging platforms, in particular, offer more wide-ranging options to support companies in their digitalization efforts.

## Analysts: Cloud fax is a future-proof standard

Gartner: Cloud fax has become the  
**standard**

Cloud fax services significantly broaden the range of on-premise-operated system functionality and have become an important technology with which businesses can reduce their operating costs while also improving their compliance with various legal requirements for data protection, Gartner analysts confirm in their “2020 Market Guide for Cloud Fax Solutions”. According to the report, cloud fax has now reached the mainstream following an upward trend. Cloud fax services place companies in an excellent position as they transition to an All-IP solution – they seamlessly connect existing systems, solutions, and services as well as commonly used data formats are easily converted, all without difficulty. At the same time, the tried and trusted benefits of fax communication are retained. No longer does a company need to endure common disadvantages such as the effort and expense required to maintain fax servers and the high cost of always keeping fax lines available, as these are eliminated and replaced by the pay-per-use billing model of a modern cloud service.

Cloud migration expertise, compliance,  
**scalability**

### **Cloud fax services must be enterprise-grade solutions**

The analysts, however, also point out that it is essential that the cloud service is a professional enterprise-level solution, capable of ensuring the highest levels of dependability and security required to provide fax technology in the cloud operating model. They also emphasize the need for expert know-how when it comes to migrating fax communication to the cloud, highlighting the importance of processing data in compliance with the applicable data protection regulations, such as in accordance with the GDPR (General Data Protection Regulation), while also underlining the crucial significance of highly dynamic, scalable services<sup>2</sup>. Importantly, reputable cloud fax providers also make support a priority: personal support experts should be available at all times in the local language.

## Which benefits does cloud fax offer?

As set out above, cloud fax has become an indispensable technology which allows companies to reduce their operating costs and improve their ability to meet various compliance requirements, in addition to numerous other benefits.

<sup>2</sup> “Market Guide for Cloud Fax Solutions”, available at <https://www.gartner.com/en/documents/3993844> and free of charge from <https://www.retarus.com/gartner-market-guide-for-cloud-fax-solutions/>

Cost reduction of  
up to **75%**

**Lower total cost of ownership**

By moving their fax operations to the cloud, companies lower both direct and indirect costs. Cloud fax services allow for the reduction or complete elimination of expenditures on telephone and fax infrastructures, servers, software, updates, compliance, administration, and maintenance. In addition, indirect costs incurred for faxes that could not be delivered – including the resulting loss in productivity and the need to rectify the error – are substantially reduced. Furthermore, the average cost of sending a page with a cloud fax solution is less than \$0.08, around 55% to 75% lower than when using a fax server, where the average page cost is about \$0.20. Cloud fax services offer transparent billing models (e.g. flat rates, pay-per-use) where only batched or page prices are billed.

**Evolution of Enterprise Fax – Overview of costs from the 1980s until the present**

	Old Legacy Model	Transitional Model	Current / Future Model
Years	1980 – 2000	2000 – 2010	2010 – present
Technology	Fixed Fax Machines	Fax Server	Enterprise-grade Cloud Fax
Effort for manual operation	high	marginal	marginal
Avg. cost/page	\$2.50	\$0.17	< \$0.08
Avg. savings over earlier technology	not applicable	93%	55 – 75%

Integration into  
**omnichannel solutions**

**High Degree of Flexibility and Agility**

Businesses need to react dynamically and quickly to new developments in the marketplace. To ensure that fax communications meet their flexibility and performance needs, cloud fax providers offer a highly optimized infrastructure. This allows new systems to be connected quickly and easily, even under ever-changing circumstances. The integration of cloud fax services into omnichannel communication solutions is also uncomplicated. This means that companies always have the opportunity to adapt their workflows, processes, and collaboration, deciding for themselves which channel they would like to use to address each of their respective target groups, be it customers or suppliers, without having to waste their precious time operating various different devices and platforms.

Redundancy and active

## carrier management

### **Better process efficiency and higher service quality**

With the transition to All-IP networks in the telecommunications infrastructure, businesses stand to benefit from the full range of possibilities offered by digital communication. In the course of making the change to All-IP, companies may experience a range of technical problems with faxing, which may result in process disruption. Therefore, it is highly advisable to draw on the services and expertise of a specialized cloud fax provider. With enterprise-grade services connected to several tier 1 carriers and local providers, they ensure redundancy. Cloud fax providers also optimize bandwidth through active carrier management - right down to the last mile. This effectively prevents the loss of data packages and significantly boosts process efficiency. Companies can also benefit from additional services offered by cloud fax providers, including worldwide support, bespoke service solutions, and extensive analysis and monitoring modules.

Cloud services ensure

## ongoing updates

### **Security and compliance**

With regard to security and compliance, cloud fax services also offer advantages over systems run on-premises. Constant changes to the legal and regulatory framework make it necessary to continuously keep systems up-to-date and in line with the latest requirements. With cloud services this is easily achieved using a centralized approach. As a result, cloud services can react immediately to new threats with ongoing updates and ensure the encryption of sensitive corporate content. When selecting a cloud fax provider, companies should take particular care that the service fulfills both national and sector-specific requirements regarding data protection and data security, as well as adapts them continuously in response to changing circumstances.

Numerous

## synergistic effects

### **An investment in the future**

Cloud fax services are able to scale according to a company's communication demands. In this way, companies are not only able to modernize their business communication, but are also perfectly prepared to deal with upcoming technical, legal, and regulatory developments in each specific market. Enterprise cloud fax providers always keep their systems in line with current developments through updates, new functions, and integrating compliance requirements – this is something they are prepared to commit to contractually. With the right cloud fax provider, companies moreover profit from value-added services such as a worldwide telephone number service, highly available services around the globe, and excellent worldwide support. Depending on the provider, it may be possible to contractually stipulate specific service requirements, be it the scope of support services or response times, by way of multi-tiered service level agreements (SLAs). Other synergies can be achieved by opting for a cloud provider who offers various communication products in their portfolio (e.g. email and SMS).

This opens up various communication channels options across one provider, boosting efficiency through multi-channel integration.

## For which scenarios are cloud-based fax services particularly suitable?

Fast migration process,

### individual solutions

#### Cloudification and consolidation of data centers

In the course of their cloudification efforts, companies often run into problems with on-premise fax server operations. Demanding network and security requirements for the connection, high efforts and costs for the integration into cloud and hybrid application landscapes, not to mention ensuring global availability and faultless transmission quality all add complexity to an already challenging operation. Enterprise cloud fax providers ensure a quick, uncomplicated migration process, even able to implement specific company requirements on a case by case basis. If the company is aiming to consolidate data centers or relocate hardware and applications, it would then make a lot of sense to move the fax communication into the cloud.

### Uninterrupted

fax communication

#### All-IP environments

After moving to an All-IP environment, it is often challenging to continue running existing on-premise fax servers without issues. As the effective bandwidth in an IP network is constantly changing, there may not be enough bandwidth available at peak times to complete the transmission of faxes – the result is that the fax transmission fails. This is not the case with cloud-based fax services, where the fax communication does not take place over the telecom provider's VoIP infrastructure, but rather directly from the specialized provider's data center. Cloud fax providers enable uninterrupted fax communication, even in All-IP environments.

### Direct integration

into SAP, Microsoft 365 et al.

#### Integrating fax into applications via APIs

Modern cloud fax services can be integrated into applications using standard interfaces, web services, and programmable interfaces. The respective providers offer a wide variety of APIs which quickly and easily facilitate direct integration between the fax cloud and business applications such as SAP, Microsoft 365, Google Workspace, or Salesforce. For especially complex requirements, enterprise-grade providers have their own teams of developers, who can adapt the APIs to perfectly fit into the company's environment.

## Connect MFDs directly

to data centers

### Digital fax for the workplace

Companies using multi-function printers to send and receive faxes also stand to benefit from state-of-the-art cloud services. Providers offering a comprehensive portfolio can connect modern MFDs directly to their data centers. This eliminates the cost and additional effort of laboriously connecting every individual device using fax cards and telephone lines.

## What requirements must cloud fax providers meet?

Highest levels of

### performance, scalability, and security

Selecting the right provider should ideally be based on the company's specific requirements. Are faxes sent in high volumes? Is the fax communication used for critical business processes? Is it necessary to comply with legal and regulatory guidelines and standards, perhaps even international ones? Are high capacities needed at peak times? Are the highest service levels required? If the answer to any of these is "yes", they should exclusively consider cloud fax providers defined by Gartner as "enterprise-grade". In addition to high performance and scalability, a professional enterprise-grade provider also ensures the ultimate levels of security and compliance – around the globe and across sectors.

## Reduce cost

by optimizing processes

Once the appropriate cloud fax platform has been connected, companies benefit from geographically distributed data centers, dynamic routing and carrier management, maximum availability, reliable deliverability, and business continuity. Long-term business process and workflow optimization can also be achieved with innovative cloud fax services. This not only supports companies in their efforts to consolidate their infrastructures and implement their cloudification strategies, but also facilitates digitalization and process automation. At the same time, both the direct and indirect costs are lower when compared to operated fax server infrastructures. Enterprise-grade cloud fax providers offer state-of-the-art interfaces for nearly all business applications. Additionally, they provide an extensive portfolio of value-adding options including OCR, barcode recognition, and intelligent routing. All of which are effortlessly complemented by other communication services such as email and SMS. This constitutes an all-encompassing communication infrastructure from a single provider.



## Conclusion: now is the time for enterprise-grade cloud fax

With professional cloud fax services, the proven benefits of fax communication can be carried over to digital environments. To ensure that a company's business-critical faxing achieves the highest levels of reliability and security, it is crucial to rely on enterprise-grade providers such as Retarus. With their specialized know-how and consulting services, they make migrating to the cloud easy. These experts provide companies with the ideal conditions for integrating cloud fax into their existing IT ecosystems. The ideal cloud fax provider ensures highly secure, reliable, and modern communications for even the most demanding enterprises.