



How to Successfully **Purchase & Manage DIDs**

A Guide from Sangoma Wholesale Carrier Services

For any business offering VoIP services, one major factor to commercial success will be the ability to successfully purchase and manage DIDs, otherwise known to end users as phone numbers. Before any numbers are sold, it's important to first decide how you are going to order and manage these numbers. To assist in making and executing this decision, this short guide will explain the process of purchasing and managing DIDs.

There are three main strategies for number purchasing and management:

- ⦿ Purchasing as needed
- ⦿ Keeping a number inventory, also called a number warehouse
- ⦿ Using an API (application programming interface) to facilitate real time DID management

Each of these have their own advantages and disadvantages, making the process of choosing the appropriate strategy very individual to the needs and budget of your business.



Purchasing as Needed

This method is the most cost effective strategy and requires the least amount of overhead commitment. Typically the only overhead cost associated with a purchase-as-needed strategy is the negotiated minimum-monthly-commitment (MMC). Most start-ups use this strategy to keep costs down.

The downside is management and the number order turn-around time. Depending on the ULC (underlying carrier), the number ordering and provisioning processes typically take a minimum of 1-3 days and using multiple ULCs can complicate matters further.

If you are at this point, you should be asking yourself three questions:

1. Which ULC has number coverage in the requested area?
2. Which ULC offers the requested features (T.38, SMS, CNAM)?
3. Which ULC has the most favorable cost structure (DID MRC, DID activation fee, DID usage cost)?

Once you have selected the ULC, placing the order is the next step. Depending on the ULC, number ordering can be done in a variety of ways: using a portal, sending an email, or placing a call.

If using a purchase-as-needed strategy, I would recommend finding a carrier that has the ability to order and manage numbers through a portal. Using a portal provides order flexibility, order transparency, and order management, making the process more efficient.

Maintaining a Number Warehouse

Keeping a number inventory provides the quickest provisioning with the most flexibility. This strategy is typically used by more experienced and mature companies with the capital to invest in bulk orders of DIDs. This gives them quick number turn-around when customers request new DIDs.

Unfortunately, this comes at a cost because maintaining a number warehouse comes with the overhead cost to carry these numbers. Depending on the size of the reseller's coverage footprint, a reseller can have thousands of rate centers to stock and manage, creating a large recurring cost to cover. The longer a number sits in inventory, the longer it will take to recoup the carrying costs.

Another challenge with the inventory strategy is the management of the actual inventory. Stocking thousands of rate centers, managing orders from multiple ULCs, returning numbers, and providing a variety of number features can be difficult to manage.

For this strategy to work, a DID IMS (inventory management system) is a must. Sangoma Wholesale Carrier Services, for example, services 8,500+ rate centers, aggregates dozens of ULCs, and offers every possible DID number feature. Without a DID IMS, none of this would be possible. The Titanium III DID IMS was designed to make decisions and manage our DID number order fulfillment process.

The Titanium IMS oversees items like deciding when a rate center needs to be restocked or deciding when a rate center is overstock. It also helps when deciding which carriers have coverage for a particular rate center, which carriers offer the required DID features, and which carriers offer the best price. To answer these questions and accommodate the DID management process, the IMS sends a batched report to a designated person or team to review, place orders, and make any necessary changes.

The API Strategy

The third strategy, using an API, could almost be considered a hybrid of the other two. An API provides the ability to tap directly into a ULC's number ordering and provisioning systems, giving the appearance of an inventory strategy without the costly overhead of an actual inventory.

When the end user purchases a number through an API, the request is directly sent from the end user to the ULC, and the number is provisioned in real-time. This means the reseller does not have to manually request or stock the requested number. An API strategy provides the best of both worlds: real-time number ordering and provisioning and a low overhead commitment.

When adopting this strategy, some challenges to answer are ensuring a provider fits your business model (coverage footprint, features, and pricing) and has a robust API, as well as ensuring your business possesses the technical skill set needed to implement an API solution. Clearly-defined documentation can help overcome some skill set limitations.

Another important piece to this strategy is maintaining an API testing sandbox to ensure your business has a way to practice and test the API before deployment and before any major update or change.

To assist in deciding which strategy is right for your business, be sure to take into consideration the needs of your customers, the expertise of your staff, and the budget your business is working with. The structure, experience, and maturity of your company will be what ultimately determines which strategy will offer the most utility in successfully purchasing and managing numbers.





JUST GETTING STARTED?

Contact a helpful specialist at Sangoma Wholesale Carrier Services. We are happy to guide new and growing VoIP businesses through the decisions and strategies necessary to thrive in the modern service provider marketplace.

Sangoma Wholesale Carrier Services is the only telecom vendor that provides startups and small businesses with billing and end user solutions that are tailor-made for their needs. Taking advantage of our solutions can save you months of research and development time.

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+1 (814) 800-0020 or +1 (877) 478-6471

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