



On Premise vs Cloud Telephony

How to Choose the Best Option for Your Business

For many organisations exploring their next generation telephony strategy, “cloud first” has almost become a reflex. Cloud solutions are widely marketed as modern, agile and cost efficient. And, for many businesses, they are exactly that.

But experienced IT leaders know that telephony isn't a one size fits all decision. On premise telephony remains a powerful, secure and highly economical option especially in public sector environments where CAPEX purchasing and long lifecycle value are priorities.

At Avoira, we design, implement and support on premise, cloud and hybrid telephony solutions. We are technology agnostic by design. The right answer isn't “cloud” or “on prem” it's whichever model fits your business, your regulatory landscape and your operational reality.

This guide walks you through the strengths and limitations of each approach, so you can make a fully informed, transparent decision.

) Cost: Cloud vs On Premise. Which Is More Affordable?

Many organisations begin their evaluation with cost, and it's often assumed [cloud](#) is cheaper.

After all:

- No upfront hardware
- Predictable subscription billing
- Easy user scaling

But an experienced IT manager knows cost is about total cost of ownership, not headline subscription pricing.

A complete financial comparison must consider:

- Hardware lifecycle and depreciation
- Building, energy and hosting overheads
- Patching, firmware, and security updates
- Support contracts or internal staffing skillsets
- Replacement hardware and refresh cycles
- Vendor driven price changes over multi-year terms
- Resilience design (dual processors, DR sites, SIP resilience)
- CAPEX vs OPEX financial strategies

[Our PBX explainer](#) reinforces that many organisations still rely on on premise infrastructure because it integrates cleanly, delivers long lifecycle value, and offers predictable performance.

Meanwhile, [Understanding Cloud Services: What They Are and Why They Matter](#) highlights how cloud models reduce hardware spend and offer flexible pay as you go models suited to fast changing environments.

Subscription Based On Premise

Modern subscription models (e.g., platform licensing with Software Assurance) can allow organisations to deploy an on-premises solution without large upfront investment, while retaining local control and long term cost efficiency. Where available, Cloud Link-style services can extend on prem systems with cloud-based collaboration at the organisation's pace.

Where multi-year capital programmes exist, on premise assets can align with depreciation schedules and provide cost visibility over a longer horizon.

Bottom line, either model can be more cost effective, depending on your usage patterns, refresh preferences, regulatory requirements and strategic timeline.



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Security, Compliance and Data Control

Security is often the defining factor for IT leaders, especially in regulated or data sensitive environments.

Why organisations choose on premise

- Full control over data storage and access
- Easier alignment with strict compliance or data sovereignty rules
- Zero dependency on third party cloud outages
- Strong fit for public sector (e.g., NHS Trusts, County Councils), healthcare, legal, finance and high security operations [Sector named examples, not client specific but could be?]
- Ability to design a tailored security perimeter

Why organisations choose cloud

- Built in redundancy and resilience
- Always current security patching
- No physical infrastructure to protect
- Backed by providers with strong ISO/ SOC certifications
- Rapid threat response and centralised monitoring

Our cloud services guide notes that cloud platforms operate at a scale that allows them to deliver world class resilience and security protections built directly into the platform.

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Avoira's dual processor design meant we could maintain full telephony capability even if our primary site experienced a failure.

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Reliability and Resilience

Both cloud and on-premise telephony can deliver exceptional reliability, but they approach resilience differently.

Cloud telephony strengths

- Geo redundant data centre architecture
- Market leading uptime SLAs
- Automatic failover and rapid [disaster recovery](#)
- Ideal where high quality internet access is assured

On premise telephony strengths

- Local survivability if internet connectivity is disrupted
- Optional dual processor architecture for built in redundancy
- On site failover independent of third-party platforms
- Predictable, consistent performance without broadband dependency

On Premise Resilience

Enterprise platforms (e.g., MiVoice Business class architectures) support hot standby controllers, secondary processors and multi-site failover designs, well suited to public sector operations which cannot tolerate downtime. Avoira engineers design these architectures for clients needing enhanced operational resilience.



Scalability and Flexibility

Our cloud services article highlights the natural elasticity of cloud, but on premise has its own strengths.

Cloud advantages

- Add/remove users instantly
- Supports remote, hybrid and geographically distributed teams
- Easy expansion into new sites or regions
- Ideal for seasonal or rapidly growing businesses

On premise advantages

- Highly cost efficient for stable user numbers
- Deep customisation and close integration with internal systems
- Long term asset with predictable value
- No dependency on internet connectivity for local communication

Our PBX guidance confirms that PBX systems remain relevant and widely used because of their flexibility, integration options and maturity.

Hybrid: The Best of Both Worlds

Many of Avoira's public sector clients adopt hybrid telephony, using on premise call control with cloud-based collaboration tools or cloud failover. Cloud-linking capabilities can extend on premise systems with modern cloud functionality at your own pace.



CAPEX vs OPEX: What Public Sector Buyers Often Consider

Important: The following is general guidance only. It is not a TCO claim and contains no numeric savings. Where specific cost comparisons are needed, a tailored TCO analysis should be conducted.

Focus	CAPEX (Typically On Premise)	OPEX (Typically Cloud)
Budget model	One-time capital purchase; asset depreciated over time	Monthly operational expense; no asset on balance sheet
Cost visibility	Multiyear cost visibility; aligns to asset lifecycle	Predictable monthly billing; elastic with usage
Control	Full control of infrastructure and upgrade timing	Provider managed platform, automatic updates
Dependencies	Lower dependency on internet for local calling	Dependent on provider uptime and connectivity
When it helps	Public sector bodies with CAPEX cycles, long term sites, compliance	Rapid change, distributed teams, shorter planning cycles

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Which Telephony Solution Is Best for Your Organisation?

Choose Cloud Telephony If:

- Your workforce is hybrid/distributed
- You want predictable subscription billing
- You favour minimal hardware responsibility
- Scale and agility are core priorities

Choose On Premise Telephony If:

- You have strict security or compliance requirements
- Data sovereignty or on-site control is non negotiable
- You prefer owning a long-term asset (CAPEX)
- Internet resilience is a concern

Choose Hybrid If:

- You want on prem control with cloud flexibility
- You want to migrate in stages
- You want to enhance existing systems without replacing hardware



Avoira's Independent, Transparent Approach

Unlike vendors limited to one model, Avoira supports:

- Cloud telephony
- On premise telephony
- Hybrid telephony
- PBX systems
- Unified communications

We begin with understanding your:

- Compliance and regulatory needs
- Data handling considerations
- Growth forecasts
- Current infrastructure
- Budget approach (CAPEX vs OPEX)
- Business continuity requirements

Then we deliver a clear, evidence-based recommendation without agenda or bias.

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Avoira helped us evaluate all three models objectively. Their analysis allowed us to choose a model that matched our compliance needs without overspending.

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Ready to Explore Your Options?

Whether cloud, on premise or hybrid is right for you, our specialist engineers can help you evaluate each model in depth.

A short conversation could give you complete clarity with zero pressure and full transparency.

