How To Choose an Internet Service Provider (ISP) for Your Small Business

FInding the right Internet service is probably most similar to buying a new car. Hate or love it, you know have to do your research, and then deal with salespeople who want to close the deal. If you know what you need ahead of time, and have your set of questions to ask before you call, you'll be well on your way to finding the right service for your business.

Questions you need to answer before you call an ISP

Q: How many users will be using the Internet at the same time?
The more users you have, and the more complicated their online tasks, the more bandwidth you will need. You can find a table to help estimate needs at http://www.chaffeecountyedc.com/EndUserFiles/33266.pdf.

Q: Will you be using VoIP phones?
You'll need to discuss using VoIP (Voice over Internet Protocol) phones with each ISP. ISPs will know how much bandwidth you'll need for the number of phones you plan to use. Do call more than one ISP for a quote, because there might be bundling options available. Also decide what you will do if your Internet service goes down. VoIP phones will not work and you need to make sure your customers can still reach you in case of an Internet outage.

Q: Do you need static IP addresses?
If you plan to host your own servers for email, website or Virtual Private Network (VPN), you will need static IP addresses. Most ISPs prefer to provide dynamic addresses - they assign an address from their address pool every time you log in. If don't know, you probably don't need static addresses, or you have already hired IT tech support who can spare you from the work of configuring static IP addresses for VPN, servers and other computers.

Q: What is your plan if your Internet service goes down?
Each business will be different. Can you withstand a few hours without service? What about if you are using VoIP phones? You might consider a second, lower-cost service from an alternate provider (preferably using a different middle mile connection) if you can't afford to lose your service for more than a few minutes and the ISP cannot offer redundancy.

Q: What type of email services do you need?
If you host your website and email somewhere else, this is not an issue. However, if you need your ISP to supply email addresses, you'll need to know how many email addresses you need to support. If you have your own domain ("mycompany.com"), but no website or email host service, you can ask if they will customize your addresses with your domain.

Q: What can you afford?
Most ISPs offer separate business-class and residential-class services. Business-class service is often significantly more expensive, but it usually offers extra features and higher-priority tech service, too. If you run an office from your home and don't need the extra features of business-class service, consider using residential service. But check with the ISP first, as its "Acceptable Use Policy" may prohibit any business or commercial use under residential service. Do note that residential service will be affected by "contention ratios," or the number of other people concurrently using the service.

Questions to ask potential ISP vendors

Q: What type of connection will I get?
Common types include DSL (CenturyLink), cable (Optimum) and fixed wireless (Matrix, Mountain Computer Wizards, Colorado Central, RidgeviewTel, Peak Internet, etc). Some businesses might have access to fiber, which is considered the "gold" standard connection - it can be infinitely upgraded with new equipment to ever faster speeds. Chaffee County also has high-speed satellite options available.

DSL - This is generally the cheapest connection type. DSL runs over telephone lines, and will carry voice calls and transfer data simultaneously. DSL performance depends on how far your location is from the telecom's central office, but speeds may reach up to 15 mbps for downloads and 1 mbps for uploads, which can support a dozen typical users simultaneously or a point-of-sale system. Speed depends on the type of equipment installed in your neighborhood, and on the quality of the copper wire to your premises.

Cable - This is one of the most popular connection types. The technology works over standard television cable (coaxial) lines, and permits both Internet and digital phone use. ISPs may offer cable speeds of 15 to 100 mbps for downloads and 2 to 10 mbps for uploads--enough for a few dozen simultaneous users at higher speeds. Cable connections share bandwidth among other users in the vicinity, so speeds may be slower during peak (work) hours.

Fiber - Telecommunication companies have been using fiber-optic lines in their backbone and middle mile infrastructure for some time, and depending on the location, also provide fiber connections to end-users. Fiber-optic connections typically permit download speeds of 15 to 150 mbps and upload speeds of 5 to 35 mbps. Monthly pricing ranges widely depending on the speed you purchase. Since fiber provides such high bandwidth, it can easily provide phone and Internet service for multiple simultaneous users.

Fixed Wireless - Where copper, cable or fiber are not available or not capable of providing high-speed service, fixed wireless can be deployed in a cost effective manner. Fixed wireless services typically use a directional radio antenna, which must be able to see the service provider's local tower. ISPs typically offer up to 12 Mbps service, run in unlicensed frequencies (typically 2.4 GHz and 5 GHz) and accommodate inclement weather well. Licensed frequencies are often used when higher speeds or quality of service is required.

Satellite - For hard to reach areas, high speed satellite service is available from ViaSat or HughesNet, and offers speeds up to 12 Mbps download and 3 upload. These packages are offered based on data usage, similar to cell phone plans, and are currently offering from 10 to 25 Gigabytes of data per month.

Q: What are the terms of your service level agreement and subscriber policies?
Although reading documents drafted by lawyers rates up there with root canals, it's important to read the fine print of a service provider's contract before signing up. The prices that most companies post online are conditional. Many require contracts, ranging from one to three years in order to get the advertised monthly service rate. In addition, some prices include a discount for a set amount of time or are locked in for a limited

period such as three to six months. Some advertised Internet service prices apply only when you arrange to subscribe to a bundle of Internet, phone, and TV service.

ISPs offer a service level agreement (SLA) that spells out the service's performance and support terms, including up-time guarantees, support availability, and guaranteed response-time for support or fixes. They usually also state your compensation if the ISP fails to meet its obligations under the agreement. Business-class services should always spell out more terms including if you will be reimbursed for downtimes, your throughput (so you get close to what you are paying for) and throughput at times of high traffic, level of redundancy, level of security and the frequency of how often they check your connection’s performance. Compare provider SLAs before you sign a contract.

Other policies to check out include the ISP's subscriber agreement, and its acceptable use policy. These documents state the rules governing how you may use the service, including any bandwidth or data usage limits that may be in force. You can usually browse the ISP's site for these documents or run a Web search for the company name and the word "policies."

Q: Are there equipment and installation fees?
Understand what hardware each ISP will provide and what you need to purchase. Some services provide nothing more than a basic modem, while others may give you a gateway that includes a router with ethernet ports, firewall protection, or even a built-in Wi-Fi router. ISPs rarely post this type of information on their website, so you'll probably have to call the ISP sales line for details.

Installation or activation fees will vary. Some companies provide free installation and activation, but most make waiving the associated fees (typically $100 to $150) contingent on your accepting a long-term contract. Since ISPs usually install the basic Internet modem or gateway at your premises, and verify access on a single computer, you'll likely be responsible for setting up the service on your other computers. DSL providers normally provide kits for the user to install, in lieu of offering professional installation. Most kits are easy to set up, but if you typically let your kids run your home theater system and don’t have IT tech support, consider planning for the cost of hiring additional IT help.

Q: How does your tech support work?
Comparing different ISPs' tech support offerings is crucial. Nearly all of the big companies say that they offer around-the-clock, 24x7x365 support, but you need to check whether that assistance is live or automated. Also ask about the service's on-site support times and days, in case you run into problems that phone representatives can't resolve.

Q: Do you offer other services I need?
Some companies offer security software for your PCs or online data backup, either for free of at some added cost. Most offer bundles with telephone and TV service. Others might offer email and web hosting services, which could also be bundled into a contract.

And more importantly, once you get the information from various ISPs, go back to your existing vendor. You might be able to negotiate a better deal, however be prepared to accept that the new deal might require a new contract.

Information adapted from “Broadband 101” available at http://www.chaffeecountyedc.com/EndUserFiles/31275.pdf and “How to choose an ISP for your small business”, available at http://www.pcworld.com/article/246479/how_to_choose_an_isp_for_your_small_business.html.

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