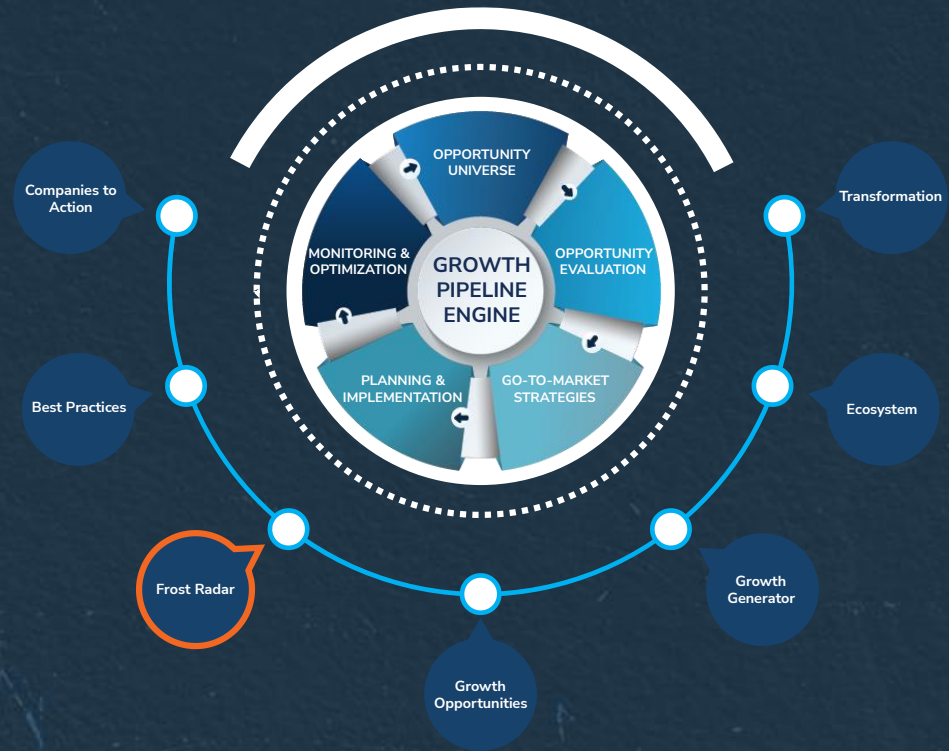


Frost Radar™: Integrated Cloud Communications Platforms, 2026

A Benchmarking System to Spark
Companies to Action - Innovation
That Fuels New Deal Flow and
Growth Pipelines



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Strategic Imperative and Growth Environment



Strategic Imperative

- Artificial intelligence (AI) and agentic AI are rapidly reshaping communications workflows, raising customer expectations for automation and integrated intelligence. Providers must transition their AI offerings from stand-alone features to orchestrated, outcome-driven experiences or risk irrelevance and commoditization. To stay competitive, they must close automation gaps, embed structured adoption frameworks, and pursue phased deployments that demonstrate measurable value.
- Broader adoption of AI is widening the risk surface, with security, privacy, and regulatory pressures influencing purchase decisions. Providers must embed trust—security, compliance, transparency, and architectural controls—into the core of their platforms to reduce customer hesitation and regulatory exposure. Delivering continuously enhanced governance, AI-specific safeguards, regional data residency, and sovereignty-aligned controls will differentiate trusted providers from those seen as risk multipliers.
- As core cloud communications and collaboration markets mature, growth depends on expanding into broader digital workplace solutions and capturing a larger percentage of customer spend. Providers must assemble integrated portfolios and leverage ecosystems to deliver workplace modernization (e.g., audiovisual devices and digital signage), employee engagement, contact center and customer engagement, and adjacent productivity, workflow automation, and employee experience solutions. Success also requires curated integrations, analytics, and managed onboarding, adoption, and administration services to increase switching costs and strengthen account ownership.

Strategic Imperative (continued)

- Enterprises increasingly demand customized, workflow-aligned communications, driving the need for programmable platforms and deep integration options. Providers must deliver flexible application programming interfaces (APIs), software development kits (SDKs), low-code builders, vertical templates and workflow- or function-specific capabilities to avoid commoditization and create differentiated value. Ecosystem development and marketplaces enhance personalization and industry-specific experiences that generic platforms cannot match.
- Maturing markets and pricing pressure are slowing growth, making international expansion and channel-first execution essential. Providers must localize products, packaging, billing/taxation, data residency options, compliance mapping, and go-to-market models and leverage partnerships or acquisitions to accelerate regional appeal and fit. Channel ecosystems must evolve toward services-led delivery, supported by automation, enablement, and incentives that ensure consistent execution at scale.
- Operational friction across quoting, provisioning, billing, and support is constraining growth and margin performance, particularly as portfolios expand. Providers must simplify, standardize, and automate lifecycle operations before layering AI on top, as AI amplifies both strengths and inefficiencies. Aligning operations around customer-centric key performance indicators (KPIs) will improve agility, reduce cost to serve, and lay the foundation for a sustainable, AI-driven advantage.
- Mobile-first communications are now essential as remote, frontline, and deskless workers rely on smartphones as primary communication devices. Providers must deliver parity between mobile and desktop experiences while addressing security, privacy, and compliance gaps (e.g., via policy-based recording and retention on mobile) created by fragmented mobile strategies. Supporting multiple mobile models—softphones, native dialing, fixed-mobile convergence (FMC), and mobile-inclusive packaging—enables growth across regions, segments, and frontline-heavy industries.

Strategic Imperative (continued)

- Customers are rationalizing vendors and demanding integrated solutions, lifecycle services, and outcome accountability across communications, customer experience (CX), and business systems. Providers must evolve from product sellers to transformation partners by delivering business outcomes through managed services, structured cloud migration, IT integrations, and analytics. Platforms, ecosystems, and flexible APIs enable providers to move up the value chain and avoid disintermediation by hyperscalers and integrators.
- CX has become a decisive differentiator as reliability, consistent engagement, and proactive support increasingly influence buying and renewal decisions. Providers must ensure operational rigor, high-quality deployments, and proactive lifecycle management to prevent experience erosion and churn. Strong customer care and consultative engagement are essential to maintain loyalty—particularly in mid-market and enterprise accounts. Institutionalize CX with quality of service (QoS)/experience analytics, proactive incident communications, release governance, service-level agreement (SLA)-backed performance, and customer success playbooks.
- Budget scrutiny is intensifying, and buyers increasingly demand measurable outcomes rather than features or technical specifications. Providers must operationalize value measurement across the lifecycle, tying usage to business impact through analytics (e.g., adoption dashboards and AI outcome metrics, such as time saved, leads captured, and faster case resolution), benchmarking, and structured success frameworks. Outcome-based packaging, repeatable adoption services, and return-on-investment (ROI)-backed renewals will be critical differentiators for growth, retention, and competitive positioning.

Growth Environment

- [The IMF](#) projects global growth of 3.3% in 2026 and 3.2% in 2027, with technology investment and private-sector adaptability helping to offset trade policy headwinds. Inflation is expected to keep easing globally, though the United States is forecast to return to target more gradually. Key risks include a reassessment of technology-driven productivity gains and heightened geopolitical tensions. The IMF projects particularly strong 2026 growth of 6.4% in India and 4.6% in Sub-Saharan Africa, while advanced economies remain more modest, led by the United States at 2.1% and Canada at 1.6%.
- International conflicts, including the Middle East wars and the Russo-Ukrainian conflict, are dampening business sentiment and tilting budgets toward caution. This pressure is particularly evident in technology outlays, where boards and CFOs are re-ranking priorities and delaying discretionary projects in anticipation of potential shocks to supply chains, energy prices, and regional demand.
- As strategies become more conservative, many organizations are de-emphasizing near-term cloud communications and collaboration rollouts in favor of higher-priority capabilities: cybersecurity hardening, customer contact/CX modernization, and core network enhancements. This shift, combined with risk aversion, is also extending the life of premises-based communications systems that have been depreciated and integrated with business-critical workflows.
- Starting in 2025 and continuing through 2026, businesses face a fluid trade environment marked by unpredictable reversals and aggressive tariff regimes. Many are adopting a wait-and-see posture: freezing or phasing large capital programs, pushing decisions to renewal windows, and revisiting multiyear commitments. Confidence is undermined by shifting tariff frameworks that make demand forecasting and supplier selection more difficult, while rising sociopolitical tensions elevate data sovereignty requirements—favoring vendors that offer more granular controls over local and regional data residency.

Growth Environment (continued)

- Customer technology roadmaps are further complicated by a broad swing back to office-centric operations after several years of more prevalent remote and hybrid work. While hybrid models catalyzed investment in cloud-based communications and collaboration, the return to office is spurring workplace modernization that blends on-premises systems, physical devices, and next-gen software supporting on-site productivity and selective flexibility.
- Despite macro and geopolitical challenges, cloud communications should remain on a growth path as digital transformation continues. As organizations settle on durable work models tailored to their workflows, investment will align more tightly with employee needs—balancing office modernization with cloud services and targeted upgrades where they drive measurable outcomes.
- Two technology undercurrents will shape cloud communications adoption.
 - IT/telecom decision makers who are reassessing external calling requirements may gradually trim private branch exchange (PBX) licenses and public switched telephone network (PSTN) connections, particularly for employees who primarily communicate via video meetings and messaging; near-term declines are unlikely, but reductions could materialize as PSTN contracts expire.
 - AI-powered collaboration features can boost cloud uptake, yet chatbots, virtual agents, and AI receptionists may reduce demand for certain contact center seats and communication tools associated with frontline and administrative roles that may become eliminated.
- The evolving AI-centric IT landscape is reinforcing the strategic importance of cloud communications because agentic AI still depends on resilient, compliant, real-time voice infrastructure and the deep telephony expertise long held by unified communications as a service (UCaaS) providers. UCaaS vendors' strengths in routing, numbering, regulatory compliance, and global connectivity position them at the center of emerging AI-driven workflows, particularly as voice, customer engagement, and conversation intelligence become foundational inputs to automated decision-making.

Growth Environment (continued)

- Communication modernization patterns are increasingly led by integrated meeting platforms (e.g., Cisco Webex, Microsoft Teams, and Zoom) that pave the way for cloud PBX in unified suites. However, the cloud communications, collaboration, and CX space remains diverse and fragmented. With stronger security, compliance, reliability, and QoS, a broad spectrum of integrated cloud communications offers and business models is expanding reach, even as overall market growth moderates, churn remains elevated, and a meaningful customer cohort retains on-premises telephony for compliance, data residency, cost, or deep integration needs.
- Mobility is becoming a defining force in business communications as organizations shift from fixed wireline devices to mobile-first environments built around softphone clients, smartphones, and tablets. This transition reflects cost reduction priorities and the need to support employees working fluidly across offices, customer sites, and field locations. Adoption will accelerate fastest in retail, high-tech, and professional services, where mobile workflows are already the norm, while more regulated industries, such as healthcare, government, and education, will move more gradually because of compliance and workflow dependencies.
- Regional maturity in cloud communications varies widely, shaping how and at what speed providers can expand. Highly developed markets, including the United States, United Kingdom, Nordics, and Benelux, are characterized by intense competition, multiservice platform adoption, and a strong presence of mobile-centric UCaaS, particularly in the Nordics, where national telecom operators dominate. In contrast, growth opportunities remain substantial in Canada, Southern and Central/Eastern Europe, most of Asia-Pacific, and parts of Latin America and the Caribbean, where UCaaS penetration is lower and providers can capture new demand by partnering with local telecom operators and tailoring offerings to regulatory and economic conditions.

Frost Radar™

Integrated Cloud Communications Platforms



Frost Radar™: Integrated Cloud Communications Platforms



In a fragmented market with dozens of qualified participants meeting installed seat requirements, Frost & Sullivan independently evaluated the landscape and selected just 19 companies to be benchmarked in this Frost Radar™. This small, carefully chosen group represents organizations that rise above the broader market, demonstrating not only strong growth, but a clear capacity to innovate and lead. Inclusion is not simply recognition; it signals that a company is operating at the forefront of its industry.

This evaluation is led by Frost & Sullivan's experienced global analyst team, combining deep domain expertise with a rigorous, fact-based approach. Using our proprietary, multi-dimensional benchmarking methodology, applied consistently and validated by analysts. Frost & Sullivan ensures a fair, globally comparable, and defensible assessment of true market leadership.

Frost Radar™: Competitor Categories

GROWTH CHAMPIONS

- Achieve significant market growth through effective execution.
- Leverage proven technologies and scalable business models.
- Maintain competitiveness via operational efficiency and customer focus.
- Require increased innovation investment for sustained leadership.

CONTENDERS

- Emerging players with modest market presence and cautious strategies.
- Often new entrants or niche participants establishing their position.
- Emphasize continuous improvement and ensure operational reliability.
- Hold potential for growth through innovation, alliances, and market expansion.

VISIONARY LEADERS

- Market leaders with strong balance of innovation and growth.
- Deliver transformative technologies, business models, and processes.
- Influence industry direction and set new benchmarks.
- Combine strategic vision with operational excellence for market dominance.

INNOVATORS

- Drive technological advancement with disruptive ideas and solutions.
- Prioritize R&D, IP development, and pioneering concepts.
- Strong innovation foundation with opportunities to accelerate commercialization and scale.
- Benefit from strategic partnerships and targeted go-to-market strategies.

Frost Radar™ Competitive Environment

- Vendor positioning on this Frost Radar™ is informed by an evaluation framework that is deliberately aligned with the structural evolution of the cloud communications market, where UCaaS, contact center as a service (CCaaS), and communications platform as a service (CPaaS) are still assessed as discrete domains but also as increasingly converged layers in a unified platform. The methodology reflects the reality that enterprises are consolidating communications, customer engagement, and programmable capabilities into unified, extensible environments, and therefore prioritizes attributes that capture how effectively vendors are enabling this convergence.
- The new framework emphasizes integration across adjacent communication domains, in addition to evaluating depth in the core cloud communications feature set, including calling, meetings, and messaging. The approach reflects a fundamental market shift in which value is created by deep UCaaS and CCaaS functionality and the ability to orchestrate interactions across employee collaboration, customer engagement, and application-driven communications workflows. Vendors that demonstrate strong integration across UCaaS, CCaaS, and CPaaS layers are advantaged in their positioning because they align more closely with enterprise purchasing patterns and architectural priorities.
- The methodology also incorporates the importance of programmability and extensibility as first-class capabilities, consistent with the rise of CPaaS and API-driven communications. Enterprises are increasingly embedding communications into business processes, which requires flexible platforms that expose functionality through APIs, SDKs, and developer ecosystems. By embedding these elements into the evaluation criteria, the Frost Radar™ captures how effectively vendors are supporting the transition from stand-alone communications tools to composable communications platforms.

Frost Radar™ Competitive Environment (continued)

- AI is treated in the framework not as a stand-alone innovation category, but as a cross-cutting enabler of platform value, reflecting its role in reshaping employee and customer interaction models. The emphasis is on how AI enhances orchestration, automation, and insight across UCaaS, CCaaS, and CPaaS layers, rather than on isolated feature innovation. This aligns with the market's progression toward AI-driven workflow automation and outcome-based communications, where value is increasingly tied to measurable productivity and experience improvements.
- On the growth dimension, the methodology reflects the market's transition from seat-based expansion to multidimensional growth driven by adjacency capture and ecosystem scale. Vendors are evaluated based on their ability to expand beyond core communications into CX, analytics, and platform services, as well as their effectiveness in leveraging partner ecosystems, global expansion, and new customer segments. This mirrors the industry reality that growth is no longer confined to UCaaS penetration but is increasingly tied to share-of-wallet expansion across integrated communications and engagement workflows.
- Positioning along the innovation axis is determined by a combination of AI capabilities, product portfolio strength, R&D investment, and alignment with industry megatrends and target customer segment requirements. The vendors positioned furthest to the right—most notably Cisco, Dialpad, Microsoft, RingCentral, and Zoom—demonstrate comprehensive innovation across all major dimensions of the cloud communications market. Their platforms combine enterprise-grade telephony, collaboration, and customer engagement capabilities with deeply embedded AI, enabling them to deliver end-to-end digital workplace and CX solutions. These providers exhibit high innovation velocity, supported by substantial R&D investment, which reinforces their leadership position over time.

Frost Radar™ Competitive Environment (continued)

- A second group of vendors, including 8x8, GoTo, Intermedia, and Vonage, stand out with their well-integrated UCaaS and CX capabilities. They demonstrate strong innovation credentials, particularly in AI and APIs/programmability, but do not yet match the full platform breadth or ecosystem scale of the top-tier providers. These vendors often benefit from earlier CCaaS and/or CPaaS integration, more focused AI investments, and strong alignment with their target segments. However, their narrower portfolios or more limited innovation velocity or scope constrain their movement further right on the axis.
- Wildix, Dstny, Enreach, and Telavox deliver solid, regionally optimized UCaaS platforms with differentiated capabilities, such as mobile integration, vertical use cases, and incremental AI enhancements, allowing them to remain competitive in their target markets. However, they are constrained by more limited platform convergence across UCaaS, CCaaS, and CPaaS, as well as less consistent execution of AI as a unified orchestration layer, which restricts their ability to compete with higher-tier vendors on end-to-end workflow automation and global scale. As a result, their innovation profiles are characterized by focused, practical enhancements rather than transformative platform leadership, keeping them positioned in the Innovators category of the Frost Radar™.
- Vendors positioned toward the left side of the Frost Radar™ generally face constraints related to portfolio depth, R&D resources, or speed of innovation. While they may demonstrate competence in core UCaaS functionality (calling, meetings, and messaging), they have been slower to adopt AI, expand into adjacent markets, or develop the architectural flexibility required to compete at the high end of the market.

Frost Radar™ Competitive Environment (continued)

- Alianza, Crexendo, net2phone, NFON, Ooma, and Sangoma are differentiated by distinct positioning strengths tied to their business models, including partner-first architectures (Alianza, Crexendo, and Ooma through 2600Hz), small and medium-size business (SMB)-focused bundled solutions (Ooma and Sangoma), and cost-effective, voice-centric platforms with expanding AI overlays (net2phone and NFON). These vendors demonstrate flexibility in deployment models, pricing structures, and channel engagement, which enables them to serve specific segments effectively and capture opportunities that are less accessible to larger, enterprise-focused platforms. Their positioning is constrained by fragmented or less tightly integrated portfolios across UCaaS, CCaaS, and CPaaS, and slower AI innovation velocity compared to others on the Frost Radar™.
- Positioning along the growth axis reflects each vendor's ability to capture demand across the integrated cloud communications ecosystem, where growth is increasingly driven by adjacency expansion rather than core UCaaS seat additions. As enterprises consolidate vendors and seek broader platforms, providers that can extend into CCaaS, CPaaS, and AI-driven services are better positioned to sustain above-average growth.
- The Visionary Leaders on the Frost Radar™—Cisco, Microsoft, RingCentral and Zoom—benefit from large installed bases that serve as a foundation for multilayer monetization. These providers leverage adoption in collaboration or telephony to attach customer engagement, mobility, verticalized solutions, and AI capabilities to increase share of wallet.

Frost Radar™ Competitive Environment (continued)

- Crexendo has fueled rapid installed-seat growth through cost-efficient pricing based on concurrent call paths (CCP) and a strong focus on the service provider channel. The CCP-based model supports robust partner growth and retention, but it also drives oversubscription, which tends to limit revenue per user/seat—a dynamic partly mitigated by the company's accelerating wholesale cloud services revenue.
- Alianza significantly expanded its installed base and carrier relevance through the Metaswitch acquisition in March 2025, strengthening its position with telecom operators, although near-term revenue growth is moderated by legacy licensing models while longer-term upside depends on telco transformation and services upsell.
- Ooma's acquisition of 2600Hz in 2023 broadened its capabilities and reach in the service provider channel, positioning it to drive future growth through UC services expansion and cross-sell, despite limited immediate revenue impact from inherited perpetual-license seats. Two smaller acquisitions in 2025 and 2026 expanded Ooma's installed base and boosted its Growth Index position on the Frost Radar™.
- Mid-growth vendors, including Dialpad and Intermedia, are achieving strong momentum through targeted expansion strategies, such as AI-led differentiation and partner-driven distribution, but without the same installed base or ecosystem reach as the largest providers, their growth depends more heavily on execution in specific segments or geographies.
- Other vendors positioned in the mid-range of the growth axis tend to rely on regional strength (Dstny and Enreach), channel partnerships (Dstny, Enreach, and GoTo), segment (e.g., SMB) positioning (Enreach and GoTo), or have shifted their focus to CX/CCaaS (8x8)—factors driving steady but more limited expansion. While these vendors can be highly effective in their target markets, their ability to capture broader opportunities is constrained by geographic reach or brand visibility.

Frost Radar™ Competitive Environment (continued)

- Wildix and Telavox are leveraging strong regional positions and differentiated mobile-first and vertical capabilities to expand in European markets while gradually penetrating new regions. Their growth remains constrained by limited geographic expansion and ecosystem reach compared to larger global providers. From a revenue perspective, their partner-centric models, while driving seat expansion, constrain average revenue per user.
- net2phone, NFON, and Sangoma are partially growth-constrained by their relatively smaller installed bases that limit their ability to drive large-scale cross-sell and upsell across adjacent services. Their more incremental expansion into CCaaS, CPaaS, and AI-driven adjacencies further constrains growth compared with providers that can monetize broader, integrated platforms at scale.
- Vonage's growth is constrained less by scale or capability gaps than by a post-acquisition shift in R&D spending and overall strategic focus on CX/CCaaS and APIs/CPaaS, which has deprioritized and slowed growth in its core cloud communications business.

Frost Radar™

Companies to Action



Zoom

VISIONARY LEADER

INNOVATION SCORE **4.70**

GROWTH SCORE **4.75**

INNOVATION

- Zoom continues to evolve beyond its origins in meetings and today positions itself as an AI-first cloud communications and collaboration platform provider focused on converting conversations into completed work. Over the past couple of years, Zoom has accelerated innovation across its portfolio, extending its reach beyond unified communications into workplace and CX enablement.
- The portfolio is increasingly organized in two domains: Zoom Workplace and Zoom Business Services. Zoom Workplace spans meetings, messaging, phone, email, calendar, whiteboard, docs, tasks, workspace reservations, visitor management, rooms, employee engagement, and more. Zoom Business Services extends this foundation into customer care, sales, and marketing, among other capabilities, allowing Zoom to address employee- and customer-facing workflows on a common platform.
- Anchoring the Zoom AI portfolio, AI Companion 3.0, launched in September 2025, introduced an agentic AI layer designed to orchestrate work across Zoom applications and connected enterprise systems. It reasons over context from meetings, calls, chats, documents, emails, calendars, and tasks to propose or execute multistep actions, such as drafting follow-ups, updating records, and coordinating schedules. As part of its portfolio evolution, Zoom is phasing out stand-alone AI Companion branding, while embedding its AI at no additional cost for paid licenses.
- Most recently, Zoom introduced ZoomMate, an AI teammate that extends agentic capabilities through advanced search, orchestration, and completion to transform conversations into finished work. It leverages a unified context layer spanning meetings, chat, phone, and third-party systems to deliver multistep reasoning, workflow execution, and proactive content generation across enterprise workflows.

Zoom (continued)

VISIONARY LEADER

INNOVATION SCORE **4.70**

GROWTH SCORE **4.75**

INNOVATION

- Zoom is also advancing its AI Productivity Suite, introducing integrated tools including Slides, Sheets, and Canvas that serve as native surfaces for AI-generated outputs and enable users to seamlessly convert insights into structured deliverables.
- Zoom's AI strategy is built on a federated architecture that combines Zoom-developed models, including proprietary small language models, with third-party foundation models from providers such as OpenAI, Anthropic, and NVIDIA. Tasks are dynamically routed based on cost, latency, and performance requirements, enabling innovation flexibility while limiting dependency on any single provider and supporting openness for customers.
- Zoom enforces strict controls to ensure that customer content is not used to train Zoom or third-party models, with AI data processing limited to feature delivery. Customer Managed Key and Compliance Manager support regulated environments and reinforce Zoom's positioning in security-sensitive industries as well as key organizational departments, such as HR, accounting, and legal.
- Telephony remains a central pillar of the platform. Zoom Phone has expanded reliability and governance through enhancements including Zoom Node for hybrid survivability, Zoom Mesh for bandwidth optimization, and expanded compliance tooling.
- Provider Exchange, bring-your-own-carrier options, and global PSTN coverage support multinational and coexistence deployments. The recently launched Zoom Phone Mobile enables enterprise-grade calling directly through a smartphone's native dialer, utilizing cellular networks for improved reliability without needing a separate app for voice calls.

Zoom (continued)

VISIONARY LEADER

INNOVATION SCORE **4.70**

GROWTH SCORE **4.75**

INNOVATION

- Zoom Contact Center offers an expanding set of AI capabilities including Zoom Virtual Agent, AI Expert Assist, Advanced Quality Management, Workforce Engagement Management, and Zoom CX Insights. The solution has gained depth in the past few months through improved virtual agent analytics, real-time translation, end-to-end interaction tracing, expanded digital channels, and mobile video engagement.
- Zoom also continues to invest in vertical and role-specific solutions. Offerings for frontline workers, healthcare, and education are complemented by acquisitions including Workvivo for employee engagement, BrightHire for talent workflows, and Bonsai for SMB management, extending Zoom's relevance across engagement, hiring, productivity, and operations.
- Interoperability remains a strategic lever. Direct Routing and Operator Connect Services for Microsoft Teams and continued enhancements to Zoom's Teams integration allow organizations standardized on Microsoft 365 to adopt Zoom's telephony, collaboration, and AI capabilities without disrupting end-user experience.

Zoom (continued)

VISIONARY LEADER

INNOVATION SCORE **4.70**

GROWTH SCORE **4.75**

GROWTH

- Zoom's growth profile reflects disciplined execution in a maturing collaboration market, with increasing reliance on enterprise expansion and multiproduct adoption rather than stand-alone seat growth.
- Zoom Phone remains a primary growth engine with a global installed base exceeding 10 million seats. Growth is driven by broad PSTN coverage across nearly 50 countries, success in large enterprise deployments, and flexible carrier models. Zoom Phone integrations with Microsoft Teams environments allow Zoom to expand in heterogeneous estates rather than relying solely on greenfield migrations.
- Zoom Contact Center has emerged as a meaningful contributor. Enterprise adoption has expanded, with increasing deal sizes, greater penetration in complex environments, and more high-value customers. Competitive displacement activity signals credibility against established CCaaS providers.
- AI is increasingly embedded in Zoom's commercial momentum. Adoption metrics indicate rapid growth in AI Companion usage across meetings, phone, and CX workflows. Paid AI offerings, including Zoom Revenue Accelerator, Zoom Virtual Agent, and contact center AI capabilities are becoming more common in larger enterprise deals, supporting early monetization alongside indirect benefits, such as retention and expansion.
- Portfolio breadth continues to create pull-through effects. Contact Center, Spaces solutions, Workvivo, and vertical-specific workflows often serve as entry points that reinforce Zoom's broader collaboration footprint.

Zoom (continued)

VISIONARY LEADER

INNOVATION SCORE **4.70**

GROWTH SCORE **4.75**

GROWTH

- Channel strategy has become a more prominent growth lever. Zoom has shifted from a predominantly direct-led model toward a more channel-first approach designed to support complex, multiproduct, and AI-driven deployments. Updates to the Zoom Up emphasize solution depth, technical enablement, and compensation neutrality, reflecting a move toward longer-term, services-oriented partner relationships. Channel partners and service providers now account for a larger percentage of enterprise bookings, particularly in contact center and international markets.
- SMB and online segments remain meaningful contributors. Leadership has emphasized stabilization supported by value-based pricing, reliability, and inclusion of AI Companion at no additional cost. Acquisitions including Bonsai enhance Zoom's appeal as a consolidated solution for small businesses.

Zoom (continued)

VISIONARY LEADER

INNOVATION SCORE **4.70**

GROWTH SCORE **4.75**

FROST PERSPECTIVE

- Zoom is positioned as a leading, innovation-driven provider in cloud communications and collaboration, with a strategy centered on AI-powered orchestration and an increasingly integrated workplace solutions stack. Its ambition to function as a system of action that converts conversations into outcomes aligns with enterprise priorities as AI adoption shifts from experimentation to execution.
- Zoom's AI approach benefits from openness, federated architecture, and pragmatic integration with external systems. The introduction of ZoomMate and a consumption-based AI model signals an important evolution toward monetizing agentic AI, positioning Zoom to capture incremental revenue tied directly to completed work rather than seat expansion alone. Continued clarity around AI packaging, governance, and demonstrable value will be important as customers assess cost, risk, and ROI.
- Contact center remains a key opportunity for growth and differentiation. Additional investment in analytics, quality and workforce management, and agentic handoffs that preserve context between virtual and human agents would strengthen Zoom's position, particularly in regulated and service-intensive environments.
- Mobility is an additional expansion opportunity. Extending carrier partnerships and enabling more mobile-native use cases may further differentiate Zoom Phone as enterprises seek consistent global experiences across devices.
- Interoperability with Microsoft Teams is a durable strategic advantage. Treating coexistence as a deliberate growth channel rather than a transitional compromise may accelerate adoption of Zoom Phone, Contact Center, and AI capabilities in Microsoft collaboration estates.

Zoom (continued)

VISIONARY LEADER

INNOVATION SCORE **4.70**

GROWTH SCORE **4.75**

FROST PERSPECTIVE

- Zoom's growing ecosystem of developers, partners, and integrated third-party applications will influence how effectively its platform scales beyond early adopters. While integration alone is not a source of differentiation, progress in reusable AI workflows, partner monetization models, and simplified lifecycle management will determine whether Zoom's system-of-action vision can be operationalized consistently across complex enterprise environments.

Best Practices & Growth Opportunities



Best Practices

1

Move beyond generic AI features by embedding agentic AI into specific, high-impact workflows first, then scaling. Use pilots with clear KPIs to prove ROI, standardize integration via AI app marketplaces, and support adoption with structured training and change management. This reduces risk, aligns AI with business outcomes, and accelerates broader rollout.

2

Prioritize open, API-first architectures and developer ecosystems that enable third parties to extend core capabilities. Instead of owning every component, curate integrations with productivity and business applications and offer low/no-code tools, SDKs, and templates. This accelerates innovation, embeds communications into workflows, increases platform stickiness, and drives expansion through partner-led value creation.

3

Standardize and monetize the full customer lifecycle—migration, onboarding, adoption, optimization, and renewal—using repeatable playbooks, automation, and analytics. Tie success metrics to customer KPIs and provide dashboard displays that demonstrate business outcomes. This turns implementation and customer success into differentiated, revenue-generating capabilities while improving retention and expansion.

Growth Opportunities

1

Agentic AI is the most transformative growth lever, acting as an intelligent orchestrator that embeds automation, analytics, and contextual decision-making into communications. Strong demand combined with clear productivity and CX benefits creates premium monetization potential. Success hinges on verticalized AI agents, ROI-driven positioning, and overcoming adoption barriers (skills gaps and resistance) through training and change management.

2

Programmable communications are becoming foundational to digital business, with approximately 50% of organizations increasing API investments. By embedding communications into business applications and workflows, providers unlock new revenue streams and stickiness. Growth depends on simplifying adoption through low/no-code tools, vertical-specific templates, and modular APIs that accelerate deployment and business value realization.

3

Enterprises increasingly prioritize integrated platforms that go beyond communications to unify UCaaS, CCaaS, productivity, and business applications. The real value lies in orchestrating end-to-end workflows across employee and customer journeys—embedding communications into core business processes. This shifts providers from tool vendors to digital process enablers, unlocking higher-value use cases, deeper integration, stronger differentiation, and sustained revenue expansion.

Frost Radar™ Analytics



Frost Radar™: Benchmarking Future Growth Potential

2 Major Indices, 10 Analytical Ingredients, 1 Platform

Growth Index

Growth Index (GI) is a measure of a company's growth performance and track record, along with its ability to develop and execute a fully aligned growth strategy and vision; a robust growth pipeline system; and effective market, competitor, and end-user focused sales and marketing strategies.

GI1

MARKET SHARE (PREVIOUS 3 YEARS)

This is a comparison of a company's market share relative to its competitors in a given market space for the previous 3 years.

GI2

REVENUE GROWTH (PREVIOUS 3 YEARS)

This is a look at a company's revenue growth rate for the previous 3 years in the market/industry/category that forms the context for the given Frost Radar.

GI3

GROWTH PIPELINE

This is an evaluation of the strength and leverage of a company's growth pipeline system to continuously capture, analyze, and prioritize its universe of growth opportunities.

GI4

VISION AND STRATEGY

This is an assessment of how well a company's growth strategy is aligned with its vision. Are the investments that a company is making in new products and markets consistent with the stated vision?

GI5

SALES AND MARKETING

This is a measure of the effectiveness of a company's sales and marketing efforts in helping it drive demand and achieve its growth objectives.

Frost Radar™: Benchmarking Future Growth Potential

2 Major Indices, 10 Analytical Ingredients, 1 Platform

Innovation Index

Innovation Index (II) is a measure of a company's ability to develop products/ services/ solutions (with a clear understanding of disruptive megatrends) that are globally applicable, are able to evolve and expand to serve multiple markets and are aligned to customers' changing needs.

II1

INNOVATION SCALABILITY

This determines whether an organization's innovations are globally scalable and applicable in both developing and mature markets, and also in adjacent and non-adjacent industry verticals.

II2

RESEARCH AND DEVELOPMENT

This is a measure of the efficacy of a company's R&D strategy, as determined by the size of its R&D investment and how it feeds the innovation pipeline.

II3

PRODUCT PORTFOLIO

This is a measure of a company's product portfolio, focusing on the relative contribution of new products to its annual revenue.

II4

MEGATRENDS LEVERAGE

This is an assessment of a company's proactive leverage of evolving, long-term opportunities and new business models, as the foundation of its innovation pipeline. An explanation of megatrends can be found [here](#).

II5

CUSTOMER ALIGNMENT

This evaluates the applicability of a company's products/services/solutions to current and potential customers, as well as how its innovation strategy is influenced by evolving customer needs.

Next Steps: Leveraging the Frost Radar™ to Empower Key Stakeholders



Significance of Being on the Frost Radar™

Companies plotted on the Frost Radar™ are the leaders in the industry for growth, innovation, or both. They are instrumental in advancing the industry into the future.

GROWTH POTENTIAL

Your organization has significant future growth potential, which makes it a Company to Action.

BEST PRACTICES

Your organization is well positioned to shape Growth Pipeline™ best practices in your industry.

COMPETITIVE INTENSITY

Your organization is one of the key drivers of competitive intensity in the growth environment.

CUSTOMER VALUE

Your organization has demonstrated the ability to significantly enhance its customer value proposition.

PARTNER POTENTIAL

Your organization is top of mind for customers, investors, value chain partners, and future talent as a significant value provider.

Frost Radar™ Empowers the CEO's Growth Team

STRATEGIC IMPERATIVE

- Growth is increasingly difficult to achieve.
- Competitive intensity is high.
- More collaboration, teamwork, and focus are needed.
- The growth environment is complex.

LEVERAGING THE FROST RADAR™

- The Growth Team has the tools needed to foster a collaborative environment among the entire management team to drive best practices.
- The Growth Team has a measurement platform to assess future growth potential.
- The Growth Team has the ability to support the CEO with a powerful Growth Pipeline™.

NEXT STEPS

- **Growth Pipeline Audit™**
- **Growth Pipeline as a Service™**
- **Growth Pipeline™ Dialogue with Team Frost**

Frost Radar™ Empowers Investors

STRATEGIC IMPERATIVE

- Deal flow is low and competition is high.
- Due diligence is hampered by industry complexity.
- Portfolio management is not effective.

LEVERAGING THE FROST RADAR™

- Investors can focus on future growth potential by creating a powerful pipeline of Companies to Action for high-potential investments.
- Investors can perform due diligence that improves accuracy and accelerates the deal process.
- Investors can realize the maximum internal rate of return and ensure long-term success for shareholders
- Investors can continually benchmark performance with best practices for optimal portfolio management.

NEXT STEPS

- **Growth Pipeline™ Dialogue**
- **Opportunity Universe Workshop**
- **Growth Pipeline Audit™ as Mandated Due Diligence**

Frost Radar™ Empowers Customers

STRATEGIC IMPERATIVE

- Solutions are increasingly complex and have long-term implications.
- Vendor solutions can be confusing.
- Vendor volatility adds to the uncertainty.

LEVERAGING THE FROST RADAR™

- Customers have an analytical framework to benchmark potential vendors and identify partners that will provide powerful, long-term solutions.
- Customers can evaluate the most innovative solutions and understand how different solutions would meet their needs.
- Customers gain a long-term perspective on vendor partnerships.

NEXT STEPS

- **Growth Pipeline™ Dialogue**
- **Growth Pipeline™ Diagnostic**
- **Frost Radar™ Benchmarking System**

Frost Radar™ Empowers the Board of Directors

STRATEGIC IMPERATIVE

- Growth is increasingly difficult; CEOs require guidance.
- The Growth Environment requires complex navigational skills.
- The customer value chain is changing.

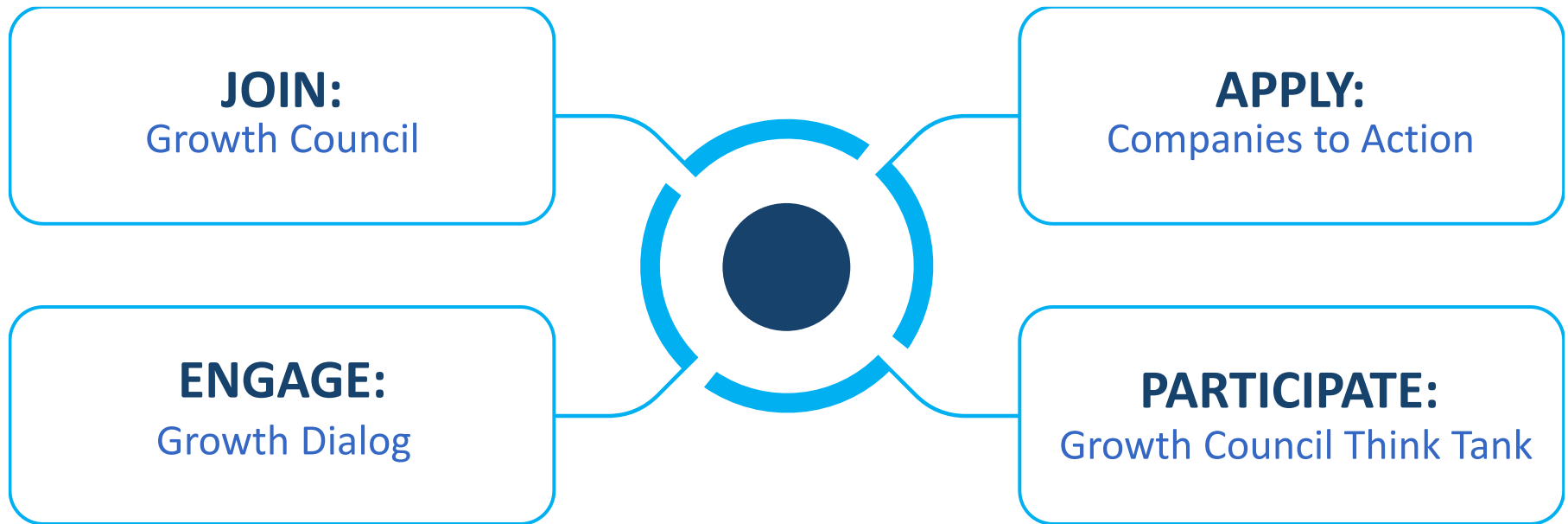
LEVERAGING THE FROST RADAR™

- The Board of Directors has a unique measurement system to ensure oversight of the company's long-term success.
- The Board of Directors has a discussion platform that centers on the driving issues, benchmarks, and best practices that will protect shareholder investment.
- The Board of Directors can ensure skillful mentoring, support, and governance of the CEO to maximize future growth potential.

NEXT STEPS

- **Growth Pipeline Audit™**
- **Growth Pipeline as a Service™**

Next Steps



Does your current system support rapid adaptation to emerging opportunities?

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