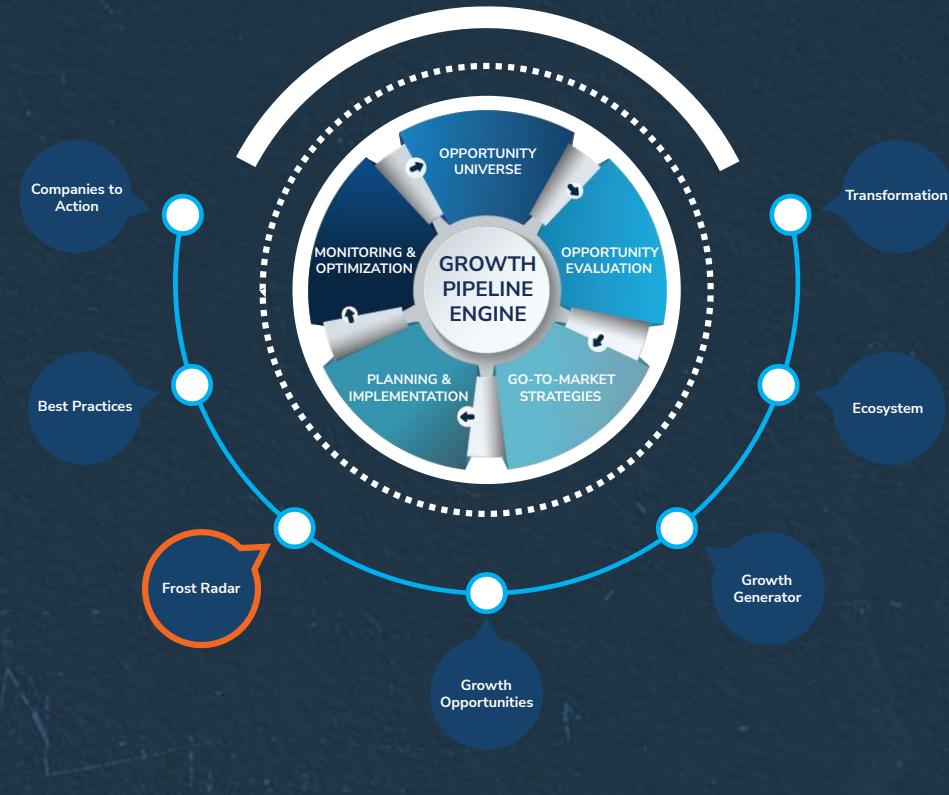


Frost Radar™: Communications Platform as a Service, 2025

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

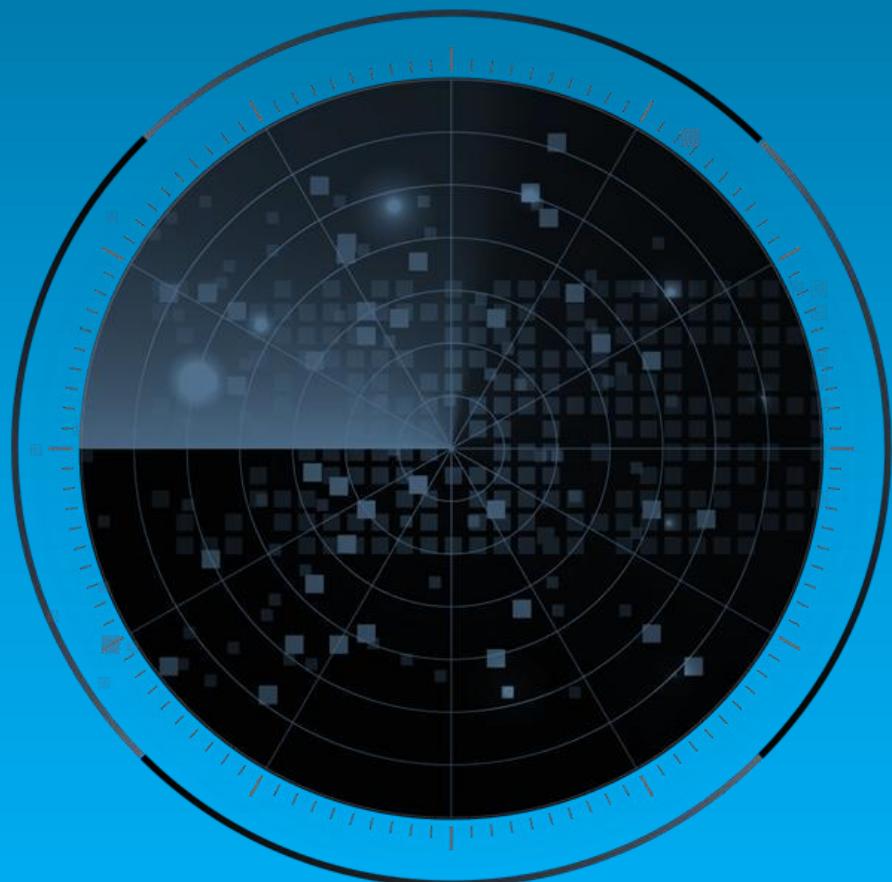


Authored by: Krishna Baidya
Contributors: Elka Popova

PFUH-64

October 2025

Strategic Imperative and Growth Environment



Strategic Imperative

- Communications platform as a service (CPaaS) has become a strategic enabler of digital business, driving the operationalization of customer and employee engagement across industries. As enterprise transformation accelerates, companies are rearchitecting their communications workflows around programmable interfaces that unify data, intelligence, and automation. Beyond messaging, voice, and video, CPaaS anchors the broader digital experience layer—bridging applications, cloud infrastructure, and networks.
- AI infusion and orchestration are transforming programmable communications by enhancing application programming interface (API) workflows with generative and agentic AI. This enables real-time decision-making, automated conversations, and intelligent channel routing.
- A noticeable pivot from transactional APIs to AI-powered orchestration marks a structural evolution of the market, from enabling communication to enabling outcomes. Enterprises are prioritizing platforms that can blend structured and unstructured data, integrate with customer data platforms (CDPs), and activate predictive or autonomous engagement through large language model (LLM)-driven orchestration.
- As the lines between CPaaS, contact center as a service (CCaaS), and unified communications as a service (UCaaS) start to blur, providers are adopting composable architectures that unify communications and engagement workflows into a single orchestration layer. Enterprises increasingly value integrated ecosystems that link customer interaction, marketing automation, and workforce collaboration to provide consistent experiences across touchpoints. Ecosystem partnerships and M&A activity accelerate this convergence as CPaaS becomes a foundational pillar for enterprise total-experience strategies.

Strategic Imperative (continued)

- With the rise of developer-centric tools and no-code platforms, the boundaries of who can create communication experiences are being redefined. Traditional developer APIs still matter, but visual workflow designers and low-code toolsets are extending CPaaS adoption to non-technical users in the business. This decentralization of innovation accelerates time to market and empowers marketing, customer experience (CX), and operations teams to prototype and deploy communication workflows independently, reshaping how enterprises consume CPaaS and how providers capture value.
- Network API monetization is reshaping the supply side of the ecosystem. The GSMA Open Gateway and CAMARA initiatives are driving the development of innovative business models by enabling carriers to provide access to verified, low-latency capabilities, including device status, quality of service, and location verification, via standardized APIs. Tier I operators and hyperscaler-aligned providers are repositioning themselves as network-as-a-service providers, bridging telco infrastructure and enterprise innovation. This shift increases competition and collaboration across carriers, CPaaS vendors, and developers while improving global interoperability and compliance.
- With the expansion of programmable communications comes a heightened need for trust, security, and compliance. The next competitive frontier centers on verified identity, anti-fraud controls, data sovereignty, and ethical AI governance. Solutions embedding secure routing, number masking, SIM swap detection, and branded calling are becoming table-stakes capabilities. As generative AI introduces new vectors for misinformation and phishing, trust services are emerging as integral to platform differentiation, turning security from a compliance cost into a growth catalyst.

Growth Environment

- In a rapidly growing digital and customer-focused world, programmable communications are transformative tools for businesses. Enabled by CPaaS, programmable communications enable organizations to integrate real-time, contextual communication features, such as SMS, voice, video, chat, email, and push notifications, directly into their applications, workflows, and customer interactions through APIs and software development kits (SDKs). This capability shifts communications from being isolated and reactive to integrated and proactive, supporting goals such as digital transformation, enhancing CX, and boosting operational flexibility.
- A global Frost & Sullivan survey of information technology (IT)/telecom decision-makers in 2025 revealed that CPaaS investment is expected to grow across all API categories in the next three years. Chatbot investments are growing the most in North America, while two-factor authentication (2FA) is growing the most in Asia-Pacific (APAC) and North America. Voice APIs are expected to see the biggest boost (across regions and APIs) in APAC, reflecting distinct regional priorities.
- The global CPaaS market continues to grow at a strong double-digit pace as enterprises embed programmable communications across customer and employee workflows. While messaging, email, and authentication remain the most adopted use cases, chatbots, voice, video, and orchestration capabilities are emerging investment priorities. As the market matures, value is shifting from transactional messaging and simple API-based interactions to AI-driven automation, network API monetization, and trust services, favoring providers that balance innovation with disciplined execution.
- AI and GenAI are redefining CPaaS growth by transforming communications into intelligent engagement engines. Leading CPaaS providers now expose AI copilots, conversational analytics, and workflow automation as programmable services through APIs, enabling enhanced personalization, operational efficiency, and fraud detection. AI has become the most consistent differentiator among CPaaS leaders, driving higher-value enterprise adoption beyond traditional SMS and voice services.

Growth Environment (continued)

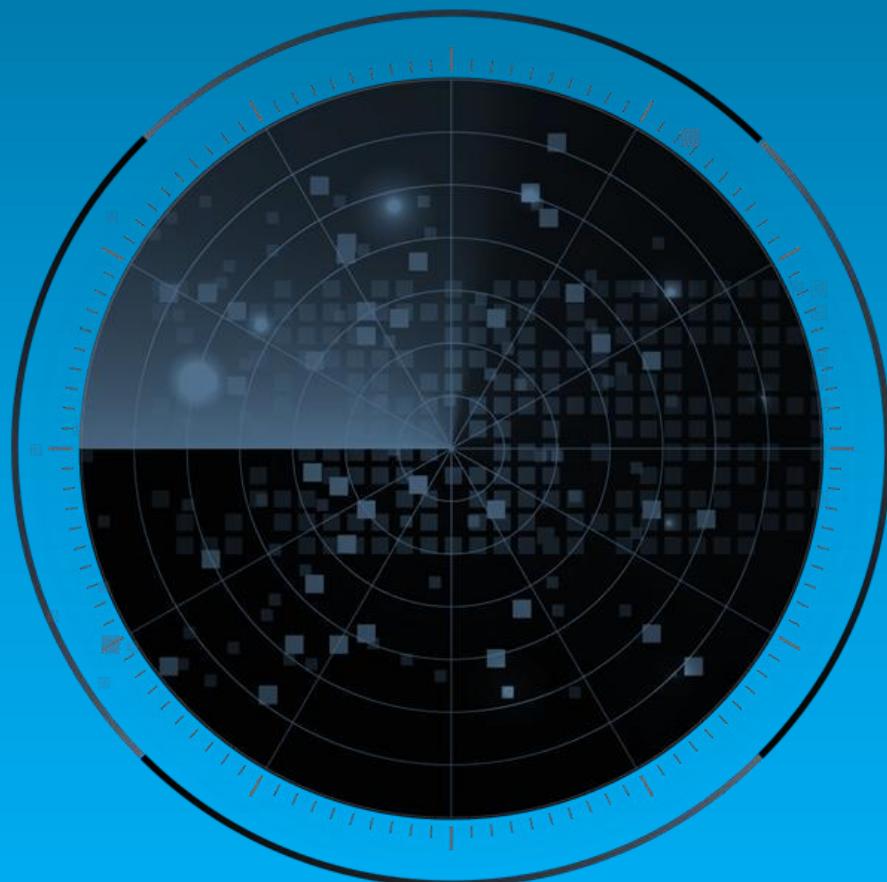
- Trust, compliance, and fraud mitigation have become essential growth enablers. As enterprises face tightening regulations and escalating fraud risks, providers that integrate branded communications, consent management, and verification APIs are gaining traction. The rise of verified communications and AI-based fraud prevention is propelling renewed investment across the banking, financial services, and insurance (BFSI), healthcare, and government sectors, which demand verified, compliant communication pathways.
- The omnichannel evolution continues to anchor market growth, with traffic diversifying across WhatsApp, Rich Communication Services (RCS), and Apple's expanded RCS support. Vendors expanding their messaging portfolios are mitigating the revenue impact of SMS commoditization. Frost & Sullivan believes that rich, branded messaging is a key differentiator, enabling enterprises to sustain high-quality engagement and build trust in digital-first interactions.
- Low-code toolkits and verticalized CPaaS offerings are accelerating adoption among business users beyond developers. Leading vendors are investing in drag-and-drop workflow builders, industry-specific templates, and localized integrations, shortening the time to value for enterprises. This democratization trend is expanding CPaaS penetration into mid-market and sector-specific use cases while reducing implementation complexity.
- Network API monetization emerged as a major growth lever in 2025. Through the CAMARA and GSMA Open Gateway initiatives, telcos are exposing APIs, such as quality on demand, SIM swap, and verified identity, opening new enterprise use cases. Carrier-backed CPaaS providers, such as Proximus Global and Tata Communications, are capitalizing on this trend by positioning trusted network APIs as premium services that deliver both compliance and real-time assurance.

Growth Environment (continued)

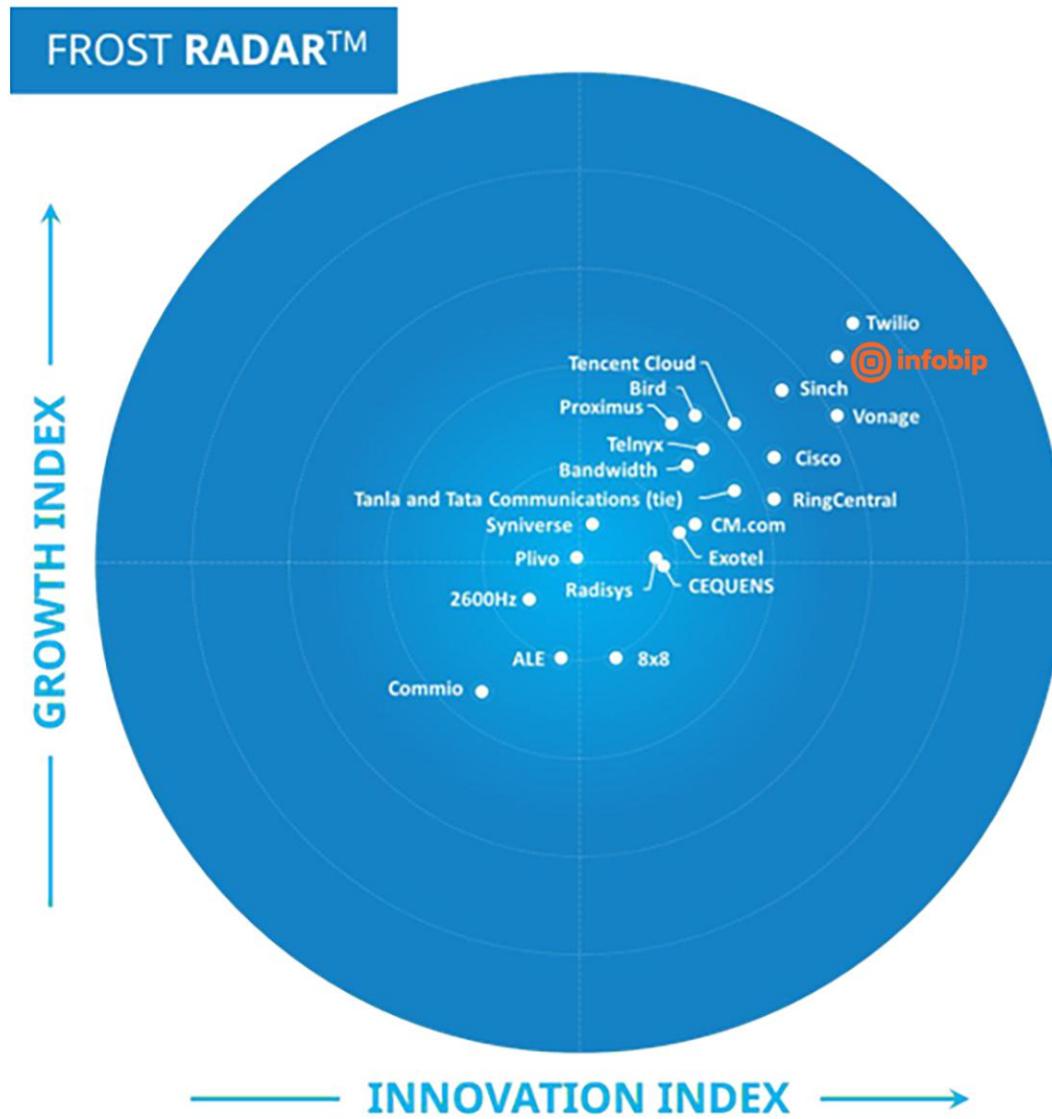
- Ecosystem convergence is reshaping competition in the CPaaS market. UCaaS and CCaaS vendors, such as Cisco, RingCentral, Vonage, and Ooma, strive to bring forward converged platforms that unify programmable communications, collaboration, and customer engagement under one experience stack, although there may still be loose ends to tie between workflow orchestration, analytics, and developer enablement. Their integration of APIs, low-code tools, and AI into voice, video, and messaging workflows illustrates how CPaaS has become foundational to modern enterprise communications.
- Leading pure-play and digital-native providers are moving upstack by creating or extending their own customer relationship management (CRM), CDP, and marketing automation capabilities. Twilio's Segment and Engage, Bird's Inbox and Flow, and Infobip's People and Answers demonstrate this push toward end-to-end customer lifecycle orchestration.
- On the supply side, M&A momentum remains strong—from Proximus's integration of Route Mobile and Telesign and Tata Communications' acquisition of Kaleyra to Ericsson's ongoing Vonage build-out—as vendors race to scale global infrastructure, expand omnichannel reach, and accelerate AI innovation. The market should expect further consolidation as participants seek technology depth, regional reach, and margin resilience in an increasingly hybrid communications ecosystem.
- Frost & Sullivan studies related to this independent analysis:
 - [The CPaaS Revolution: APIs, AI, and the New Era of Communication](#)
 - [Frost Radar™: UCaaS Platform Providers, 2025](#)
 - [Frost Radar™: Communications Platform as a Service, 2024](#)
 - [Evolving Business Models Drive Industry Transformation and New Growth Opportunities in Programmable Communications](#)

F R O S T & S U L L I V A N

Frost Radar™: Communications Platform as a Service



Frost Radar™: Communications Platform as a Service



Frost Radar™ Competitive Environment

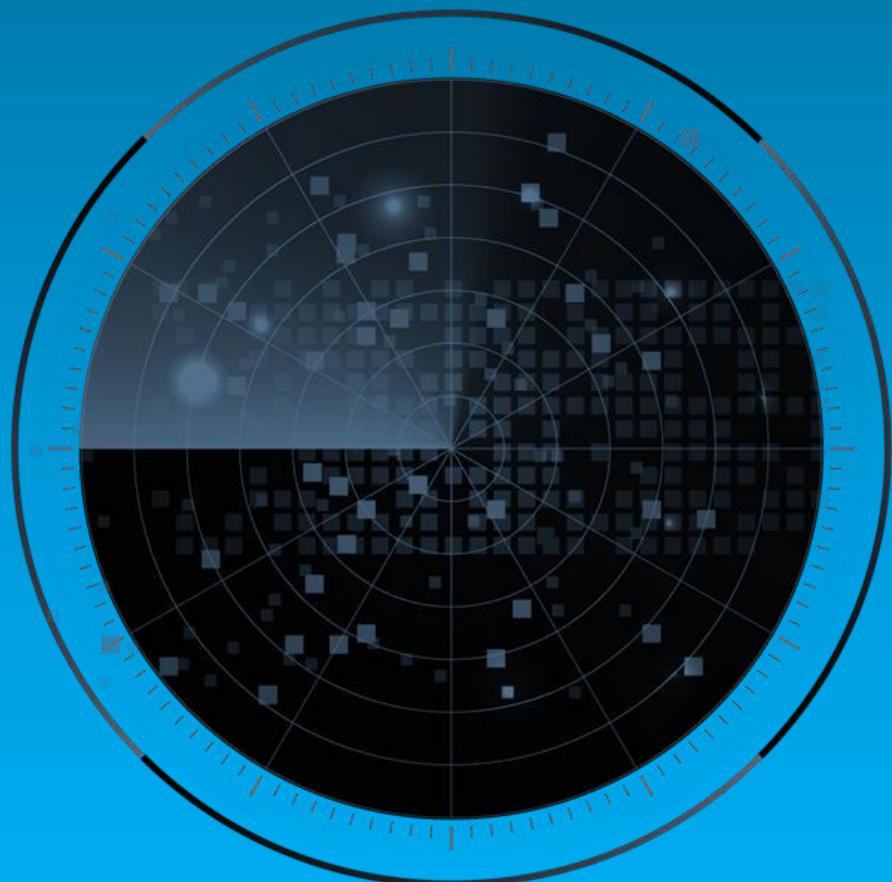
- The companies chosen for this Frost Radar™ analysis cover the full spectrum of CPaaS providers and enablers, including pure-play providers, as well as those that offer service provider-enabling solutions and hybrid CPaaS solutions integrated with on-premises resources. Providers vary based on market reach and focus.
- Initially dominated by developers and agile start-ups focused on programmable SMS and voice APIs, the market is now characterized by multidimensional competition across four archetypes: transactional or pure-play CPaaS, enterprise-grade CPaaS, programmable communications as part of broader telco services portfolios, and service provider enablement partners.
- Frost & Sullivan independently plotted the top 23 companies in this Frost Radar™ analysis based on market share, future growth potential, innovation capabilities, strong go-to-market (GTM) strategies, robust client support, and commitment to local market presence. This study features 2600Hz, 8x8, Alcatel-Lucent Enterprise (ALE), Bandwidth, Bird, CEQUENS, Cisco, CM.com, Commio, Exotel, Infobip, Plivo, Proximus Global, Radisys, RingCentral, Sinch, Syniverse, Tanla, Tata Communications, Telnyx, Tencent Cloud, Twilio, and Vonage.
- Growth Index ratings considered participants' historical performance as well as their ability to sustain and accelerate growth in the future. Innovation Index ratings reflect the depth of capabilities that providers have built over time and their current and anticipated pace of innovation.
- Frost Radar™ Growth and Innovation leaders met key criteria, including the completeness of their product portfolio, longevity of their market presence, consistent and increasing growth over the past three years, ability to deliver upstack/additional offerings, strong GTM strategies, robust client support, a commitment to local market presence, R&D, and investments in vital, transformative technologies, such as incorporating AI across platform solutions.

Frost Radar™ Competitive Environment (continued)

- The global CPaaS market in 2025 is characterized by rapid convergence, intensified competition, and an expanding ecosystem. The Frost Radar™ reveals a maturing competitive landscape in which innovation leadership remains concentrated among pure-play providers, while acquisitions and regional market synergies boosted growth momentum for carrier-affiliated providers.
- Infobip is in the top ranking as one of the Growth and Innovation leaders, combining deep innovation pipelines with robust global execution. These vendors continue to set the pace through investments in AI orchestration, trusted communications, and network API monetization. Their focus on platform extensibility, ecosystem partnerships, and enterprise-grade scalability sustains their leadership positions.
- Across the ecosystem, AI has become the defining differentiator, powering intelligent routing, analytics, and personalization. Meanwhile, consolidation continues, with M&A activities focusing on trust, compliance, and vertical-specific expertise to expand addressable markets.
- As the Frost Radar™ highlights, sustainable advantages now depend on blending innovation velocity with execution at scale. Providers that pair AI-enhanced programmable services with ecosystem-driven GTM models are best positioned to capture the next growth wave in global programmable communications.

F R O S T & S U L L I V A N

Frost Radar™: Companies to Action



Infobip

INNOVATION

- Since its founding in 2006, Infobip has become a global leader in CPaaS, offering a full-stack, API-first omnichannel communications platform. With direct connections to more than 800 telecom operators and a presence in more than 200 countries and territories, Infobip delivers unmatched reliability, speed, and global coverage. Its infrastructure includes more than 40 data centers and a modular architecture that supports scalability and compliance across regions.
- Infobip's platform spans messaging (SMS, RCS, chat apps, push, and email), voice (IVR, bots, and anonymization), video (1:1 and conferencing), and authentication (biometric and silent mobile verify). Above this, it offers composable SaaS solutions for developers and business users, including a conversational CDP, omnichannel engagement tools, chatbot builders, and a full contact center suite.
- A key differentiator is Infobip's ability to orchestrate complex customer journeys across channels from a single platform. Its AI-infused stack includes GenAI-powered chatbots, journey automation, and real-time personalization. The AI Hub enables sentiment detection, multilingual support, and secure orchestration. CPaaS X simplifies onboarding, provisioning, and compliance for large-scale deployments.
- Infobip is a pioneer in network APIs, actively contributing to the GSMA Open Gateway and CAMARA initiatives. It offers APIs for SIM swap detection, number verification, device location, and quality on demand (QoD), enabling fraud prevention, seamless authentication, and personalized engagement. These APIs are already live with major carriers in Brazil and expanding globally, unlocking new monetization streams for telcos and enterprises.

Infobip (continued)

INNOVATION

- RCS is another strategic pillar. Infobip has delivered over 10 billion RCS messages. With direct connectivity to at least 65 carriers across 24 markets, Infobip enables rich, interactive messaging experiences with verified sender authentication, failover logic, and AI optimization. RCS is tightly integrated with Infobip's platform, enhancing use cases in banking, retail, and customer service.
- Infobip Navigator, the company's GTM engine, helps customers benchmark their CX maturity and align solutions with strategic goals. It provides a standardized blueprint for implementation and success, ensuring repeatable growth and long-term value creation.

Infobip (continued)

GROWTH

- Infobip drives growth across a diverse ecosystem of partners, developers, enterprises, and platform providers. Its GTM strategy is built on a three-pronged model (direct sales, partner-led motion, and digital self-service) tailored to customer size and maturity. Agile regional squads and professional services teams ensure localized support and fast time to value.
- Strategic acquisitions have expanded Infobip's footprint and capabilities. OpenMarket strengthened its US presence and short-code SMS leadership, while Peerless Network enhanced voice services and Microsoft Teams integration. Infobip also partners with hyperscalers, ISVs, telcos, and system integrators to embed its technology into broader digital transformation initiatives.
- The Partner Connect Program supports more than 1,200 partners, offering tailored tracks, co-marketing, and technical enablement. Infobip's ecosystem includes digital marketing agencies, consulting firms, and service partners that deliver conversational AI solutions as part of larger CX projects. ISVs benefit from embeddable APIs, native integrations, and marketplace exposure.
- Infobip's vertical strategy targets BFSI, retail/eCommerce, healthcare, education, travel, and automotive, with templated use cases and AI agents accelerating adoption. Success stories include Coca-Cola's data-driven engagement, Qatar Airways' AI-powered booking assistant over WhatsApp, and RBA Bank's omnichannel transformation.
- Infobip also supports telcos in their transformation to techcos, offering CPaaS enablement, RCS MaaP platforms, and fraud prevention tools. Its telecom-native solutions help carriers monetize messaging, streamline operations, and deliver enhanced CX.

Infobip (continued)

FROST PERSPECTIVE

- Infobip is well-positioned as a global CPaaS leader, combining infrastructure ownership, omnichannel orchestration, and AI innovation. Its platform is built for enterprise and mid-market customers, offering low-code flexibility and deep regional support. Infobip's coopetition mindset enables telcos and partners to fill portfolio gaps and jointly serve customers.
- The company's leadership in network APIs and CAMARA-based initiatives is expected to deepen relationships with partners and unlock new carrier collaborations. Infobip's vision to be the platform of choice for innovators is supported by its strong engineering foundation, ecosystem strategy, and commitment to democratizing digital interactions.
- With the rise of RCS and its integration with AI and network APIs, Infobip is helping shape the next generation of business messaging. Its roadmap reflects a clear focus on enabling secure, conversational, and scalable CX.
- Infobip blends global ambition with local roots, having grown from a small town in Croatia to a worldwide cloud communications leader while maintaining a commitment to community and work-life balance. Its culture is deeply entrepreneurial and collaborative, shaped by the founders' ongoing involvement and a dynamic organizational model built around agile "Unfix" business units. Infobip's corporate environment, fostering innovation, autonomy, and continuous growth, mirrors the company's ethos of scaling with purpose and is likely to represent one of its key success factors going forward.

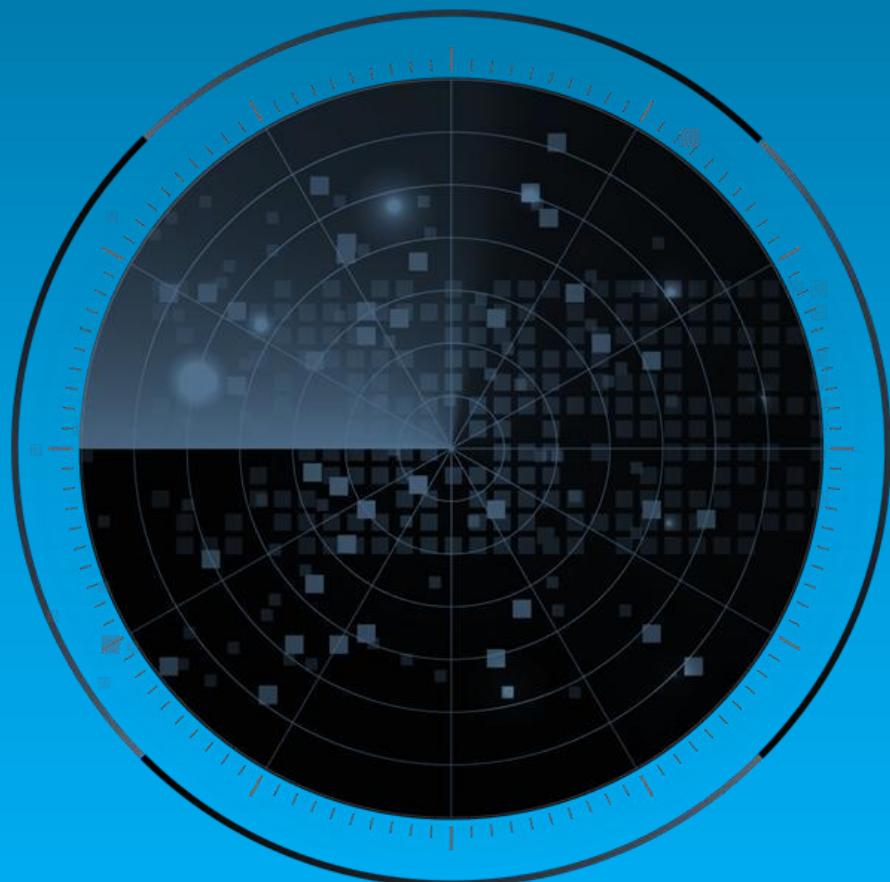
Infobip (continued)

FROST PERSPECTIVE

- To stay at the forefront of innovation and growth in the CPaaS market, Infobip should continue investing in developer experience and ecosystem enablement—expanding tools, documentation, and community engagement to accelerate adoption and innovation. Enhancing product modularity and self-service capabilities across its SaaS and CPaaS layers will help scale faster across mid-market clients and software platform providers while maintaining enterprise-grade flexibility.

F R O S T & S U L L I V A N

Best Practices & Growth Opportunities



Best Practices

1

AI must become the strategic backbone of CPaaS, transforming APIs from communication tools to an orchestrator of intelligent engagement. GenAI, predictive analytics, and conversational orchestration enable personalization, real-time decisioning, and workflow automation. Providers must elevate CPaaS from transactional infrastructure to a business intelligence layer that drives efficiency, CX, and quantifiable business outcomes through AI-enabled messaging, voice, and verification.

2

As businesses scrutinize technology investments, CPaaS providers must demonstrate measurable outcomes and reduced risk. ROI dashboards, performance analytics, and pilot programs help quantify business impact across engagement, efficiency, and revenue metrics. Coupling these with robust compliance, reliability, and service assurance frameworks de-risks implementation, builds executive confidence, and accelerates enterprise-scale adoption of programmable communication solutions.

3

Organizations demand secure and compliant communication channels as fraud and spam risks escalate. CPaaS providers must embed trust by design, integrating advanced identity verification, consent management, traffic monitoring, and fraud analytics into their platforms. Verified communication, transparency in data handling, and adherence to global regulations safeguard users and strengthen customer confidence and long-term platform adoption.

Growth Opportunities

1

AI and GenAI are redefining CPaaS by embedding intelligence into every interaction. Providers that integrate AI copilots, contextual analytics, and conversational automation into APIs can move beyond connectivity to deliver adaptive, insight-driven engagement. This creates value across sales, support, and marketing workflows while positioning CPaaS as the foundation for enterprise-wide automation.

2

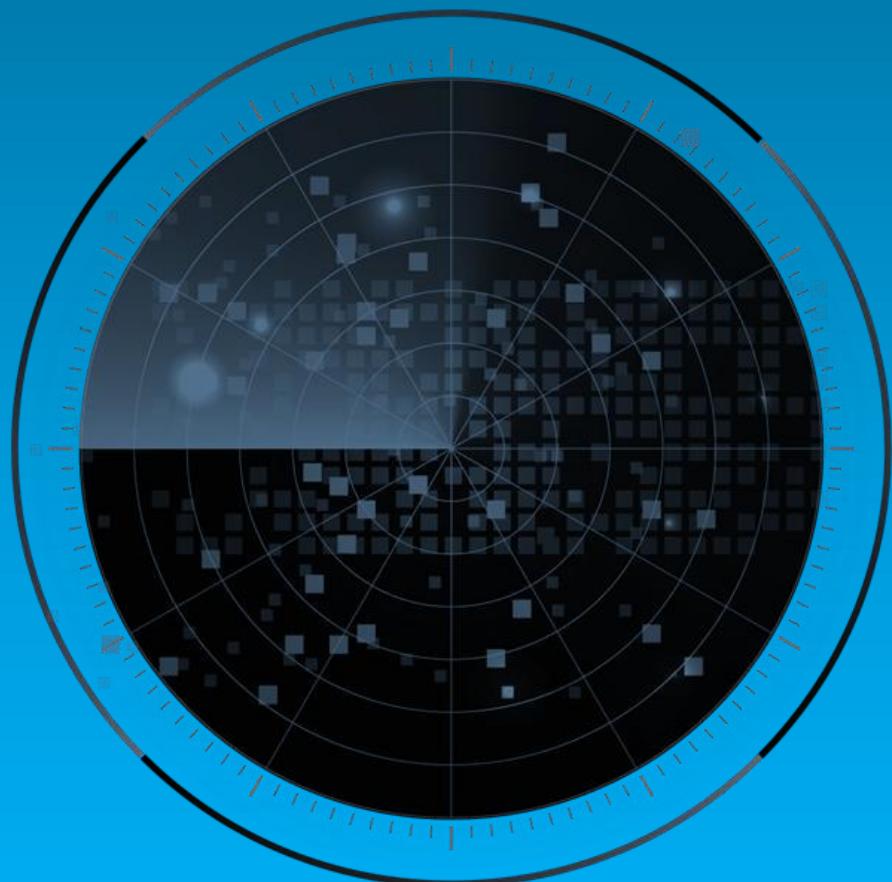
Enterprises are prioritizing simplicity and contextual value. Providers that offer low-code/no-code builders and industry-specific solution templates can accelerate time to market and expand adoption beyond developers. Verticalized use cases in retail, healthcare, and BFSI, such as loyalty programs, telehealth, and secure transactions, are strong growth vectors, particularly in regulated markets demanding pre-compliant communication workflows.

3

The exposure of carrier network APIs through frameworks such as CAMARA opens new monetization pathways. Quality-on-demand, device status, SIM swap, and verified identity capabilities enable telcos and CPaaS providers to deliver differentiated, secure, and enterprise-grade services. Those able to bundle connectivity with trust, compliance, and performance APIs will capture high-value use cases across the BFSI, healthcare, and government sectors.

F R O S T & S U L L I V A N

Frost Radar™ Analytics

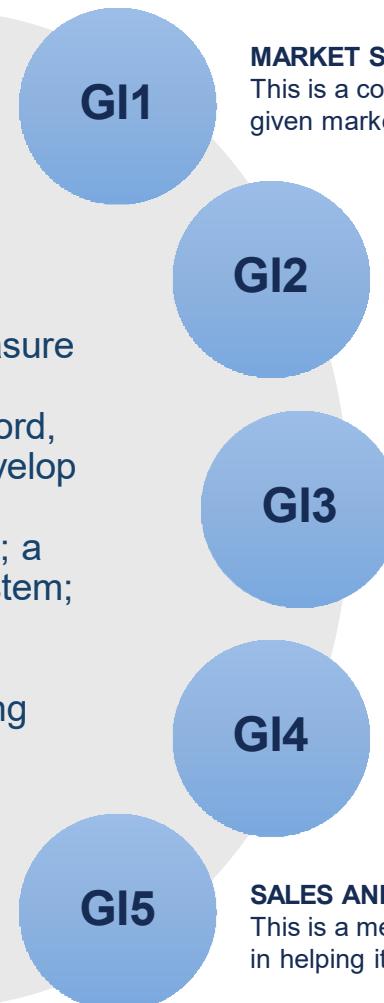


Frost Radar™: Benchmarking Future Growth Potential

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.



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 (continued)

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.

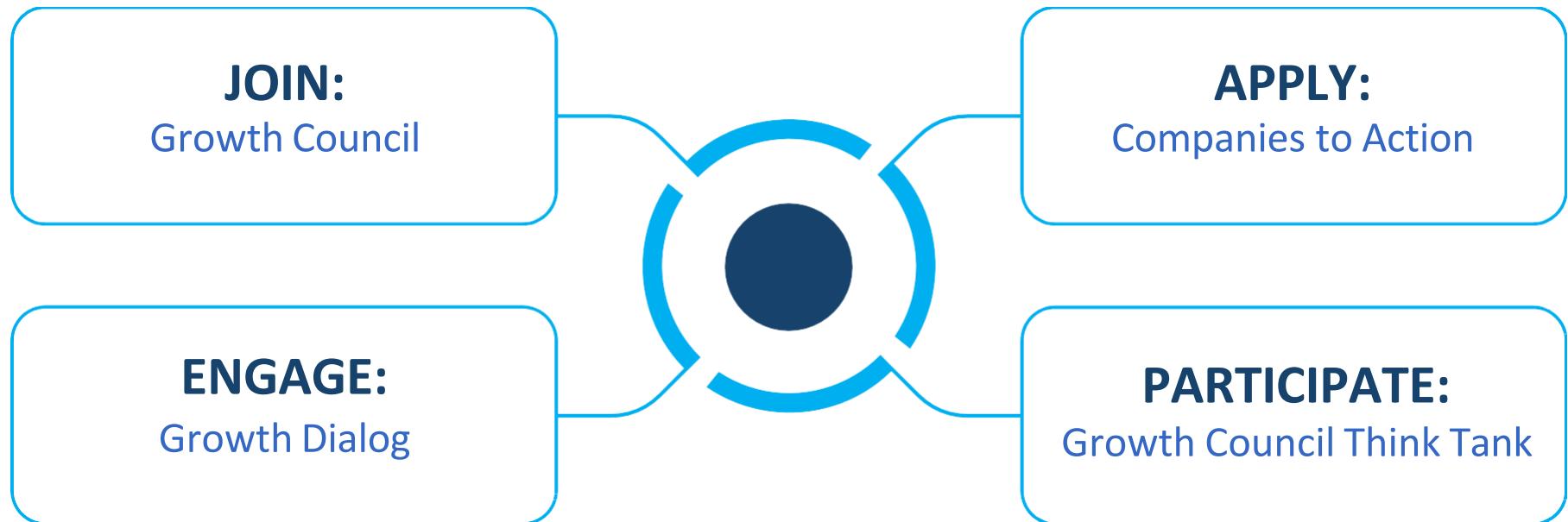
II4 MEGATRENDS LEVERAGE

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



Does your current system support rapid adaptation to emerging opportunities?

Legal Disclaimer

Frost & Sullivan is not responsible for any incorrect information supplied by companies or users. Quantitative market information is based primarily on interviews and therefore is subject to fluctuation. Frost & Sullivan research services are limited publications containing valuable market information provided to a select group of customers. Customers acknowledge, when ordering or downloading, that Frost & Sullivan research services are for internal use and not for general publication or disclosure to third parties. No part of this research service may be given, lent, resold, or disclosed to noncustomers without written permission. Furthermore, no part may be reproduced, stored in a retrieval system, or transmitted in any form or by any means—electronic, mechanical, photocopying, recording, or otherwise—without the permission of the publisher.

For information regarding permission, write to: permission@frost.com

© 2025 Frost & Sullivan. All rights reserved. This document contains highly confidential information and is the sole property of Frost & Sullivan. No part of it may be circulated, quoted, copied, or otherwise reproduced without the written approval of Frost & Sullivan.