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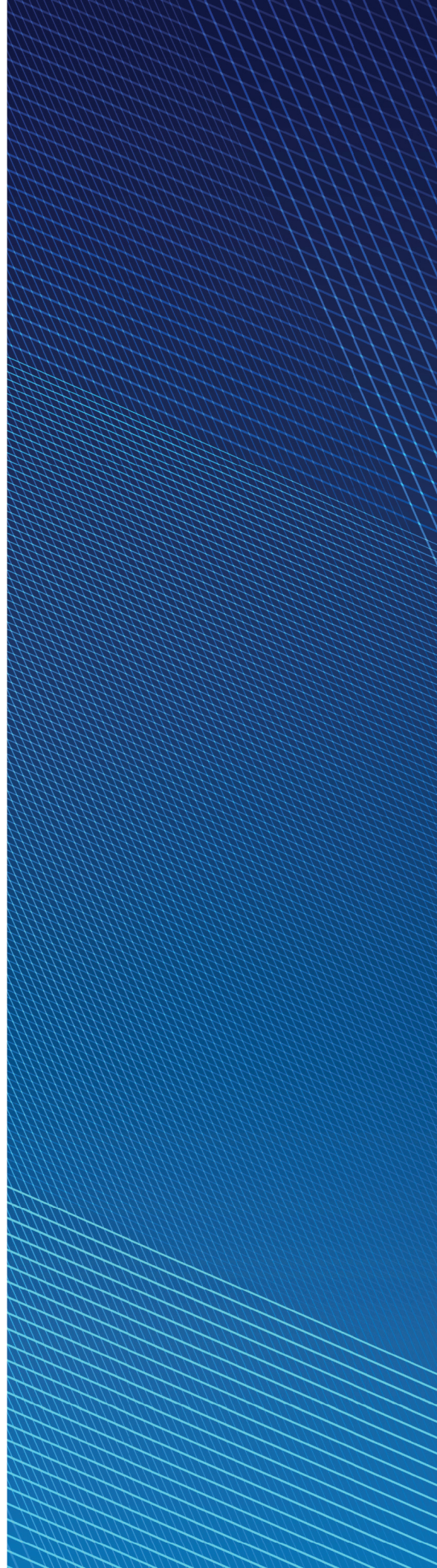# VONAGE RECEIVES THE 2023 COMPANY OF THE YEAR AWARD

Identified as best in class in the Asia-Pacific communications platform-as-a-service industry

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Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Vonage excels in many of the criteria in the CPaaS space.

AWARD CRITERIA

Visionary Innovation & Performance	Customer Impact
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

Growth Opportunities in the Communications-platform-as-a-service Market

In the digital era, delivering an exceptional customer experience (CX) is a top priority for most organizations, with a rising focus on elevating customer service, building deeper customer engagements, and aiding agile business communication. Organizations want to improve team collaboration across locations or communication channels to deliver superior experiences as a part of their customer journey strategy. Communications platform-as-a-service (CPaaS) has emerged as a cost-effective alternative to traditional telecommunications services and the complexities associated with integrating them into organizations' customer-facing platforms. Additionally, organizations embarking on their digital transformation journey are deploying at least some crucial elements of CPaaS competencies.

CPaaS has become an integral part of enabling organizations to reinvent their CX journey, in addition to aiding excellent communication and collaboration with customers, employees, and other stakeholders. Engaging with customers through digital channels has quickly become a crucial part of each industry's best practices. CPaaS enables organizations and developers to incorporate programmable communication elements (voice, video, chat, and messaging services) into their business or customer applications, business processes, and workflow automation. CPaaS facilitates the automation of business processes and workflows and enables customer engagement across a wide array of digital channels. This solution is fast emerging as the most efficient way to streamline real-time messaging; manage customer mobile

notification and engagement; seamlessly integrate interactive voice, messaging, and video communications; integrate with customer data platforms; detect fraud; and build two-factor authentication and the real-time analysis of caller sentiments, to mention a few.

Vonage: Robust Portfolio of Innovative Business Cloud Communications Services

Vonage is a US-based company with over 20 years of experience in the cloud communications industry, aiding cutting-edge video, voice, chat, messaging, artificial intelligence (AI), and verification in existing products, workflows, and systems. The company combines deep-seated domain expertise and operational knowledge with advanced solution capabilities to help clients deliver frictionless and consistent experiences while increasing efficiency. Vonage early on recognized the challenge of unified communications-as-a-service (UCaaS), contact center-as-a-service (CCaaS), and CPaaS solutions operating in separate silos.

> *"Through a series of strategic acquisitions beginning in 2016 and through consistent organic growth, the company built its Vonage Communications Platform, an integrated solution for business communications services, including UCaaS, CCaaS, conversational commerce, AI, and CPaaS capabilities through communications APIs."*
>
> *- Sherrel Sonia Roche*
> *Industry Principal, ICT Research*

Through a series of strategic acquisitions beginning in 2016 and through consistent organic growth, the company built its Vonage Communications Platform, an integrated solution for business communications services, including UCaaS, CCaaS, conversational commerce, AI, and CPaaS capabilities through communications application programming interfaces (APIs). The company was one of the first UCaaS providers to embrace CPaaS with the 2016 acquisition of Nexmo, a programmable, cloud communications service provider. With an emphasis on delivering comprehensive, intelligent enterprise communications solutions, Vonage acquired NewVoiceMedia, a CCaaS provider, in 2018; TokBox, a programmable provider, in 2018; AI company Over.ai in 2019; and Jumper, a conversational commerce platform provider, in 2021. These strategic acquisitions have enabled Vonage to build a comprehensive portfolio of solutions, including Vonage Communications Platform, Vonage Business Communications (unified communications platform), cloud-based Vonage Contact Center, and Vonage API Platform. Vonage is committed to providing secure communications and collaboration services that help its clients improve their customer engagement and employee experience. Additionally, after being acquired by Ericsson in November 2021, Vonage experienced a boost in its research and development (R&D) investments, enabling it to expand its CPaaS, CCaaS, and UCaaS. This acquisition will strengthen Vonage's enterprise cloud offerings because the company can accelerate growth by leveraging Ericsson's 5G network expertise, global scale, network exposure, and customer base.

The company differentiates itself in the market because it owns its entire technology stack and by rearchitecting its core products to leverage a highly programmable communications cloud. The company has successfully integrated these acquisitions and continues to maintain a strong commitment to APIs and developer resources that provide a robust toolset to make business communications applications feature-rich and more tightly integrated within business workflows. The company continues to disrupt the industry through its scalable, feature-rich, cloud-native business communication, collaboration, and contact center solutions. With a focus on delivering secure solutions, the company has invested in security

and privacy measures and ensures it meets industry-specific and country-specific compliance certifications. Frost & Sullivan recognizes Vonage for its technology leverage and commitment to innovation and remains impressed with the company's intelligent solutions development and sustained leadership. Vonage has a clear vision on the evolution of communication APIs, security, scalability, and interoperability with networking APIs.

Infusion of Intelligence across Product Platforms and APIs

The CPaaS market has evolved beyond basic messaging and voice APIs, addressing complex use cases that can be customized across industries. Vonage continues to disrupt the industry through its innovative cloud-native platform based on a microservices architecture that enables fully programmable features to third-party solutions.

> *"The Vonage Communications Platform delivers business value by seamlessly integrating multiple communication channels, including video, voice, messaging, email, verification, silent authentication, and management, into clients' existing applications, products, and workflows."*
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> *- Sherrel Sonia Roche*
> *Industry Principal, ICT Research*

The Vonage Communications Platform delivers business value by seamlessly integrating multiple communication channels, including video, voice, messaging, email, verification, silent authentication, and management, into clients' existing applications, products, and workflows. The company built its solutions portfolio and go-to-market investments on the strength of programmable capabilities through APIs, which are embedded across its platforms, thus enabling more intelligent next-generation communications.

The company continues to develop customizable APIs, taking into consideration country- and industry-specific needs, challenges, and regulatory requirements. Vonage's comprehensive portfolio of communication APIs enable feature-rich programmable capabilities in its unified communications and contact center solutions. Additionally, the company has invested in a common orchestration layer, making it easy to deploy and manage applications and APIs across the platform.

Vonage has heavily invested in injecting AI across its solutions portfolio, adding intelligence across every touchpoint of a customer's conversational journey. The company has incorporated AI into every digital communication channel and embeds analytics across the platform to infuse intelligence into interactions and analytics tools. Moreover, the company emphasizes innovation acceleration by aiding third-party developers, in addition to advancing its own organic feature-rich development process, to facilitate tailored and intelligent next-generation business communications solutions. As an illustration, the company launched Vonage Meetings API, a no-code video conferencing and meeting solution that can be extended into CCaaS products to enable video for agents. The Meetings API allows customizable video conferencing capabilities and enhances customer and employee interactions by integrating visual engagement components directly into the user experience or workflows.

Advancing its commitment to driving innovation, the company opened a R&D center of excellence (CoE) in India in June 2023, with a focus on building new features and solutions across its portfolio. The hub will enable Vonage to gain significant technology expertise for the development of immersive engagement

solutions and programmable and intelligent capabilities. Moreover, the CoE will support expansion and growth because Vonage is looking at strengthening its presence and expanding its customer base in Asia-Pacific.

Frost & Sullivan acknowledges that since its inception, Vonage has continued to develop new value-added solution capabilities to assist organizations along their digital transformation journey. Frost & Sullivan recognizes Vonage for its focus on innovation and robust offering of easy-to-deploy APIs with industry-specific use cases.

Client Success through Best Practices Implementation

Vonage has developed APIs across various applications, including voice, video, conversation, email, messaging, authentication, verification, real-time data analysis, advanced insights, reporting, audit, digital marketplaces, and payment gateways. The company makes its APIs easily available to clients by releasing reference templates to build applications and pre-built codes, enabling seamless integrations without back-end complexities or infrastructure replacements.

Collaborating with its consulting teams, the developer community, and partners, Vonage develops programmable communications, programmable numbers, authentication, and management APIs before releasing them as templates to clients. These APIs remove complexities in communications networks and deliver video, voice, chat, messaging, verification, and AI capabilities that developers can easily embed into their applications with low risk. The company delivers customized solutions through its local market understanding and builds use cases based on industry-specific requirements, challenges, and regulations.

In early 2023, Vonage included silent authentication into its Verify APIs. This feature leverages the subscriber identity module (SIM) on the customer's mobile phone for identification and then compares it to the carrier's data to determine if the user is legitimate. As a result, user authentication is now more secure, and users no longer need to remember or constantly input their passwords, improving the shopping experience.

Over the years, Vonage has built a large developer community worldwide, with over one million registered developers partnering with the company. To foster innovation, the company provides developers with easy access to APIs, including extensive software development kits, developer documentation, sample codes, tutorials, libraries, and free online support through a self-service, pay-as-you-go business model. The company's customers include digital-native companies seeking to disrupt an existing industry, enterprises undergoing digital transformation, and enterprise software-as-a-service companies looking to enhance their products with embedded communications capabilities.

Frost & Sullivan recognizes Vonage for its commitment to developing a comprehensive portfolio of communications APIs that can be easily embedded into clients' existing applications, products, and workflows. Through its strategic initiatives, innovation, and sustained alignment to client requirements, the company has built trust as a leading API provider.

Customer-centric Approach to Service Delivery

With an emphasis on customer-centricity, Vonage is committed to understanding and addressing its enterprise clients' unique industry-specific challenges by integrating its APIs with their critical business

applications. Vonage includes more than 50 phone and cloud-based communication features with its unified communications plans and offers paid add-ons that enterprise clients can leverage to customize any service plan. The company provides users of the Vonage Communications Platform with the flexibility to choose which tools to add to their package based on their business needs. Clients pay for the platform on a per-user/per-month basis, with tiered offerings based on the user and feature requirements. For third-party developers, Vonage offers consumption-based pricing models. Developers can easily create an account and start developing and testing their applications against the APIs through a web portal, with the flat-rate, per-use pricing posted on the Vonage website.

In terms of a service and support package, Vonage provides enterprise clients with unlimited voice calls with standard, priority, or premium support services. For clients seeking high-touch engagements with their solution providers or are only beginning to embed communications within their apps and workflows, the premium tier offers advisory services and a customer success manager.

The company employs dedicated customer success managers, solution architects, and engineering teams to support its sales team. Vonage's sales team engages with clients to determine their business challenges and design the transformation roadmap. The company then brings in solution architects and engineers to develop a prototype through ideation and co-creation with the client. In addition, the sales team conducts monthly cadence meetings with clients to understand the progress of current projects and new requirements and to engage in any new prototyping. With its secure, embedded solutions that leverage intelligent APIs, the company can capture client wallet share by providing enterprises with a solution that meets their exact business needs.

Furthermore, the company works closely with its partners and developers to determine the best solutions for its clients. Vonage strategically curates its partner ecosystem to speed up innovation and solutions development. As part of Vonage Accelerate, an overarching strategic growth initiative, the company redesigned its Channel Partner Program and introduced a new Partner Experience Portal, enabling partners to create successful customer outcomes, accelerate business growth, and expand revenue generation. Moreover, the vendor expanded its partner program to focus on system integrators, independent software vendors (ISVs), value-added resellers (VARs), distributors, and technology and referral partners. Channel partners can showcase their APIs, solution capabilities, use cases, and certifications on the Partner Experience Portal. Highlighting partners' innovative solutions and use cases on the portal will boost Vonage's market penetration. Additionally, Vonage has a developer relations team that engages with developers across different platforms.

Frost & Sullivan acknowledges Vonage's concerted efforts to understand clients' unique, industry-specific challenges and deliver customized solutions through its strong ecosystem of sales personnel, channel partners, and developers.

Vonage's Rise to Success and Growth Trajectory

Vonage is perhaps the most conspicuous name in the enterprise cloud communications services market, including CCaaS, UCaaS, and CPaaS. The company has built long-term relationships with its customers and has earned their trust through its proven track record and domain and technical expertise. The company has a legacy as a disruptor in the residential VoIP market and a reputation for technological innovation in

the cloud communications market. The company's partner channel consists of 120,000 businesses and more than one million developers.

Vonage continues to demonstrate high-growth potential. For example, the company's Communications Platform business segment, which includes unified communications, contact center, and API solutions, recorded a 24% year-on-year revenue growth globally in 2022. This high growth was fueled by continued demand for CPaaS and APIs among enterprises to build better connections, conversations, and engagement with customers and employees. The company is seeing growing interest in conversational commerce as well, especially in the retail industry. Vonage's efforts to extend the reach of its developer and partner programs have further propelled this growth trajectory.

Furthermore, Vonage is expanding its customer base and driving growth in Asia-Pacific by strengthening its service delivery capabilities and its sales and customer support operations. With an established presence in the region, Vonage continues to capitalize on the growing demand for enterprise cloud contact center and unified communications solutions while increasing its customer base and presence in Australia, Japan, China, India, South Korea, Singapore, Malaysia, and Indonesia.

The company gained traction in China as large brands and enterprises partnered with Vonage to expand into new growth markets, build their business operations globally, and develop communication APIs across digital channels, such as WhatsApp. In May 2023, Vonage announced its partnership with KDDI Web Communications, bringing the Vonage Communications Platform to clients in Japan. Through this strategic partnership, the company registered growth momentum, with growing interest from large-scale contact centers and enterprises deploying two-factor verification, multichannel, online sales, and online payment solutions. Increasing interest in CPaaS and communication APIs from consumer products and conglomerate corporations has allowed Vonage to gain ground in India. Additionally, the company experienced growth in Southeast Asia based on the increasing use of its conversational commerce platform.

Frost & Sullivan believes Vonage is well positioned to capture market share and sustain its leadership in the coming years. A region-specific expansion strategy further reinforces Vonage's emphasis on building its presence and expanding its customer base.

Conclusion

Vonage offers a cutting-edge, enterprise cloud communications solution portfolio that allows organizations to integrate, monitor, and manage communications channels efficiently and enhance customer service quality. The company is one of a few market participants that delivers a full suite of CPaaS, UCaaS, and CCaaS applications that can be built on top of a highly programmable communications platform residing on a global network.

Vonage's commitment to innovation underlines its impactful customer-centric strategies and a partner- and developer-driven ecosystem that pushes the company's growth and expansion plans.

With its strong overall performance, Vonage earns Frost & Sullivan's 2023 Asia-Pacific Company of the Year Award in the CPaaS industry.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends: Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

About Frost & Sullivan

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The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

Learn more.

Key Impacts:

■ **Growth Pipeline:** *Continuous Flow of Growth Opportunities*

■ **Growth Strategies:** *Proven Best Practices*

■ **Innovation Culture:** *Optimized Customer Experience*

■ **ROI & Margin:** *Implementation Excellence*

■ **Transformational Growth:** *Industry Leadership*

The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

■ Mega Trend (MT)

■ Business Model (BM)

■ Technology (TE)

■ Industries (IN)

■ Customer (CU)

■ Geographies (GE)