FROST & SULLIVAN

BEST PRACTICES

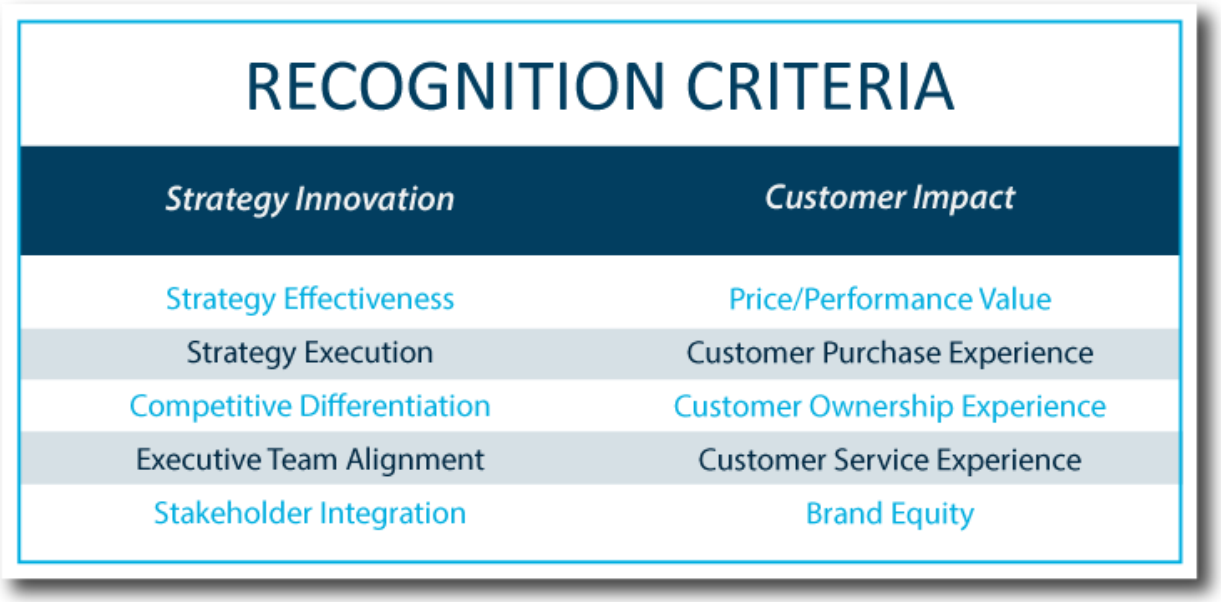
2026 NORTH AMERICAN POTS-REPLACEMENT COMPETITIVE STRATEGY LEADERSHIP

Ooma®

Table of Contents

Best Practices Criteria for World-Class Performance

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



The Transformation of the Business Communications Industry

For more than two decades, the business communications industry has been transitioning toward internet protocol (IP)-based, software-driven architectures. This shift is now accelerating as enterprises evolve their communications environments to support data-intensive, artificial intelligence (AI)-enabled workflows. As a result, organizations are standardizing on technologies such as voice over internet protocol (VoIP), session initiation protocol (SIP), cloud services, mobility, and flexible application programming interfaces (APIs). Adoption of unified communications as a service (UCaaS) and related solutions has delivered measurable benefits, including improved efficiency, productivity, collaboration, and regulatory compliance. Enterprises that have modernized aggressively are seeing stronger growth and competitive differentiation.

Despite this progress, most organizations still retain pockets of legacy communications technology that introduce outsized cost, risk, and complexity. These environments are increasingly incompatible with AI-driven operations and communications transformation. AI-powered automation depends on standardized, centrally managed, software-defined connectivity, while legacy plain old telephone service (POTS) lines remain isolated, manual, and excluded from data, analytics, and control layers. As a result, analog dependencies limit AI-enabled monitoring, compliance, resilience, and lifecycle management. Addressing this gap requires treating POTS replacement as a core component of AI readiness rather than a deferred cleanup task.

In North America, millions of POTS lines remain in service, often supporting mission-critical infrastructure overlooked in broader cloud migrations. Once central to the public switched telephone network (PSTN), copper-based networks are rapidly being phased out in favor of fiber and wireless alternatives.

Recent regulatory changes have markedly accelerated this transition. In March 2025, the Federal Communications Commission (FCC) adopted measures to speed copper decommissioning by easing decommissioning requirements, shortening notice periods from 180 to 90 days, allowing retirement of grandfathered services, and permitting discontinuation even when replacement services are bundled. These changes give carriers greater flexibility and increase customer urgency to execute migration plans. Service providers have responded by sharply raising POTS pricing and announcing accelerated shutdown timelines. AT&T, for example, has stated its intention to retire most copper-based services by the end of 2029, reinforcing that POTS is no longer a protected or sustainable service category.

Many organizations migrating to cloud PBX or UCaaS environments continue to underestimate the risk posed by remaining analog devices. Fax machines and, more critically, specialty lines supporting fire alarms, security systems, elevator phones, emergency call boxes, and POS systems are often excluded from migration plans. In cloud-first, AI-driven environments, these analog dependencies represent known points of failure and compliance risk.

Reflecting growing awareness, 50% of organizations surveyed by Frost & Sullivan in 2025 plan to increase investment in next-generation solutions to replace specialty POTS and analog lines by 2028. Successful execution requires comprehensive inventories of remaining analog assets and integration of replacement strategies into enterprise transformation roadmaps. Also important, POTS replacement demands careful evaluation of architectures and providers.

Life-safety systems are subject to stringent regulatory requirements and often require dedicated, highly reliable connectivity. Solutions that rely solely on unmanaged, best-effort Internet links may expose organizations to compliance failures and elevated safety and security risk. Furthermore, certain specialty lines require advanced capabilities, such as voicemail, hunt groups, redundancy, remote monitoring, or centralized management, that are not supported by basic analog replacement solutions.

Many existing offerings address only narrow use cases or limited device types, constraining enterprises when communications infrastructure is expected to support AI-driven automation, analytics, and scale. Choosing the right replacement strategy is therefore not only a regulatory and cost consideration, but a foundational decision that directly impacts an organization's ability to modernize its communications estate and fully capitalize on AI-driven transformation.

Ooma AirDial® offers a powerful and practical path for organizations transitioning away from POTS lines. Built specifically to eliminate the limitations of analog connectivity, the solution is easy to implement and manage, cost-effective at scale, and delivers the security, compliance, and functional robustness required to support critical devices.

Strategy Effectiveness

Ooma's AirDial's strategy is aligned with an accelerating market inflection point at which enterprises face mounting pressure to replace POTS-dependent specialty lines amid rapid copper network retirement. A

purpose-built replacement solution for mission-critical use cases such as fire alarms, elevators, emergency phones, fax, and point-of-sale (POS) systems, Ooma AirDial addresses a segment that is underserved by traditional IP telephony and UCaaS approaches yet is a critical pain point for many organizations.

The strategy's effectiveness is reinforced by fast-evolving market dynamics. Copper sunsetting programs are driving the rapidly increasing scale and speed of line discontinuance activity that is affecting organizations throughout the U.S. and Canada. In parallel, tariff-based price increases on remaining POTS lines are materially raising the cost of inaction. AirDial is positioned not simply as a technical replacement, but as a solution for organizations to regain predictability and control over an infrastructure domain that has become difficult to manage.

Ooma has further strengthened the strategic relevance of AirDial by extending beyond line replacement toward risk visibility and migration intelligence. Tools such as the recently launched POTSTracker address gaps that many organizations face, such as identifying where POTS exposure exists, the level of urgency for migration, and the prioritization of action across distributed estates. This broadening of scope elevates AirDial's strategic value as part of a proactive, rather than reactive, POTS exit strategy.

Strategy Execution

> *"Ooma AirDial® offers a powerful and practical path for organizations transitioning away from POTS lines. Built specifically to eliminate the limitations of analog connectivity, the solution is easy to implement and manage, and cost-effective at scale. AirDial delivers the security, compliance, and functional robustness required to support critical devices."*
>
> ***- Elka Popova,***
> ***VP of Connected Work Research***

Ooma has demonstrated disciplined execution by developing a tightly integrated solution that combines hardware, connectivity, voice service, and centralized management. AirDial is delivered as a turnkey, single-vendor offering, minimizing the coordination burden that often arises when enterprises attempt to assemble replacement solutions from multiple components or providers. This design choice reduces deployment complexity and shortens time to value, particularly for organizations managing large numbers of sites.

Execution strength is also evident in the solution's ongoing evolution. Over the years, Ooma has continued to invest in AirDial enhancements that improve manageability, scalability, and operational oversight. These include expanded device and account management capabilities, historical analytics, detailed call logging, monitoring APIs, and bulk provisioning tools that better support multi-site environments. The introduction of updated hardware with extended battery life in the past year further underscores attention to real-world operational requirements, particularly for life-safety applications.

Ooma's approach to continuous improvement is also reflected in how new features are prioritized. Customer input influences the development roadmap, resulting in enhancements that address practical operational needs rather than purely theoretical capabilities. Regular software updates delivered remotely ensure that deployed AirDial devices remain on current firmware versions without requiring on-site intervention.

At the organizational level, AirDial benefits from being part of a broader communications portfolio and SaaS platform. While AirDial remains focused on analog replacement, Ooma's operational scale, carrier relationships, and experience delivering cloud-managed services support consistent rollout, partner enablement, and geographic expansion. Reseller partnerships with leading service providers, including T-Mobile, US Cellular, Comcast, and others, enable Ooma to offer AirDial widely to customers in the U.S. In Canada, AirDial is certified on the Bell Canada and Rogers networks. Ooma plans to launch AirDial in more countries soon, leveraging appropriate channels. Plans for broader international reach suggest execution that is not limited to isolated deployments but designed for repeatability and growth.

Competitive Differentiation

> *"Ooma's AirDial's strategy is aligned with an accelerating market inflection point at which enterprises face mounting pressure to replace POTS-dependent specialty lines amid rapid copper network retirement. AirDial is a purpose-built replacement solution for mission-critical use cases such as fire alarms, elevators, emergency phones, fax, and point-of-sale (POS) systems. This approach enables Ooma to address a segment underserved by traditional IP telephony and UCaaS solutions—without compromising on security, privacy, and compliance."*
>
> ***- Elka Popova,***
> ***VP of Connected Work Research***

AirDial's value proposition rests on the way it combines reliability, simplicity, and compliance into a unified service. A key differentiator is Ooma's MultiPath Technology, which enables simultaneous use of wireless LTE and wired Ethernet connectivity where appropriate to reduce the likelihood of service disruption. This active-active approach goes beyond basic failover models and is particularly relevant for applications where service continuity is non-negotiable. To maximize customer flexibility, AirDial supports wireless connectivity from AT&T, T-Mobile, US Cellular and Verizon.

Another point of differentiation is AirDial's emphasis on centralized visibility and remote control. Capabilities such as real-time status monitoring, LTE signal and battery tracking, automated alerts, and remote software updates provide a level of transparency that is typically absent from legacy POTS lines and inconsistently available across alternative replacement approaches. This reduces operational blind spots and allows IT and facilities teams to manage analog services with the same rigor applied to IP-based infrastructure.

Recognizing the mission-critical role of specialty POTS lines, Ooma prioritizes security, privacy, and regulatory compliance in the design of AirDial. Where required, the solution uses a Managed Facilities Voice Network (MFVN)–compliant architecture that keeps traffic off the public Internet, strengthening both security and compliance. End-to-end encryption further protects sensitive data for applications such as fax and POS systems. AirDial's robust industry compliance certifications include:

- The Fire Department of the City of New York (FDNY) for connecting fire alarm panels
- The California Office of the State Fire Marshal for connecting fire alarm panels
- UL 864 and UL 62368-1 for electrical safety

- Where formal certification is not required, Ooma AirDial is designed to meet key industry standards, including:
- American Society of Mechanical Engineers (ASME) A17.1 for elevator phones
- National Fire Protection Association (NFPA) 72 for fire alarm panels
- HIPAA for healthcare organizations
- Payment Card Industry (PCI) for credit-card processing

The addition of intelligence-driven services, such as automated monitoring of regulatory filings and discontinuance risk through the recently launched POTSTracker, further separates AirDial from solutions that address only the "last mile" of connectivity. By helping organizations identify exposure, assess urgency, and plan migration rather than simply replacing lines after notices are issued, Ooma positions AirDial to deliver value earlier in the decision cycle.

Price/Performance Value

AirDial's price/performance value is rooted less in lowest-cost positioning and more in the economics of reduced complexity, avoided downtime, and lower overhead. The all-in-one service model consolidates hardware, connectivity, and voice service into a single subscription, which can simplify budgeting and reduce the costs associated with multi-vendor procurement, integration, and ongoing support.

From a performance perspective, the combination of redundant connectivity, managed service delivery, and compliance-oriented design supports use cases where service reliability and regulatory adherence outweigh marginal differences in per-line pricing. The ability to switch cellular providers via dual-SIM support also introduces a measure of pricing and coverage flexibility over time. It is also important to note that AirDial supports the full range of copper-based devices, whereas many alternative solutions are optimized for a single use case—such as elevator phones—without offering the same scalability across other mission-critical systems.

When viewed against the backdrop of accelerating POTS tariff increases and the operational cost of managing aging copper infrastructure, AirDial presents a value proposition centered on predictability and risk mitigation. Features such as pricing intelligence and bill analysis reinforce this by helping organizations understand existing exposure and quantify potential savings as part of a structured migration approach.

Customer Purchase Experience

The purchasing experience for AirDial reflects Ooma's emphasis on reducing friction at the outset of the transition away from POTS. Customers are not required to source separate connectivity or assemble compatible components, which shortens evaluation cycles and lowers the technical barrier to adoption. This is particularly important for non-IT stakeholders—such as facilities, security, or compliance teams—who are often responsible for specialty lines but lack deep telecom expertise.

Ooma supports multiple purchasing paths, including direct sales and channel partnerships, allowing organizations to align acquisition with existing vendor relationships and procurement models. The availability of assessment tools and audit capabilities further improves the buying experience by giving customers clarity about scope, urgency, and prioritization before committing to deployment.

For organizations that prefer hands-on control, AirDial is designed for self-installation, while optional project management services provide support for more complex rollouts. This flexibility enables customers to balance internal resources against external assistance without locking them into a single deployment model.

Customer Ownership Experience

Once deployed, AirDial's ownership experience is shaped by visibility, manageability, and ongoing enhancement. The Remote Device Management portal serves as the operational center for monitoring and administration across locations, enabling customers to move from reactive troubleshooting to proactive management. Automated alerts for events such as outages, emergency calls, or low battery conditions help shorten response times and reduce operational risk. Remote software updates keep deployed devices up to date without the need for on-site maintenance.

Importantly, AirDial ownership is not isolated from the rest of Ooma's portfolio. For customers that use or later adopt additional Ooma communications services, there is potential operational and support continuity that reduces friction and vendor sprawl. Even when evaluated on a standalone basis, AirDial delivers an ownership experience that is more consistent with modern, cloud-managed infrastructure than with legacy telephony services, with lower management effort and greater operational confidence.

Most recently, Ooma has extended the customer ownership value of AirDial through the introduction of POTSTracker, a capability designed to address a persistent blind spot in POTS replacement initiatives: visibility into line discontinuance risk. POTSTracker continuously monitors FCC Section 214 discontinuance filings across all carriers and U.S. states using automated scraping and AI-driven document parsing. It correlates these filings against customer locations and phone numbers, assigns urgency tiers based on authorized discontinuance timelines, and generates real-time alerts when monitored locations are affected.

For customers managing large, distributed estates, POTSTracker reduces the need for manual tracking across fragmented regulatory filings and enables earlier, more structured migration planning. Additional tools—including interactive dashboards, geographic heatmaps, risk scoring, POTS line audits, number-level lookups, and pricing intelligence derived from tariff data—help customers quantify exposure, prioritize actions, and understand the financial implications of delaying migration. By shifting discontinuance discovery from a reactive carrier-notification model to a proactive, data-driven approach, POTSTracker strengthens AirDials long-term value—improving planning confidence, reducing compliance risk, and easing the operational burden of legacy infrastructure retirement.

Conclusion

AirDial reflects Ooma's customer-oriented approach to innovation, emphasizing simplified deployment, operational reliability, and cost control. Its integrated design combines comprehensive functionality, competitive pricing, and strong security and compliance characteristics with streamlined installation and centralized remote management. As part of Ooma's broader cloud communications and connectivity portfolio, AirDial serves as a practical solution for organizations seeking to retire legacy analog lines and transition away from copper-based infrastructure through a more cohesive communications environment. For its strong overall performance, Ooma is presented with Frost & Sullivan's 2026 North American Competitive Strategy Leadership Recognition in the POTS-replacement industry.

What You Need to Know about the Competitive Strategy Leadership Recognition

Frost & Sullivan's Competitive Strategy Leadership Recognition identifies the company with a standout approach to achieving top-line growth and a superior customer experience.

Best Practices Recognition Analysis

For the Competitive Strategy Leadership Recognition, Frost & Sullivan analysts independently evaluated the criteria listed below.

Strategy Innovation

Strategy Effectiveness: Effective strategy balances short-term performance needs with long-term aspirations and overall company vision

Strategy Execution: Company strategy utilizes best practices to support consistent and efficient processes

Competitive Differentiation: Solutions or products articulate and display unique competitive advantages

Executive Team Alignment: Executive team focuses on staying ahead of key competitors via a unified execution of its organization's mission, vision, and strategy

Stakeholder Integration: Company strategy reflects the needs or circumstances of all industry stakeholders, including competitors, customers, investors, and employees

Customer Impact

Price/Performance Value: Products or services offer the best ROI and superior value compared to similar market offerings

Customer Purchase Experience: Purchase experience with minimal friction and high transparency assures customers that they are buying the optimal solution to address both their needs and constraints

Customer Ownership Excellence: Products and solutions evolve continuously in sync with the customers' own growth journeys, engendering pride of ownership and enhanced customer experience

Customer Service Experience: Customer service is readily accessible and stress-free, and delivered with high quality, high availability, and fast response time

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty, which is regularly measured and confirmed through a high Net Promoter Score®

Best Practices Recognition Analytics Methodology

Inspire the World to Support True Leaders

This long-term process spans 12 months, beginning with the prioritization of the sector. It involves a rigorous approach that includes comprehensive scanning and analytics to identify key best practice trends. A dedicated team of analysts, advisors, coaches, and experts collaborates closely, ensuring thorough review and input. The goal is to maximize the company's long-term value by leveraging unique perspectives to support each Best Practice Recognition and identify meaningful transformation and impact.

		VALUE IMPACT	
STEP		WHAT	WHY
1	**Opportunity Universe**	Identify Sectors with the Greatest Impact on the Global Economy	Value to Economic Development
2	**Transformational Model**	Analyze Strategic Imperatives That Drive Transformation	Understand and Create a Winning Strategy
3	**Ecosystem**	Map Critical Value Chains	Comprehensive Community that Shapes the Sector
4	**Growth Generator**	Data Foundation That Provides Decision Support System	Spark Opportunities and Accelerate Decision-making
5	**Growth Opportunities**	Identify Opportunities Generated by Companies	Drive the Transformation of the Industry
6	**Frost Radar**	Benchmark Companies on Future Growth Potential	Identify Most Powerful Companies to Action
7	**Best Practices**	Identify Companies Achieving Best Practices in All Critical Perspectives	Inspire the World
8	**Companies to Action**	Tell Your Story to the World (BICEP*)	Ecosystem Community Supporting Future Success

*Board of Directors, Investors, Customers, Employees, Partners

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The Growth Pipeline Generator™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fueled 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:

- Megatrend (MT)
- Business Model (BM)
- Technology (TE)
- Industries (IN)
- Customer (CU)
- Geographies (GE)