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**MARKET
LEADER**

Building Customer Loyalty and Retention

*RECOGNIZED FOR BEST PRACTICES IN THE
GLOBAL TACTICAL SOF TRAINING PLATFORM
INDUSTRY*

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

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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. Combatica excels in many of the criteria in the tactical SOF training platform space.

RECOGNITION CRITERIA	
Growth Strategy Excellence	Technology Leverage
Implementation Excellence	Price/Performance Value
Brand Strength	Customer Ownership Experience
Product Quality	Customer Purchase Experience
Product Differentiation	Customer Service Experience

Revolutionizing SOF Training: Strategic Imperatives in the VR/XR Platform Market

The training and simulation market for special operations forces (SOF) is undergoing significant transformation, driven by shifting operational demands, rapid technological innovation, and increased budget prioritization. Elite units are tasked with executing the most sensitive and high-stakes missions, ranging from counterterrorism and hostage rescue to irregular warfare, which requires unparalleled agility, realism, and adaptability in training. However, the operational tempo of these units has led to stretched capacity and exhausted resources, placing even greater pressure on training infrastructure to deliver more with less. According to Frost & Sullivan’s Aerospace & Defense research practice, the SOF market is experiencing a compound annual growth rate (CAGR) that exceeds the average CAGR of the global defense industry overall. This growth underscores the critical importance of modernized training platforms in sustaining SOF mission readiness.

Central to this evolution is the adoption of virtual reality (VR) and augmented reality (AR) technologies, which are redefining how elite operators prepare for real-world engagements. These immersive technologies provide dynamic, risk-free environments where SOF personnel can rehearse complex operations, such as urban raids, breaching protocols, reconnaissance, and high-value target extractions, with a level of fidelity and flexibility unmatched by conventional methods. Modern VR platforms now support full-body tracking, realistic weapon emulation, gesturing, and voice communication, enabling lifelike interactions with artificial intelligence (AI)-based civilians, adversaries, and team members. Real-time performance data, after-action reviews, and adaptive scenario branching accelerate learning, reinforce tactical decision-making, and ensure operators are continuously challenged. Additionally, the push toward mixed-reality training, blending AR overlays with physical environments, is further enhancing

situational realism while maintaining portability and ease of deployment in-theater or at forward operating bases.

Another transformative force in the SOF training landscape is the compression of the customer value chain. Traditional live training models require access to specialized facilities, extensive coordination, and high logistical overhead. In contrast, next-generation VR/XR (extended reality) solutions are lightweight, mobile, and rapidly deployable, eliminating many of the constraints associated with range availability, equipment setup, and geographic immobility. By reducing reliance on large-scale infrastructure and enabling on-demand, in-situ training, these systems allow elite units to maintain a high training tempo without compromising realism or operational agility.

While less immediately disruptive, evolving business models are beginning to reshape how training systems are acquired and sustained. A shift away from one-time hardware procurement toward subscription-based and service-oriented models is underway, offering clients regular hardware refresh cycles, continuous software updates, and integrated support. This approach reduces the total cost of ownership over time and ensures systems remain aligned with evolving tactical and technological requirements. Furthermore, some providers are experimenting with hybrid models that incorporate gamified content and cross-domain simulation frameworks, creating new possibilities for retention and interoperability across allied forces.

As defense priorities continue to focus on readiness, adaptability, and cost-efficiency, SOF training platforms powered by disruptive XR technologies will remain a critical enabler of mission success. Within this context, companies like Combatica are emerging as key innovators, delivering immersive, AI-driven training environments tailored to the unique demands of elite forces operating on the edge of modern conflict.

Frost & Sullivan identifies Combatica as a pioneering force in the VR/XR tactical training market, distinguished by its focus on customer-centric innovation and agile product development. The company's integrated approach, combining cutting-edge hardware, realistic, immersive environments, and scalable delivery models, positions it as a key enabler of next-generation training capabilities for special operations forces and allied sectors. Through its commitment to technological disruption and operational excellence, Combatica is transforming the future of tactical readiness.

Mobilizing Training Excellence: Combatica's Disruptive XR Platform for Defense and Public Safety

Founded in 2021 and headquartered in Tel Aviv, Israel, Combatica is a leading provider of XR training platforms for special forces and law enforcement agencies globally. Trusted by thousands of operators across four continents, the company leverages AI and dynamic force-on-force scenarios to deliver immersive, adaptive training experiences that enhance readiness, improve decision-making, and reduce training costs.

The Combatica Platform

The Combatica Platform Training (CPT) is a fully mobile, highly efficient, and easy-to-use tactical training system designed for military and law enforcement use. Unlike traditional simulators or VR training systems that require extensive infrastructure, the platform is self-contained, deployable in any room

within minutes, and requires minimal personnel to operate. Housed in just two to four portable complex cases, it eliminates the need for backpack personal computers, cables, sensors, or external cameras: everything runs directly on the headset. This streamlined approach reduces logistical complexity significantly, enabling rapid deployment and increased training frequency without compromising realism or quality.

CTP's key differentiators are its simplicity and mobility. While many industry-standard solutions are burdened with infrastructure-heavy setups, requiring fifth-generation networks, sensor arrays, and dedicated server rooms, a single instructor can operate the platform with minimal training. Its intuitive interface allows for the creation of complex, AI-driven scenarios with no coding required and supports realistic engagement employing users' own service weapons (depending on the model). As a result, the

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- Avi Kalo
Aerospace & Defense Regional Manager

system is easier to use, more immersive, and more closely aligned with real-world conditions.

Quality and content depth further distinguish CPT in the market. The platform includes a diverse and growing library of synthetic environments and AI-based scenarios curated by SOF and law enforcement professionals and developed in-house. This solution also features comprehensive data analytics through briefing and debriefing modules, tracking trainee performance metrics such as shot count, accuracy, friendly fire incidents, and civilian interactions. These insights provide actionable feedback for individuals

and teams, enhancing training outcomes and operational readiness.

Frost & Sullivan is impressed by Combatica's ability to combine cutting-edge technology with operational simplicity, delivering a transformative training solution for tactical operators. CTP's unmatched mobility, ease of deployment, and data-driven insights set a new benchmark for XR-based training in defense and public safety sectors.

High-impact Training, Low Complexity, Full Support

Combatica offers outstanding value for the price by combining lower costs than its competitors with an unmatched commitment to customer service and product evolution. While the company's pricing strategy undercuts competitors by about 10% to 20%, the real value lies in its comprehensive support model.¹ Combatica replaces any broken, lost, or destroyed equipment at no additional cost and provides annual hardware upgrades as part of its standard package. This offering ensures that clients are always equipped with the latest technology while drastically lowering their total cost of ownership over time. Unlike many legacy defense vendors that impose added fees and logistical hurdles for service, Combatica delivers full end-to-end support for two to five years, depending on the client's needs, with no hidden costs.

¹ Frost & Sullivan's Interview with Combatica, (June 9, 2025).

What truly distinguishes the company is its operator-first culture and responsiveness to client needs. With 95% of its team composed of military veterans, and deep ties to special forces and law enforcement communities, Combatica maintains close relationships with frontline units.² This proximity enables the company to design and iterate solutions in real time with direct input from users. For example, the company partnered with Rafael to train over 5,500 personnel, showcasing its agility and operational commitment. This boots-on-the-ground engagement, rather than relying on distributors or middlemen, ensures that real-world use shapes the system and delivers precisely what users need.

Customer satisfaction reflects this ethos. In a recent survey of several hundred Israel Defense Force soldiers, Combatica received a 97% satisfaction rating. When asked what they would change about the training experience, 45% of respondents said “nothing,” while the remaining 55% wanted only one thing: more time on the system.³ No other suggestions were offered, a rare occurrence that highlights just how well the platform aligns with user expectations.

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Scaling at Speed: Combatica’s Strategic Blueprint for Sustained Global Expansion

Combatica is experiencing rapid business growth, expanding at an impressive rate of three to five times annually while maintaining above-average profit margins compared to its industry peers.⁴ Although the company’s brand recognition is currently modest, relative to major defense giants, it is remarkably effective at attracting interest and expanding its reseller network through social media and media coverage.

Growth Strategies

Combatica’s short-term growth is driven by strong momentum from existing clients and a maturing global sales pipeline. The company is capitalizing on multi-phase contract renewals and expansions, including a major deal with its largest Israeli customer, which is set to triple its previous order volume.⁵ Numerous sales opportunities that were in development for six to nine months are now nearing finalization, positioning Combatica for a significant wave of deployments and revenue. Operationally, the company is also scaling its global reach by leveraging its geographic hubs in Israel, the United States (US), and Europe, which allow it to respond quickly to customer needs across multiple continents, an ability that competitors often lack. The recent addition of in-house manufacturing capabilities, including the purchase of a Computer Numerical Control machine, further enhances the company’s agility, enabling rapid prototyping and fulfillment even under tight deadlines.

In the long term, Combatica is focusing on technological innovation and business diversification. On the research and development side, the company is creating new capabilities tailored for law enforcement,

² Ibid.

³ Ibid.

⁴ Frost & Sullivan’s Interview with Combatica, (June 9, 2025).

⁵ Ibid.

including de-escalation and domestic dispute scenarios that extend beyond traditional tactical training. One of the most ambitious elements of the roadmap is AR, which is expected to become technically feasible by 2026. This evolution is designed to keep Combatica at the forefront of immersive training solutions, encouraging larger and more frequent orders from existing and new clients.

A particularly bold strategic move is the launch of Combatica's Entertainment division. The company sees

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- Ojaswi Rana
Best Practices Research Analyst

a unique opportunity to bridge the defense and civilian markets by offering commercial Entertainment experiences based on real military-grade training systems. With one beta location already live overseas and generating defense sales as a byproduct, Combatica expects to open 10 to 20 such locations within 24 months, particularly across the US.⁶ These venues serve as entertainment centers and on-site training hubs for law enforcement, creating dual-purpose spaces that amplify brand visibility and customer engagement. This cross-pollination of markets enhances the public profile and generates new leads for the defense pipeline.

Geographically, Combatica's long-term strategy prioritizes deeper penetration into the US market, especially with the Department of Defense (DoD). The company is already engaged in multiple discussions with DoD units at an early or mid-stage level and views this market as its primary long-term growth engine. Secondary focus areas include continuous expansion across Europe and Israel, and increasingly, Asia, where discussions with major regional players, including one East Asian ally nearing approval of a record-breaking order, could accelerate growth dramatically. Combatica also continues to expand its presence in Latin America, facilitated by the Barcelona office, which serves the region and parts of Europe. With active deployments on four continents and a clear plan for three to five times annual growth in revenue, systems, and customer count, the company positions itself not just as a product provider but as the future default standard in immersive tactical training globally.

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⁶ Ibid.

Conclusion

In the tactical special operations forces (SOF) training platform space, Combatica demonstrates excellence in growth strategy and implementation through its impressive three- to five-times annual growth trajectory, strategic global expansion, and strong customer pipeline. Its agile operational model, supported by geographic hubs in Israel, the United States, and Europe, enables rapid response to client needs across four continents. The company leverages in-house manufacturing, including Computer Numerical Control machining, to enhance speed and flexibility. It is capitalizing on long-term contracts, market diversification, and a forward-thinking product roadmap, which includes the introduction of a Entertainment division that bridges the defense and civilian markets. Combatica demonstrates substantial brand equity by consistently attracting inbound interest from potential partners and resellers, expanding its presence through media exposure, and successful overseas deployments.

On the product side, Combatica delivers outstanding quality, differentiation, and technology leverage through its extended reality-based Combatica Training Platform (CTP), which is fully mobile, infrastructure-free, and operable by a single instructor. It stands out for ease of use, high realism, and compatibility with users' own weapons. With features such as artificial intelligence-driven scenario generation, data analytics, and immersive environments curated by SOF professionals, CTP sets a new standard in virtual tactical training. The company also offers exceptional price-to-performance value, undercutting competitors by 10% to 20% while providing full hardware replacements and annual upgrades at no extra cost. Combatica's customer service, purchase, and ownership experiences are distinguished by its operator-first ethos, responsiveness, and end-to-end support. A 97% satisfaction rating from Israel Defense Forces users and zero negative feedback validate the company's commitment to delivering impactful, user-centered solutions.

With its strong overall performance, Combatica earns Frost & Sullivan's 2025 Global Market Leadership Recognition in the tactical SOF training platform industry.

What You Need to Know about the Market Leadership Recognition

Frost & Sullivan's Market Leadership Recognition is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Recognition Analysis

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

Growth Strategy Excellence: Company demonstrates an ability to consistently identify, prioritize, and pursue emerging growth opportunities

Implementation Excellence: Company processes support efficient and consistent implementation of tactics designed to support the strategy

Brand Strength: Company is respected, recognized, and remembered

Product Quality: Products or services receive high marks for performance, functionality, and reliability at every stage of the life cycle

Product Differentiation: Products or services address a market niche through a combination of price, quality, or uniqueness that other companies cannot easily replicate

Technology Leverage: Company is committed to incorporating leading-edge technologies into product offerings to enhance product performance and value

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

Customer Purchase Experience: Purchase experience quality assures customers that they are buying the optimal solution for 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

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

