A CXO Priorities' report, based on **MIDDLE EAST** market survey research

LOW-CODE TRENDS INTELLIGENCE REPORT FOR FINANCIAL SERVICES

priorities

LOW-CODE TRENDS INTELLIGENCE REPORT

As thousands gathered en-masse to welcome in 2020 in different locations across the globe on December 31, 2019, people from different countries, cultures and communities were united in celebration and joy for the year that was to come.

Little could they have known that mere months later, the world would be united once again, but this time facing a rather different challenge – one that will be remembered in the history books for many years to come.

The impact of the COVID-19 pandemic has been felt across the world and the economic repercussions cannot be overstated.

For businesses, this led to months of uncertainty, with job losses resulting in reduced resources while also managing reduced budgets.

While the challenges have been numerous and recovery is ongoing, there is hope.

More and more enterprises are turning to digital tools to help them survive – and thrive – in these difficult times. Digital Transformation strategies have quickly moved to the top of priority lists, no longer a 'nice to have' but a 'need to have', and urgently too.

But while the path ahead is undoubtedly digital, CIOs are still facing the challenge of knowing where exactly to channel their investment as they search for solutions that will enable this transformation to take place as smoothly and efficiently as possible.

One such tool being increasingly adopted by enterprises is low-code development platforms that enable business users to either create an application themselves, or simplifies development for coders by automating manual processes. Low-code platforms make it easy to create flexible applications to get specific tasks done.

Through improved agility, decreased costs, higher productivity and adaptability, low-code platforms all lead to one ultimate destination – faster transformation.

INTRODUCTION

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MORE AND MORE ENTERPRISES ARE TURNING TO DIGITAL TOOLS TO HELP THEM SURVIVE – AND THRIVE – IN THESE DIFFICULT TIMES.

![CXO priorities logo]

METHODOLOGY

All respondents were from the banking and financial services sector, with responses collected from those in senior job roles at organisations based in the Middle East region.

A total of 60 individuals took part in the survey, including representatives from:

- First Abu Dhabi Bank (FAB)
- Mashreq Bank
- Noor Bank
- Al Rajhi Bank
- Banque Saudi Fransi
- The Saudi Investment Bank
- Bank Aljazira
- Alinma Bank
- Jordan Ahli Bank
- Commercial Bank of Kuwait
- Al Ahli Bank of Kuwait

T o get a better understanding of trends in the market and to gain insight into IT leaders' priorities, we surveyed 60 industry professionals to find out . . .

- What their key challenges are right now
- How they've used low-code in the past
- Whether this has changed and
- How it will look in the future

Summary of findings

COVID-19 has been a catalyst to many Digital Transformation strategies.

DIGITAL TRANSFORMATION

30% of respondents stated they'd had to completely change their strategy to enable accelerated Digital Transformation.
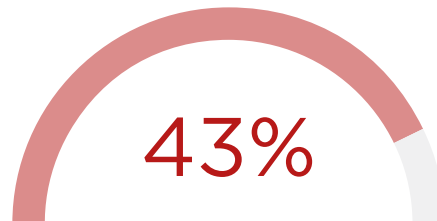
43% said that, although focused on Digital Transformation for some time, they have had to make changes.

TOP 3 CHALLENGES

The **TOP 3** biggest challenges for businesses, in light of the pandemic, were highlighted as . . .

- security
- reduced budget
- fewer resources

DEMAND

A total of 70% of respondents stated they had seen either a slight (38%) or very (32%) increased demand for low-code tools.

38%

32%
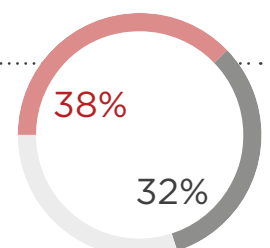
GOALS

More than **80%** of participants agreed that low-code tools would enable their business to achieve its overall Digital Transformation goals, with **85%** stating they planned to use low-code tools within the next two years.

80%

85%

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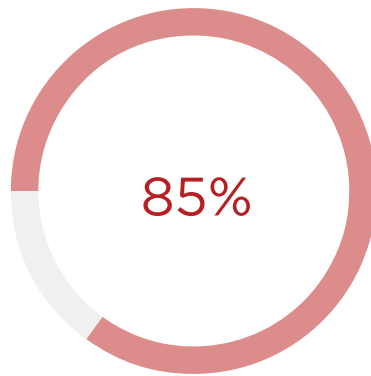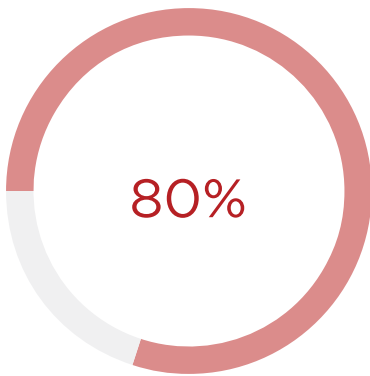
ALL RESPONDENTS WERE FROM THE BANKING AND FINANCIAL SERVICES SECTOR . . . BASED IN THE MIDDLE EAST REGION.

The events of the last year have irreversibly changed the technology landscape, with every business in every industry having had little choice but to embrace digitalisation.

Many CIOs would have already had a Digital Transformation roadmap in place but will have found themselves having to urgently re-assess their strategy to enable the pivot to an entirely new world of work.

And the banking and financial services sector is no different.

The 60 industry executives from across the Middle East region who took part in our survey were all asked about their Digital Transformation strategies, as well as the biggest challenges they've been facing in light of the pandemic.

Challenges

Participants were also asked to rank, in order, the biggest challenges for their business in light of the pandemic.

The options were:

- fewer resources
- reduced budget
- increased, immediate demand for digital services
- automation tools
- security
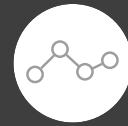
Interestingly, more than 70% of respondents said they'd had to make at least some changes to their Digital Transformation initiatives.

70%

A total of 43% highlighted that they had been focused on Digital Transformation for some time but had had to make some changes, while 30% went further to say they'd had to completely change their strategy to enable accelerated Digital Transformation.

43%

30%
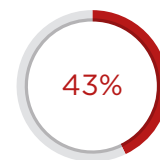
Just 27% said they'd not had to change anything at all.

27%

CHAPTER 1
A CHANGING ENVIRONMENT

TOP PRIORITY

A total of 47% of respondents in this highly regulated industry ranked security as the **biggest** challenge, followed by reduced budget (18%), increased, immediate demand for digital services (18%), automation tools (10%) and fewer resources (7%).

Fewer resources: 7%
Automation tools: 10%
Increased, immediate demand for digital services: 18%
Security: 47%
Reduced budget: 18%

2ND PRIORITY

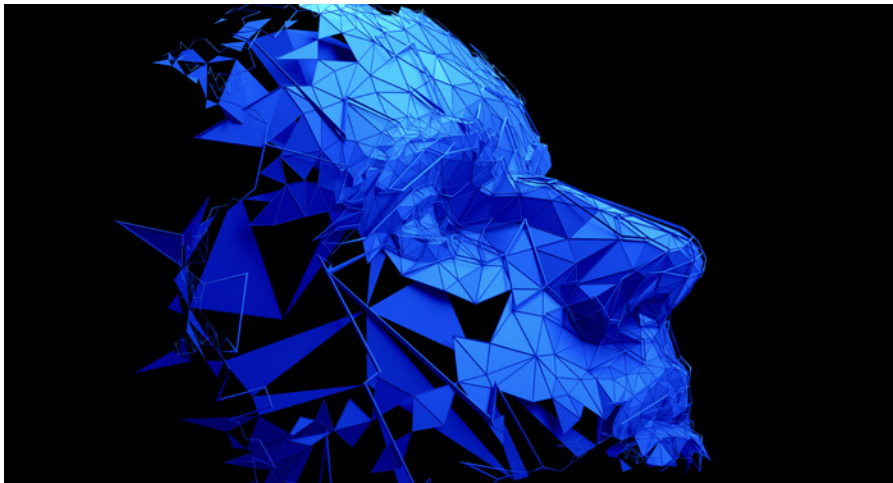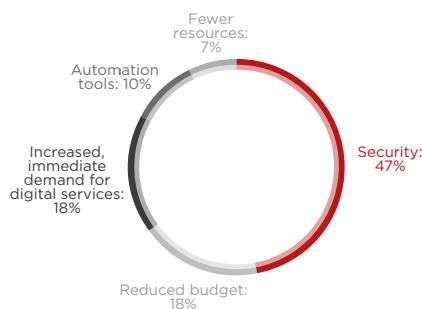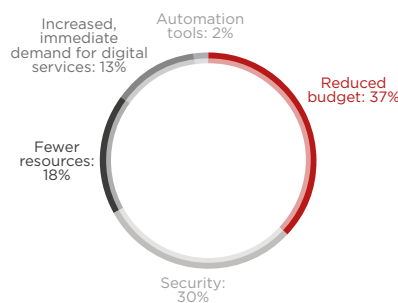The highest ranked **second** biggest challenge was reduced budget (37%), followed by security (30%), fewer resources (18%), increased, immediate demand for digital services (13%) and automation tools (2%).

Increased, immediate demand for digital services: 13%
Automation tools: 2%
Reduced budget: 37%
Fewer resources: 18%
Security: 30%

3RD PRIORITY

More than half of respondents (53%) ranked fewer resources as their **third** biggest challenge, while 20% selected reduced budget, 12% chose security, 10% selected increased, immediate demand for digital services and 5% selected automation tools.

Increased, immediate demand for digital services: 10%
Automation tools: 5%
Security: 12%
Fewer resources: 53%
Reduced budget: 20%
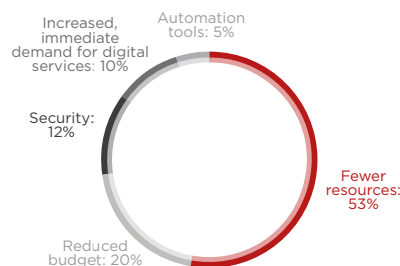
These findings highlight the pressures facing CIOs across the industry as they navigate the new environment, with security challenges, reduced budget and fewer resources all upping the ante.

But we know that, despite the challenges, there is very good reason for digitalisation. The benefits include increased agility, flexibility, scalability and, crucially in today's competitive environment, excellent customer experiences. The key is to unlock the tools and resources that make the Digital Transformation process as simple as possible.

As organisations progress their Digital Transformation strategies against the backdrop of fewer resources, reduced budget and security challenges, IT executives are looking for tools that can help transform digital processes quickly and, crucially, simply.
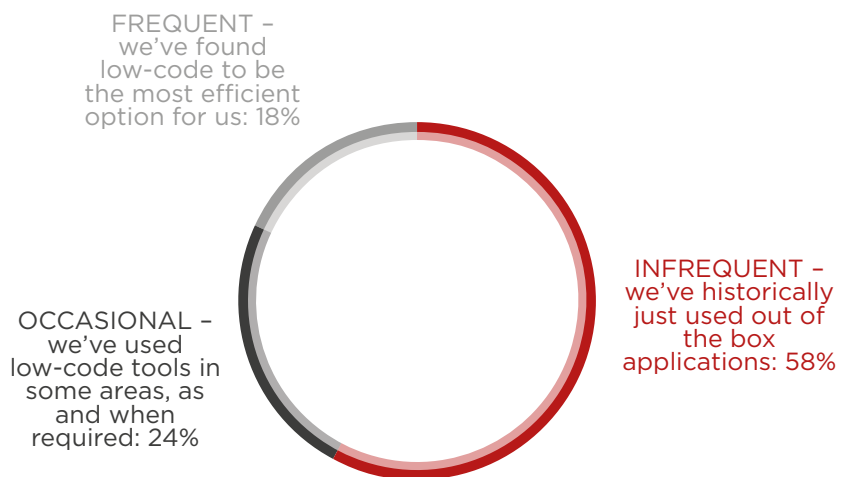
One such tool is low-code, which enables businesses to build apps more quickly by reducing the need to hand-code. The demand for such technology came about with the increase in mobile services and a change in end user expectations, powering innovation at a rapid pace.

We wanted to compare respondents' previous requirement for low-code tools and to their current and future requirement, given the challenges we've heard about.

Respondents were asked to describe their previous requirement and use of low-code tools. The responses were mixed.

How would you describe your previous requirement and use of low-code tools?

FREQUENT – we've found low-code to be the most efficient option for us: 18%

INFREQUENT – we've historically just used out of the box applications: 58%

OCCASIONAL – we've used low-code tools in some areas, as and when required: 24%

How would you describe your current and future requirement for low-code tools?

VERY INCREASED DEMAND – we've seen a dramatic increase in demand for these tools: 32%

SLIGHTLY INCREASED DEMAND – we've seen a slight increase in demand for these tools: 38%

NOT CHANGED – there has not been any impact on our requirement for low-code: 30%

CHAPTER 2
LOW-CODE DEEP DIVE
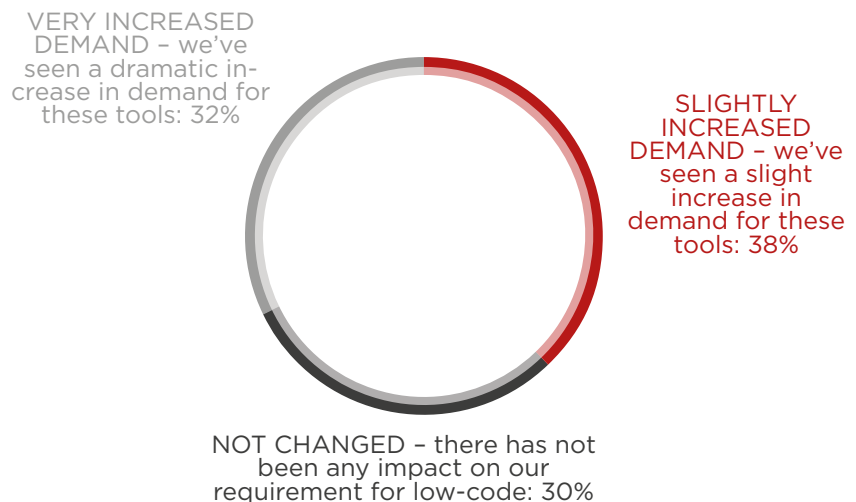
A full breakdown of the level of change can be seen below:

Infrequent to no change: 26%
Infrequent to slightly: 40%
Infrequent to very: 34%

Occasional to none: 43%
Occasional to slightly: 50%
Occasional to very: 7%

Frequent to none: 27%
Frequent to slightly: 18%
Frequent to very: 55%
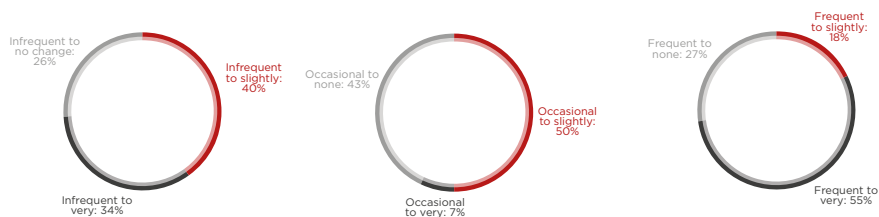
Automation and low-code requirements

We also wanted to find out which other automation capabilities were a priority for organisations. Respondents were asked to rank the following in order of priority for their organisation:

- Robotic Process Automation (RPA)
- Business Process Management
- Artificial Intelligence
- Low-code tools and integration

Benefits of low-code

Low-code is used by organisations to automate processes while also adding business value by enabling stretched IT teams to keep up with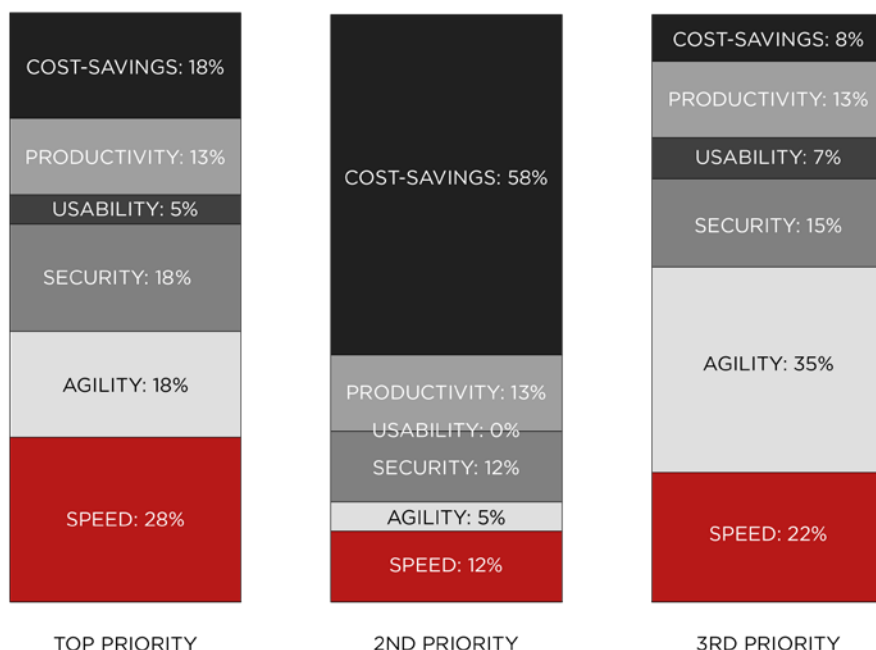 the pace of rapidly evolving projects – ultimately enabling greater agility and better outcomes for end users. To find out how important various elements of low-code tools were to organisations, we asked respondents to rank them, taking into account the main benefits of using low-code as opposed to traditional hand-coded computer programming. The highest ranked benefits of low-code were:

- Speed
- Cost-savings
- Agility

All crucial factors for modern IT teams.

TOP PRIORITY
COST-SAVINGS: 18%
PRODUCTIVITY: 13%
USABILITY: 5%
SECURITY: 18%
AGILITY: 18%
SPEED: 28%

2ND PRIORITY
COST-SAVINGS: 58%
PRODUCTIVITY: 13%
USABILITY: 0%
SECURITY: 12%
AGILITY: 5%
SPEED: 12%

3RD PRIORITY
COST-SAVINGS: 8%
PRODUCTIVITY: 13%
USABILITY: 7%
SECURITY: 15%
AGILITY: 35%
SPEED: 22%

TOP PRIORITY

Ranked as a **top priority** by 40% of respondents was Robotic Process Automation (RPA), with Business Process Management considered the most important by 35% of participants, Artificial Intelligence by 15% and low-code tools and integration ranked the top priority by 10% of those who took part in the survey.

Low-code tools and integration: 10%
Artificial Intelligence: 15%
Robotic Process Automation (RPA): 40%
Business Process Management: 35%
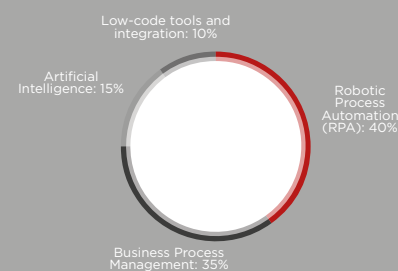
2ND PRIORITY

Artificial Intelligence was ranked as the **second priority** by more than half of respondents (58%), while low-code tools and integration were ranked second by 24% of those who completed the survey. A further 13% ranked Business Process Management as their second priority and the remaining 5% selected Robotic Process Automation.

Robotic Process Automation: 5%
Business Process Management: 13%
Low-code tools and integration: 24%
Artificial Intelligence: 58%
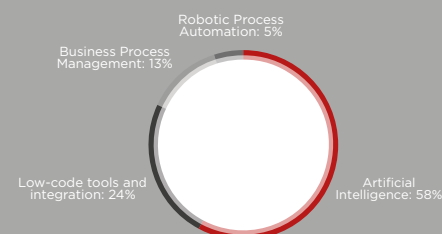
WOULD YOU DEPLOY?

More than half (57%) said they would be very likely to deploy one or more of the technologies, 28% said they would be somewhat likely and 15% said it would be unlikely.

Unlikely to deploy: 15%
Somewhat likely to deploy: 28%
Very likely to deploy: 57%
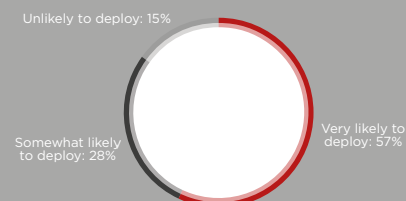
The need for automation technology and low-code is not likely to disappear anytime soon. While the last year has been undoubtedly challenging for many organisations in this industry, its sharp push to digitalisation has also unlocked multiple benefits.

So many business decisions today will ultimately involve technology – whether it's increasing employee engagement, improving productivity and efficiency, or increasing revenue.

And with end users also adapting their working practices to a 'digital' mindset, their own demands for quality services will only be heightened.

It means businesses will be increasingly exploring new options for flexible solutions that enable this new agility, especially if it does not require an advanced knowledge of traditional hand-coding.

All those who took part in our survey agreed that workflow automation would play a key role in their evolving IT strategies; 52% said it would be a priority and central to their strategy, while 48% said it would be an element of their strategy though not a priority.

In terms of overall business priorities, a total of 35% of those polled said low-code would be a medium priority while 9% said it would be a high priority.

Interestingly, however, a majority of respondents conceded that low-code tools would have an important role to play in enabling their business to achieve its overall Digital Transformation goals.

A total of 83% of those who took part in our survey agreed that low-code tools would enable their Digital Transformation goals, with just 17% disagreeing.

And while no respondents had plans to deploy the technology in the next three–six months, more than 80% said they planned to use it within the next six to 24 months. The remaining 15% said low-code was simply not part of their strategy.

> **AND WITH END USERS ALSO ADAPTING THEIR WORKING PRACTICES TO A 'DIGITAL' MINDSET, THEIR OWN DEMANDS FOR QUALITY SERVICES WILL ONLY BE HEIGHTENED.**

01 **How far do you see workflow automation playing a key role in your evolving IT strategy?**

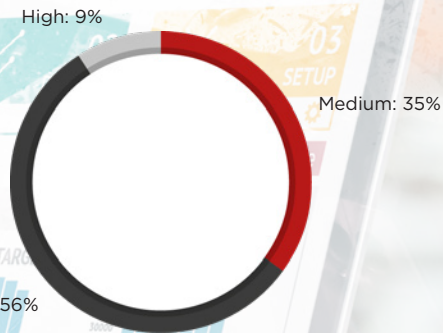Automation will be an element of my strategy but not a priority: 48%

Automation will be a priority and central to my strategy: 52%

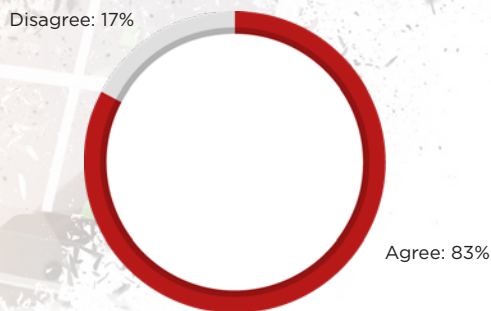Automation will not feature in my strategy: 0%

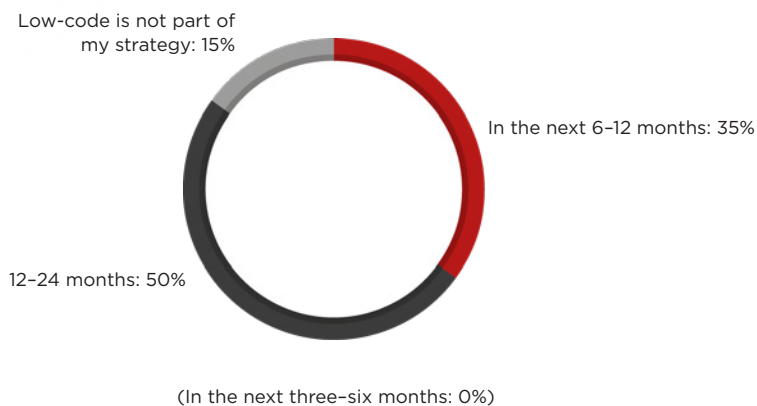## 02 Where would you place low-code in terms of overall business priorities?

High: 9%

Medium: 35%

Low: 56%

Total of 55 due to five void answers

03 How far do you agree that low-code tools will enable your business to achieve its overall Digital Transformation goals?

Disagree: 17%

Agree: 83%

04 When do you next plan to use low-code tools, if at all?

Low-code is not part of my strategy: 15%

In the next 6–12 months: 35%

12–24 months: 50%

(In the next three–six months: 0%)

**CONCLUSION
OVERVIEW OF FINDINGS**

The survey demonstrates the pressures facing IT leaders in light of the unavoidable pivot to digitalisation and their requirement for automation tools.

More than 80% of respondents indicated that they'd had to take at least some action to enable their Digital Transformation goals in light of the pandemic, with challenges including security, reduced budgets and reduced resources chief among their concerns.

Interestingly, a large percentage of respondents indicated their current and future demand for low-code tools had increased at least slightly, while Robotic Process Automation (RPA) and Artificial Intelligence (AI) were the considered two important capabilities for organisations.

Automation technologies – Robotic Process Automation (RPA); Business Process Management; Artificial Intelligence; low-code tools and integration – are in the pipeline of deployments for more than half of those who took part in the survey.

> **ALL PARTICIPANTS IN THE RESEARCH AGREED WORKFLOW AUTOMATION WOULD BE AT LEAST AN ELEMENT OF THEIR EVOLVING IT STRATEGY.**

Respondents considered speed the main benefit of using low-code as opposed to traditional hand-coded computer programming but cost-savings and agility were also important.

All participants in the research agreed workflow automation would be at least an element of their evolving IT strategy.

A large majority agreed that low-code tools would enable their business to achieve its overall Digital Transformation goals and more than 80% planned to deploy low-code tools within the next 24 months.

Key takeaways

- Digital Transformation efforts have been ramped up and there are numerous benefits to this – both for end-users and for enabling business agility
- However, IT leaders are still facing challenges including fewer resources, reduced budget, security challenges and pressure to ramp up digital services
- Organisations can use automation tools to ease the load, enabling their skilled developers to focus on the more complex, technical projects while speeding up app development for more simple projects

Looking ahead: The role of low-code

By Manda Banda

Sometimes referred to as no-code development platform, low-code is a visual software development environment that allows developers – including citizen developers – to drag and drop application components, connect them together and create a mobile or web app.

The benefits of this modular software development approach is that professional developers can build apps more quickly by relieving them of the need to write code line by line. It also means those experienced developers with deep technical knowledge can focus on the larger projects while their teams use low-code to ease the load.

Why it matters

It's important because it accelerates the time it takes to develop apps that can be used almost immediately when they are developed.

In the new normal, organisations want to have minimal disruptions as they shift to a hybrid model of working. In the new normal low-code helps by shortening app and web development cycles – accelerating time to market and driving business growth.

> **IN THE NEW NORMAL LOW-CODE HELPS BY SHORTENING APP AND WEB DEVELOPMENT CYCLES.**

Manda Banda is an industry expert and respected journalist, having reported on the enterprise technology industry and IT sales channel for 22 years.

With a career in business trade publishing that saw him cover the enterprise technology industry, IT sales channel and telecoms sector in Sub-Saharan Africa and Middle East, Manda is passionate about the role technology plays to solve business problems and has spoken at conferences on enterprise IT and channel sales issues. He is currently Deputy Managing Editor and Editor of *Intelligent CIO Middle East*, *Intelligent CIO Africa* and *Intelligent Tech Channels.*