Low-code, No-code platforms:
A NEW APPROACH TO CUSTOMER EXPERIENCE

Challenges for CX leaders | The low-code, no-code opportunity | Jumpstart the journey

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Executive summary

Beyond the countless products and service offerings lies a true differentiator, and that is experience. The importance of customer experience in helping to create brand differentiation and loyalty has never been in question. The pandemic, however, has heightened the significance of delivering positive experiences for customers across digital touchpoints. With fewer resources, decreased budgets and increased expectations, enterprises are faced with new challenges. This white paper examines the immense potential of low-code, no-code platforms in helping CX leaders to deliver winning customer experience strategies. While adoption is gaining momentum, it is not without challenges. Business, IT and HR leaders will need to come together to ensure that the benefits of low-code, no-code applications, also known as citizen development, can emerge from misnomers like "shadow IT" to deliver business value and ROI.

> **"Today, all enterprises have a cloud strategy, and in future they will also all have a low-code development strategy too"[1]**
>
> *Paul Vincent of Gartner said this in November 2019*

That future has become a reality today. In this white paper, we examine the drivers for this shift.

Customer experience is a key brand differentiator

It has been proven beyond doubt that great customer experience is crucial to brand differentiation and helps to deliver financial benefits to the enterprise.

> Companies that excel in the customer experience grow revenues 4%–8% above their market
> *Bain & Company[2]*

> By the end of 2020, customer experience will overtake price and product as the key brand differentiator *Customers 2020, a report by Walker[3]*

> *The 2020 Adobe Digital Trends Global Survey[4]* report revealed that the ultimate benefit to leading in CX is financial.

> Customer service plays a pivotal role in the customer experience and serves as a brand differentiator; 90% of respondents indicated that customer service is important to their choice of and loyalty to a brand. *The Microsoft 2019 State of Global Customer Service[5]*

The PwC Future of Customer Experience Survey 2017/2018[6] revealed that:
- 43% of all consumers would pay more for greater convenience
- 42% would pay more for a friendly, welcoming experience
- 32% of all consumers and 17% of US consumers said that they would stop interacting with a brand they love after just one bad experience.

New challenges for customer experience

Lockdowns and social distancing norms have pushed more people to the online channel across domains, from banking and insurance to news, telecom, healthcare and e-commerce. Fears of health, safety and unemployment have made anxious customers more demanding and less forgiving.

In this new paradigm, the importance of customer experience cannot be over-emphasized. Now, more than ever, it will become a crucial factor in spearheading the organization's race to keep and grow the customer base. When the world emerges on the other side of the pandemic, a key differentiator between winners and losers will undoubtedly be the customer's brand experience. It is no surprise then that CX leaders have a new mandate – focus on customer retention and loyalty, but with minimum spends, fewer resources and in much lesser time.

IT is overwhelmed

Enterprises have depended on IT to respond to business needs and create differentiation with application software development. CIOs have always been under pressure to deliver and update applications with speed in response to evolving customer expectations. Much before the pandemic, Gartner had predicted that through 2021, the market demand for app development will grow at least five times faster than IT capacity to deliver it[7]. With COVID-19, this pressure has greatly increased. The demand for new applications, the burden of legacy systems and a traditional approach to coding make it increasingly difficult for IT to respond to business demands with agility.

Low-code, no-code – the big opportunity

When technology demonstrates business value, its adoption gains momentum, usually over a period of a few years. On rare occasions, however, a crisis becomes a catalyst for exceptionally swift adoption. The rapid proliferation of low-code/no-code applications to help businesses to respond to customer demands is an excellent example of this phenomenon.

One of the most visible outcomes of this is the online portal built by New York City.[8] It was developed on a no-code platform in 72 hours to identify COVID-19 hot spots and connect residents to critical services. In another example, a top 10 healthcare provider in the US built an application for doctors to submit their patients for clinical trial treatments with a new drug. The application was built in just 24 hours and deployed to thousands of doctors and medical centers.[9]

Even before the pandemic, low-code/no-code application development platforms had witnessed significant growth with strong market trends. Enterprises have been encouraging business users across lines of business (LOB) to develop applications. These business users, also called citizen developers, have been involved in developing custom applications to address the unique requirements of their departments. According to Gartner[10], by 2024, three-quarters of large enterprises will be using at least four low-code development tools for both IT and citizen development initiatives; and that low-code application development will be responsible for more than 65% of application development activity.

Why low-code, no-code:

Really quick roll-out of market-ready apps	Significantly lowered cost of development
Improved customer experience with user-friendly features	Omnichannel capability
Cloud-friendly architecture	Easy to use for both programmers and non-programmers
Reduced dependency on IT	Ability to modernize applications built on Java and .NET systems where complex coding and cloud-native microservices are not required
Greater scope to iterate	Increased employee collaboration
Higher productivity	Enterprise-grade security and compliance
Ability to leverage contemporary technologies like AI, bots and customer experience platforms	

With low-code, no-code, CX just got exciting

Pre-built software had so far constrained businesses in their ability to unleash creativity and innovation to transform customer experience. Low-code, no-code platforms change all that.

Open source connectors, development accelerators, UI frameworks, omnichannel capability, visual modeling and drag-and-drop interfaces of LCNC platforms allow CX leaders to deliver immersive, personalized and connected digital experiences across channels and touchpoints.

Where required, businesses are able to easily rip and replace mobile apps with simple and intuitive applications within weeks.

Enterprise apps and data (CRM, BI and analytics systems) can be connected to applications to achieve a 360-degree customer view.

Low-code, no-code platforms that come with security and compliance certifications are able to support confidential customer data even for applications designed for a large population of users.

Leading LCNC platforms are leveraging AI and ML technologies to help businesses engage with their customers in real-time and in innovative ways.

Many platforms also have a library of fresh, exciting and modern design templates that can be used with easy drag-and-drop features to deliver a superior UX.

Business and CX leaders are leveraging LCNC platforms to build loyalty apps, customer surveys, customer service apps and e-commerce apps to deliver superior digital experiences.

Overcoming barriers to enterprise adoption

The growing demands of business put a strain on IT to deliver sophisticated and robust applications with speed.

Low-code/no-code solutions by citizen developers are well-positioned to address the need for increased productivity with fewer skills and a greater understanding of the line of business. Undoubtedly, LCNC is poised to disrupt the customer experience paradigm with applications that can be developed in days and weeks, and at a much lower cost than traditional applications. Still, application leaders are cynical and view citizen development as "shadow IT", which serves to lend casual or inconsequential overtones to their initiatives. To ensure that the benefits of citizen development are not lost, IT and business should collaborate to identify and address areas of concern.

Addressing concerns to jumpstart the enterprise low-code/no-code journey

We examine here some of the most pressing questions and demonstrate how low-code/no-code application platforms can be leveraged for faster time to market and enhanced customer experience.

01 What is IT's role in the world of low-code/no-code?

- IT will always own mission-critical applications, especially those that need extreme scale and belong to enterprise-class complexity.
- Data governance and security of the new applications will be the responsibility of IT, enabling them to play a more strategic role in the organization.
- IT should also analyze and decide on a low-code application platform that is best suited for the enterprise.

02 Where do we begin?

- A governance framework is a great place to start by identifying:
  - Enterprise-wide and business-critical applications that are outside the purview of citizen development
  - Department-level applications that can be developed with the support and supervision of IT
  - Line of business (LOB) applications that can be independently developed by citizen developers
- Establishing clear goals for citizen development projects is important. Stakeholders in lines of business should identify ideal use cases for building LCNC applications based on their ability to scale and deliver ROI.
- Customer experience is a result of several functions coming together like operations, marketing, sales and customer service. Areas that will have maximum impact on customer experience should be identified and evaluated, especially iterative updates that can enhance the experience with quick interventions.

03 How do we develop citizen IT talent?

- Employees without coding skills can be provided with adequate training and tools to create LCNC apps for their specific departmental needs. IT should lead this agenda by taking application development beyond its four walls and into other functions like marketing and operations. This is called creating citizen developer or citizen IT capability across the organization.
- Shadow IT activities can be given due recognition by converting them into citizen IT initiatives. This will help to formalize the roadmap for applications and establish clear goals for citizen developers. The CIO can be the sponsor for this initiative while also being responsible for validating the applications for robustness, compliance, scalability and security. They can help HR to identify citizen IT practitioners based on their creativity and digital acumen.
- HR leaders can focus on building citizen developer talent by creating specific talent attraction programs to recruit and train non-IT employees. Citizen IT will get a boost with well-planned recognition programs especially when their departmental applications are able to demonstrate a positive impact on business KPIs.

04 There are so many platforms. How do we decide?

- Start with your business size and need. Who is your customer and where are the customer touchpoints?
- Look for platforms that will give you the flexibility to iterate and a cloud-based architecture for scalability in addition to better cost and support.
- The platform should be built on robust databases that will allow the creation of data-centric apps for real-time insights and analytics.
- There are also platforms that support the unique needs of specific industries like e-commerce, retail, banking and financial services, healthcare, manufacturing and supply chain. Look for one that works best for your industry needs.

Ready to begin?

As part of its mission to 'Transform Customer Experiences', Hexaware has partnered with Low-Code Application Platform (LCAP) providers like Salesforce, Microsoft, Pega, Appian, Unqork and Outsystems. Working with their tools and solutions, we offer end-to-end services that span the entire customer, employee and partner journeys. Our goal is to deliver better experiences through fully operational and integrated systems. Through the digital capability of Mobiquity Inc., Hexaware's fully owned subsidiary, we are able to offer a comprehensive suite of digital solutions to drive superlative customer experiences.

To know more about our services in CX strategy, Experience design, Product engineering and Managed services, please write to marketing@hexaware.com.

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Hexaware is the fastest growing next-generation provider of IT, BPO and Consulting services. Our focus lies on taking a leadership position in helping our clients attain customer intimacy as their competitive advantage. Our digital offerings have helped our clients achieve operational excellence and customer delight. We are now on a journey of metamorphosing the experiences of our customer's customers by leveraging our industry-leading delivery and execution model, built around the strategy—'AUTOMATE EVERYTHING™, CLOUDIFY EVERYTHING™, TRANSFORM CUSTOMER EXPERIENCES™.' Hexaware services customers in over two dozen languages, from every major time zone and every major regulatory zone. Our goal is to be the first IT services company in the world to have a 50% digital workforce.
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