



## State of Low-Code Report 2022: Financial Services and Insurance

Market research firm [Reputation Leaders](#) conducted a survey in July 2022, commissioned by [Mendix](#), a Siemens business and global leader in low-code application development for the enterprise, to ascertain the state of low-code use in four verticals including financial services and insurance (FSI), manufacturing, public sector, and retail. The respondents included senior business and IT leaders who make software and app purchasing decisions.

The FSI sector is unique because fintechs and insurtechs were already disrupting the status quo before the pandemic. In 2022, they continue to set new customer expectations that incumbent organizations must meet. Three-fifths of respondents said the pandemic accelerated the prominence of fintech to challenge traditional banks.

Today's customers expect both old and new FSI companies to provide them with consistent experiences across every channel. Low-code enables faster innovation to deliver that seamless interaction. It also provides a fast, cost-effective means of transforming companies into modern, more digital versions of themselves.

### Low-code enables digital transformation

Low-code is increasingly viewed as a digital transformation enabler because it can be used on the backend to improve internal efficiencies, and on the frontend to quickly deliver better customer experiences.

FSI businesses continue to accelerate software development so they can accomplish more with fewer resources, reduce costs, and deliver value to customers faster. FSI companies realize that while customer experience is a priority, they must also optimize backend processes. System complexity is an issue for the incumbents, but 63% of respondents see a high potential for low-code to simplify financial systems.

### Low-code priorities are evolving

During 2020 and 2021, FSI businesses were most concerned with keeping the business running, enabling remote work, and empowering customers to do their banking online or get an insurance quote anywhere using their device of choice.

In 2022, FSI organizations are using low-code to build secure applications and accelerate software development even further. Specifically, banks are using low-code to simplify the complexity of their tech stack. Insurance companies are using the data connectivity low-code provides to present customers with comparative quotes. Insurance companies also note that risk management and underwriting are the most important aspects of building an app.

### Key Findings

#### Top 3 low-code benefits

- Quote automation (60%)
- Standardizing and simplifying the buying process (55%)
- Better customer service (50%)

#### Top 3 areas for better CX

- Standardizing and simplifying the buying process (57%)
- Customized solutions (54%)
- Better customer service (51%)

#### Top 3 most important factors when building an app

- Risk management (57%)
- Adaptability and customization (55%)
- Cost-effectiveness (50%)

**Essentially, low-code has evolved from a crisis management technology during the pandemic to a core technology in 2022 and beyond.**