State of Low-code

Status quo of Low-code adoption in Europe

Supported by

Zoho Creator

ZOHO

Table of contents

Introduction

In the era of rapid digitization, applications are playing an increasingly significant role. In a dynamic market landscape, companies must ensure their competitiveness by deploying tailored and efficient applications. Speed is often crucial in securing market shares and solidifying one's position in the market. The traditional software development process frequently encounters limitations in this context. The conventional approach, led by the development department, may delay the swift launch of solutions when extensive development phases are involved. To address this challenge, Low-code development is emerging as an innovative method. It not only enables agile and flexible adaptation to evolving requirements but can also expedite the overall development process. Additionally, Low-code development platforms offer numerous advantages recognized by companies worldwide.

Businesses benefit not only from accelerating software development but also from the potential for cross-departmental application creation.

The primary advantage lies in Low-code users not needing profound programming knowledge to develop applications. However, what is the current state of Low-code adoption in European Union companies, and which benefits are particularly crucial for businesses? What does the use of Low-code bring, and what challenges can be considered impediments to the adoption of this development method? Furthermore, how will the future adoption rate of Low-code in companies evolve?

This study explores how companies deal with Low-code, revealing the current adoption levels in various European countries. It also examines the benefits and challenges cited by companies, supplemented by future plans. The study evaluates responses from IT and development executives in 300 companies within the European Union, with interviews distributed across Germany, the United Kingdom, France, Spain, and the Netherlands, each comprising 60 respondents.

Adoption is progressing

In recent years, the utilization of Low-code development platforms has increased across various industries and regions. This development method is characterized by a user-friendly development environment, where Low-code platforms often provide user-friendly features such as drag-and-drop functionality, visual interfaces, and pre-built components to facilitate application development. This intuitive approach enables individuals without extensive programming knowledge to actively participate in the development process by visually dragging and dropping elements, rather than manually writing code. Currently, approximately 37 percent of surveyed companies have already integrated the Low-code approach as a central component of their software development strategy. This indicates a significant commitment to actively and long-term leverage the benefits of Low-code platforms.

37 percent of companies have already implemented Low-code as a central component of their software development strategy.

However, with the increasing size of companies, a relatively more cautious adoption of Low-code is observed. The percentage is 39 percent for companies with 100 to 499 employees, whereas only 29 percent of companies with 1000 to 4999 employees have firmly integrated Low-code into their software development strategy. This could be attributed to the established and complex processes in software development within larger companies. The transition to Low-code often requires an adjustment of existing structures, which can prove challenging.

Additionally, 20 percent of surveyed companies are in the project implementation phase and have already implemented some Low-code projects. In this phase, Low-code platforms are used selectively but not yet firmly integrated into the development strategy. In contrast, 15 percent of companies are in an earlier phase, evaluating the possibilities offered by Low-code platforms. In this stage, companies initiate a thorough analysis to assess the extensive capabilities of Low-code platforms. Specific use cases and potential challenges are examined in detail during the evaluation phase. This phase aims to establish a solid decision-making foundation and initiate potential firm integration.

Journey with Low-Code Development: Present and Future Outlook

Base: 300 companies | 60 each region

	Is already a central component of our software development strategy	We are currently still in the evaluation phase	First projects have already been implemented	Planning within the next years
United Kingdom	63%	10%	13%	13%
France	40%	17%	18%	25%
Spain	37%	15%	15%	33%
Germany	25%	13%	28%	33%
Netherlands	18%	20%	23%	38%
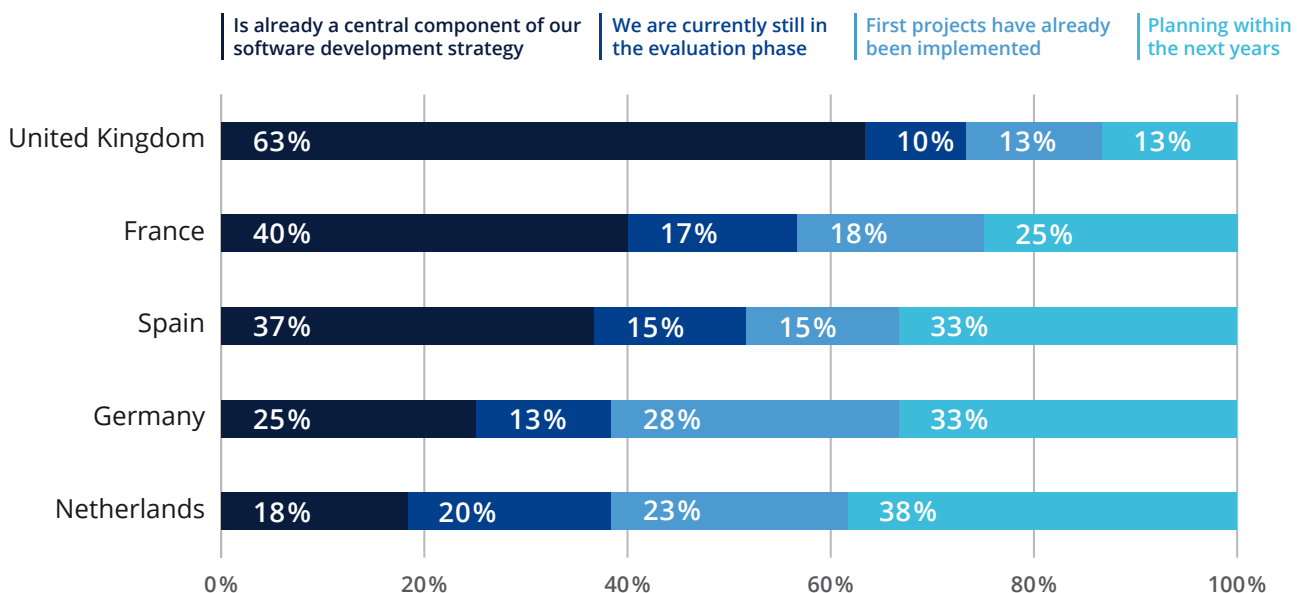
Overall, a considerable proportion of 29 percent of companies have Low-code on their agenda, with 18 percent of these companies planning to adopt it in the next twelve months, eight percent in the next two to five years, and three percent open to the possibility of implementing Low-code in their organization.

63 percent of companies in the United Kingdom have firmly integrated Low-code into their development strategy, while the percentage in the Netherlands is 18 percent.

A look at regional variations highlights different levels of Low-code adoption. While only 18 percent of companies in the Netherlands have integrated Low-code as a central component into their software development, the percentage in UK is around 63 percent. In Germany, Low-code has a firm place in the software development strategy of only one in four surveyed companies (25 percent). However, both in Germany (28 percent) and in the Netherlands (23 percent), companies have already implemented Low-code projects selectively and will continue to place increased emphasis on this form of software development in the future. These results underscore the growing significance of Low-code in software development.

Focus on cheaper and faster development

There are a variety of benefits and impacts that can be achieved through the adoption of the Low-code development method in companies. As the primary advantage and benefit of Low-code, cost reduction is noted by almost one-third of companies (32 percent), and likewise, 32 percent see faster time to solution as the most important impact of Low-code in the company.

This underscores that the implementation of Low-code platforms aims to reduce costs and enable the timely delivery of applications for business challenges. The factors of cost reduction (40 percent) and faster time to solution (47 percent) are particularly pronounced in German companies, while these factors are relatively underrepresented in UK companies (25 percent and 20 percent).

Main benefits and impacts achieved by the adoption of Low-code technology in your company
Base: 300 companies | 60 each region

Benefit / Impact	Percentage
Cost reduction	32%
Faster time to solution	32%
High flexibility and scalability of the applications	29%
Increase in process efficiency	29%
Higher degree of automation	28%
Increase employee productivity	25%
Faster adoption of digitalization in the company	23%
Increasing digital skills	23%
Improving the range of services and product quality for customers	22%
Standardization of processes	22%
Increase of the user experience	21%
Reduction of the complexity of the software development processes	21%
Increase business agility	21%
Shorter release cycles	20%
Higher employee motivation	15%
Expansion of the product and service portfolio (own business model)	12%

For 29 percent, the high flexibility and scalability of applications also play a significant role, which is more pronounced in companies in France (37 percent) and less pronounced in companies in Germany (23 percent). The regionally differing market dynamics and challenges could lead companies in France to place more emphasis on flexibility to adapt to new conditions and respond to changing customer requirements.

For companies, cost reduction (32 percent), faster time to solution (32 percent), as well as greater flexibility and scalability (29 percent) are the top three benefits of Low-code.

As additional benefits of Low-code, 29 percent of companies mention increased process efficiency, and 28 percent highlight a higher degree of automation. For companies, Low-code plays a crucial role in enhancing efficiency and automating development processes. These aspects are particularly strong in companies in Spain, with 32 percent and 45 percent, respectively, above average.

Another aspect is the improvement of user-friendliness, identified by 21 percent of surveyed companies as an advantage of Low-code. Through the user-friendly design of Low-code platforms, stakeholders can develop applications not only more quickly but also more efficiently. The aspect of user-friendliness is particularly pronounced in UK companies, with 40% of them reporting it as a key factor.
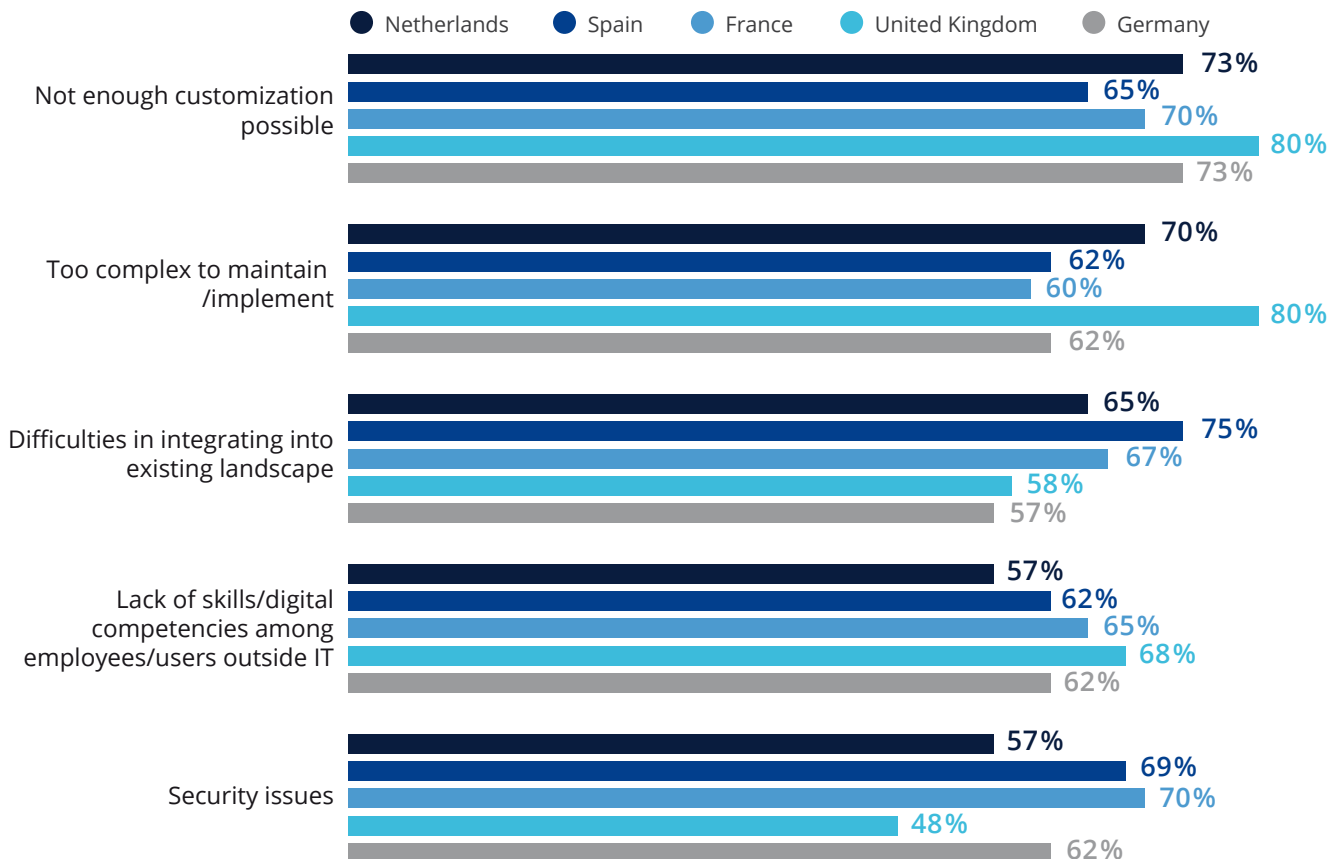
Customization and complexity as challenges

In addition to the advantages of Low-code development platforms, there are various factors that can be considered as challenges. Among the surveyed companies, aspects of limited customization and complexity are viewed as potential impediments to Low-code adoption. Seventy-two percent of the surveyed companies cite insufficient customization options, and approximately two-thirds (67 percent) identify complexity in the implementation and maintenance of Low-code systems as primary challenges. Companies from the UK, in particular, perceive these aspects as notably challenging, with each at 80 percent. The introduction and maintenance of Low-code platforms may be perceived as demanding and resource-intensive. These findings underscore the importance of user-friendly, easily integratable, and maintenance-friendly Low-code solutions to assist companies in overcoming these challenges.

72 percent of companies see the insufficient customization options as the main challenge.

Moreover, companies expect developed applications to meet their diverse requirements, with the possibility of tailored solutions. Furthermore, 64 percent of the companies indicate that difficulties in integrating Low-code solutions into their existing IT landscape pose a challenge. It becomes evident that the seamless integration of Low-code systems into already established corporate structures can be a complex task that requires special efforts. This aspect is particularly critical for companies in Spain, with 73 percent expressing concerns, while the percentage in German companies is below the average at 57 percent.

Top 5 challenges using Low-code development
Base: 300 companies, 60 each region, Summary of answers High Challenge + Moderate Challenge

● Netherlands ● Spain ● France ● United Kingdom ● Germany

Not enough customization possible
- Netherlands: 73%
- Spain: 65%
- France: 70%
- United Kingdom: 80%
- Germany: 73%

Too complex to maintain /implement
- Netherlands: 70%
- Spain: 62%
- France: 60%
- United Kingdom: 80%
- Germany: 62%

Difficulties in integrating into existing landscape
- Netherlands: 65%
- Spain: 75%
- France: 67%
- United Kingdom: 58%
- Germany: 57%

Lack of skills/digital competencies among employees/users outside IT
- Netherlands: 57%
- Spain: 62%
- France: 65%
- United Kingdom: 68%
- Germany: 62%

Security issues
- Netherlands: 57%
- Spain: 69%
- France: 70%
- United Kingdom: 48%
- Germany: 62%

Fast and cost-effective software development through Low-code

Low-code development platforms have proven to be a crucial accelerator for efficient software development, with 83 percent of surveyed companies experiencing or expecting a significant reduction in development time. In the UK, this percentage rises to approximately 93 percent. This underscores the effectiveness of Low-code in accelerating the entire development process, enabling companies to respond more rapidly to market changes. Furthermore, 81 percent of respondents see cost efficiency and budget adherence as positive impacts of Low-code. However, this aspect is less relevant for companies in Germany (72 percent) compared to those in Spain (87 percent). Thus, Low-code in the software development process not only shortens development time but also ensures efficient resource utilization, resulting in lower costs. The appeal of the Low-code method is enhanced by predictable costs and high-quality developed applications.

Another significant factor is the faster prototyping, cited by 77 percent of the surveyed companies as an advantage. This highlights that Low-code platforms create an agile environment where prototypes can be rapidly developed and optimized, facilitating iterative and collaborative software development. Additionally, over three-quarters (76 percent) of the companies indicate that empowering employees is a benefit of Low-code. Thus, Low-code development is not limited to the IT department but extends to employees from other departments and areas of the company. This fosters a collaborative atmosphere where domain experts without in-depth programming knowledge can actively contribute to software development.

For 38 percent of companies, Low-code development plays a strategically important role in the company.

# Future outlook and guidelines for Low-code development

The acceptance and integration of Low-code development platforms are gaining significance within companies. 81 percent of surveyed companies express their intention to use Low-code development in significantly more departments in the future. Regional differences are evident, with companies in the United Kingdom (68 percent) showing different levels of agreement compared to those in Spain (90 percent). Overall, this underscores a clear trend toward expanding the use of Low-code beyond traditional development departments. This allows internal departments to develop their own applications that meet their specific requirements.

However, there are already clear regulations regarding application development using Low-code. 79 percent of the surveyed companies indicate that company-wide policies and guidelines determine which applications are developed with Low-code and which are not. This suggests a strategic approach where companies establish clear governance structures to ensure consistent Low-code applications across various departments.

This reflects a necessity considering the future use of Low-code, as 77 percent of the surveyed companies express their intention to use Low-code in the future or much more frequently.

77 percent of companies plan to use Low-code much more frequently in the future.

This indicates that companies are increasingly relying on the efficiency and flexibility that Low-code development provides. Regarding future development, 74 percent of the surveyed companies emphasize that they will increasingly incorporate Artificial Intelligence (AI) into the Low-code development process. Particularly in companies in the United Kingdom (83 percent), the increased use of AI in Low-code development is considered significant, indicating a regional differentiation in the perception of the role of AI. Overall, the increased focus on incorporating Artificial Intelligence into the Low-code development process could suggest that companies are increasingly relying on automated data processing, intelligent analytics, and the optimization of decision-making processes.
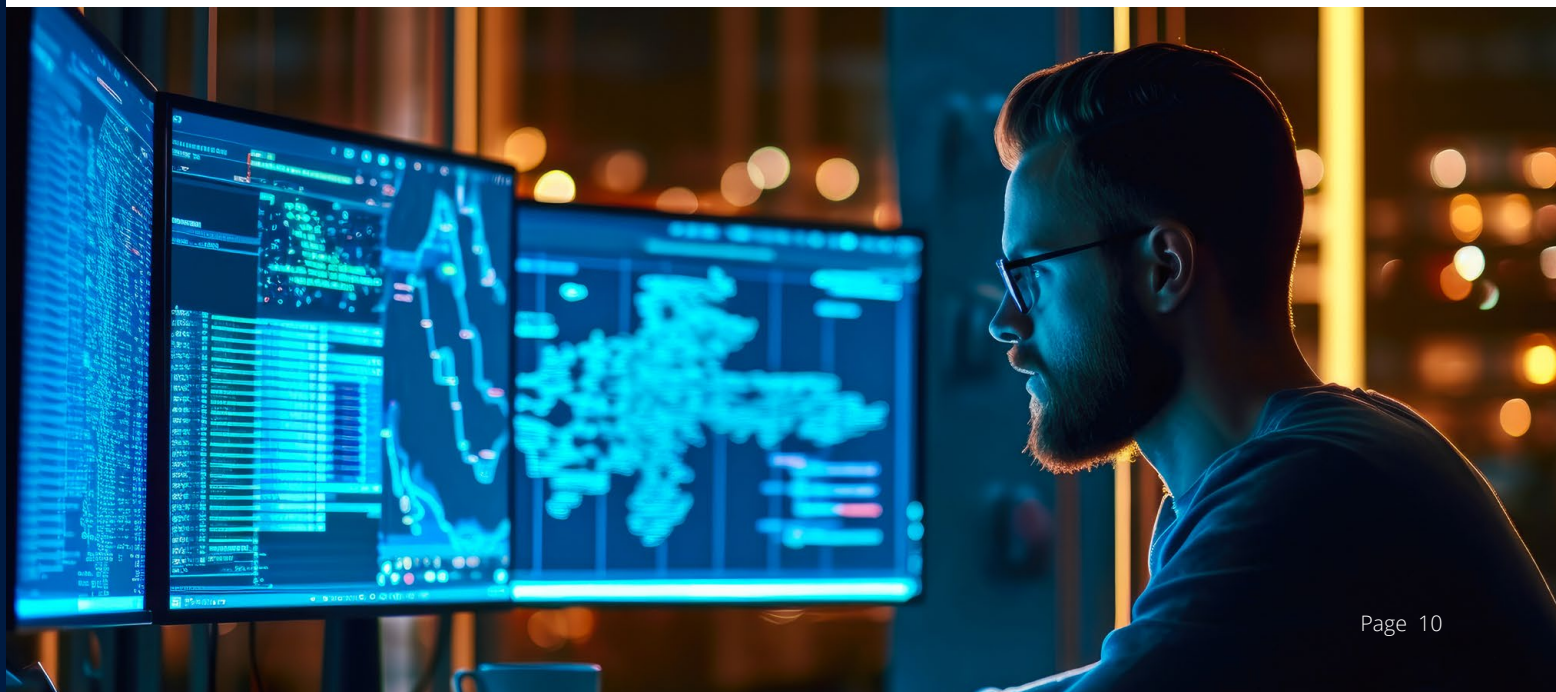
For 38 percent of respondents, application development holds strategic relevance, indicating that it is considered a crucial component for the long-term alignment and competitiveness of the company. In addition, more than a third (37 percent) of the surveyed companies emphasize the importance of accelerating the work of developers in application development.

Furthermore, 37 percent of respondents indicate that application development contributes to making processes more secure, emphasizing the importance of reliable and secure applications for the smooth operation of business processes. Overall, application development is considered significant both at the strategic and operational levels, highlighting its versatile role in shaping and optimizing business processes.

Assessing the Significance of Application Development

Base: 300 companies, 60 each region
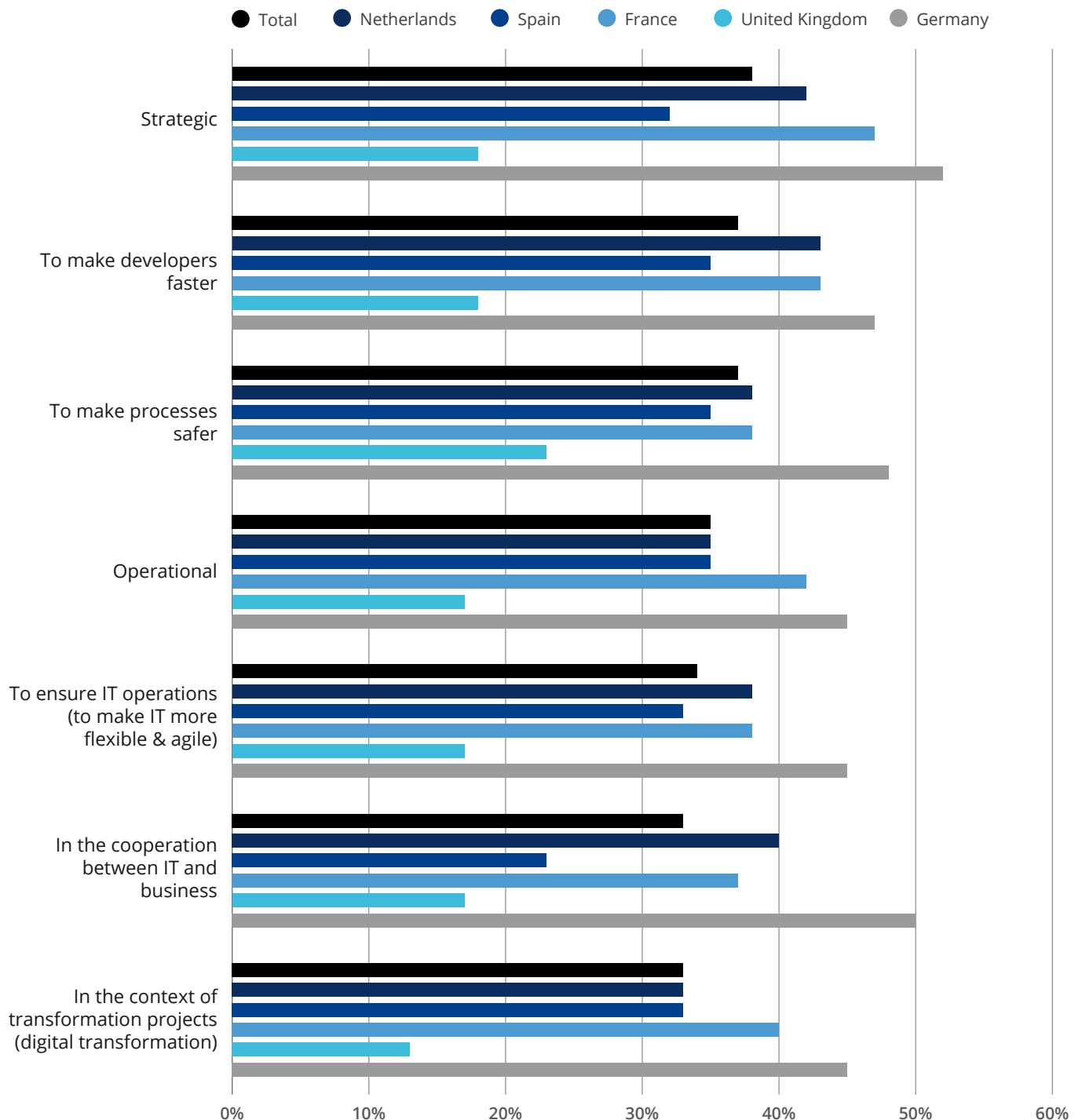
Conclusion

The findings of this study highlight that companies have recognized the numerous benefits of Low-code. Particularly, the challenges of the traditional software development process, such as time-consuming development cycles, high costs, and dependence on the development department, have brought Low-code development platforms into focus as an innovative method. These platforms not only enable agile and flexible adaptation to changing requirements but also significantly accelerate the entire development process. As a result, companies can develop and bring applications to market faster.

It becomes evident that an increasing number of companies consider Low-code as an integral part of their software development strategy. The focus is not solely on accelerating software development but also on the possibility of cross-departmental application creation. Existing regional differences in Low-code adoption indicate diverse influences from business cultures, regulatory frameworks, and innovation readiness. Overall, it is clear that companies in different countries prioritize various aspects, whether it be cost reduction, faster solution development, or the flexibility and scalability of applications.

The benefits of Low-code, such as cost reduction, faster solution development, higher flexibility and scalability, as well as simplified user-friendliness, are considered crucial factors for integration into development strategies by companies. However, realizing these benefits comes with challenges. Limited customization options, complexity in implementation and maintenance, difficulties in integrating into existing IT landscapes, and security concerns pose significant hurdles. Nevertheless, the Low-code development method is recognized as a driver for more efficient software development. Companies expect not only increased integration into various departments but also enhanced use of AI in the Low-code development process.

Overall, the study illustrates that Low-code development platforms will play a crucial role in the European business landscape, empowering companies to position themselves successfully in competitive environments. The strategic use of Low-code is not viewed solely as a short-term measure for efficiency improvement but as a long-term strategy to secure competitiveness and flexibly adapt to future challenges. For companies, not only do the applications themselves represent a critical success factor, but also the efficient and agile development of these solutions.

About the study

"The State of Low-code in Europe" study was designed by tech**consult** GmbH on behalf of ZOHO. It is based on a survey of 300 companies from Germany, the United Kingdom, France, Spain and the Netherlands with between 100 and 4999 employees. The survey was conducted via an online questionnaire. The sample includes companies from all sectors without restrictions. Contact persons were primarily IT managers, IT decision-makers and decision-makers for IT and software development.
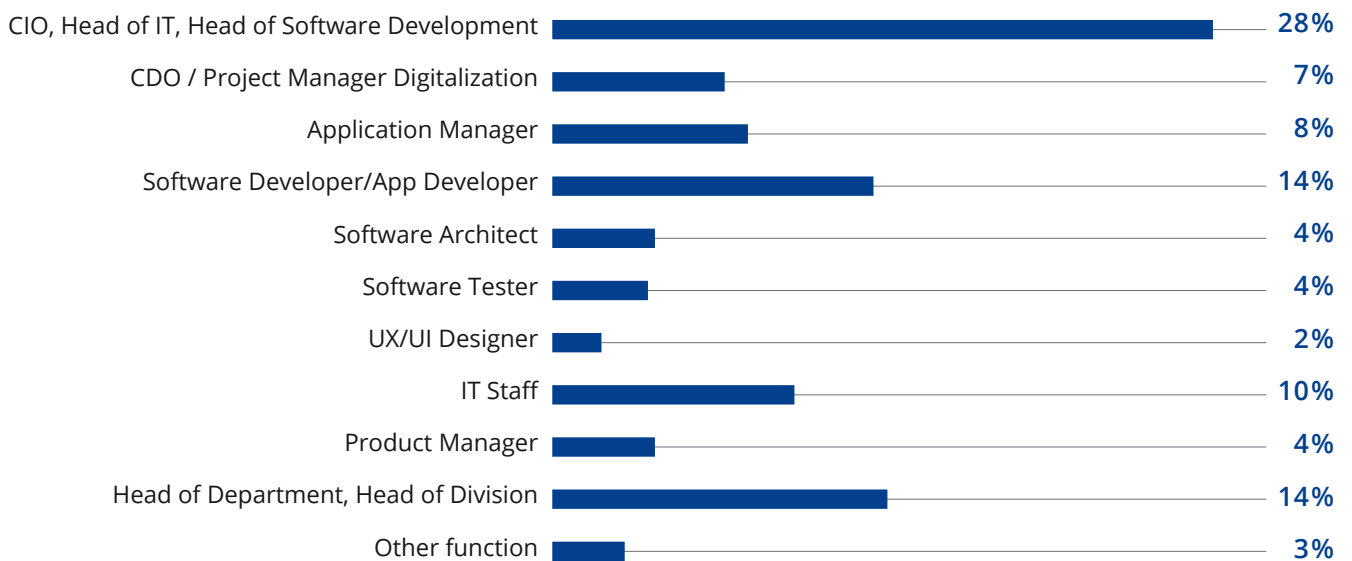
Industry

18%
Industry

2%
Trade

11%
Banks and Insurance

Service
53%

Public administration, non-profit, health and social services
16%

Employee size classes

36%
100 to 499 employees

37%
500 to 999 employees

27%
1000 to 4999 employees

Position in the company

Position	%
CIO, Head of IT, Head of Software Development	28%
CDO / Project Manager Digitalization	7%
Application Manager	8%
Software Developer/App Developer	14%
Software Architect	4%
Software Tester	4%
UX/UI Designer	2%
IT Staff	10%
Product Manager	4%
Head of Department, Head of Division	14%
Other function	3%

Due to rounding adjustments, some sums may not add up to 100%.

Additional information

This research is sponsored by Zoho Creator.

About Zoho Creator
Launched in 2006, the Zoho Creator low-code application development platform has been at the forefront of innovation in application development since its inception. Empowering both line-of-business teams and professional developers alike in business process transformation, the Zoho Creator platform accelerates the process of application development by up to 10 times when compared with conventional software enginee- ring approaches.

Platform highlights
Instant multi-device deployment: Web and mobile | Integration with 800+ applications | Business process orchestration | Built-in BI & analytics | Automatic scalability | Portals | Granular access control | Rebranded mobile apps

Zoho Creator
Unleash innovation. Drive rapid growth.

Contact
Zoho Corporation GmbH
Trinkausstr. 7
D-40213 Düsseldorf

Zoho Creator

www.zoho.com/creator

🇫🇷	**France**	www.zoho.com/fr/creator
🇩🇪	**Germany**	www.zoho.com/de/creator
🇳🇱	**Netherlands**	www.zoho.com/nl/creator
🇪🇸	**Spain**	www.zoho.com/es-xl/creator
🇬🇧	**United Kingdom**	www.zoho.com/creator