

How to Accelerate
**Brilliant Digital
Experiences**
With Modern Application Platforms



Customer Experience: Today's Key Competitive Differentiator

Across numerous industries, more nimble competitors are nipping at the heels of enterprise giants. The battlefield is customer experience. The weapons of choice are digital. The pace of innovation is relentless.

Nowhere is this more true than in financial services and insurance, where modernizing and improving customer experiences is the surest way to retain millions of customers that are increasingly “switchy.”

And yet, digital innovation in these industries is notoriously hard. The barriers, to name just a few are:

- **Complex legacy IT**
- **Concern for sensitive customer and financial data**
- **Regulatory compliance**
- **Risk and security**

Hardly a recipe for the agile experimentation that enables rapid, digital customer experience improvement. So, when financial services and insurance firms succeed despite these obstacles, we should all take note.

Whatever your industry, much can be learned from the five case studies in this book. They show that in the race for customers' hearts and minds, both incumbents and disruptors are embracing low-code to overtake their competitors.

Obstacles-a-Plenty

Sadly, if you have thousands or millions of customers to keep happy, you're likely to have several other things that get in the way of delighting them with “sparkly” new digital experiences.

Complexity

Success wasn't born overnight. Your firm may have grown over decades or even centuries of expansion, mergers, and acquisitions. Take insurance as an example. Household, car, health, life, and pensions may all be under one brand, but customer experience and the IT that supports it is often fractured.

Legacy

With complexity comes inertia. Too much IT overhead is used on maintaining what you've got, leaving little to invest in innovation. The average is around 25%.¹ But, if you're confronted by siloed IT systems for different insurance lines or finance products, chances are even less is available for innovation.

Resource Constraints

Too few of your resources are focused on innovation, and hiring more developers with modern digital tech skills is hard. There's a shortage, everyone wants them, and the allure of fintech and insurtech startups may tempt away many of the staff that you had lined up for digital initiatives.

Enter the Disruptors

These obstacles offer an open door to digital disruptors and startups that aren't weighed down by such complexity. “Nimble newbies” are attracting disaffected customers. According to McKinsey, this phenomenon is **“depleting as much as half the revenue growth and one-third of earnings”** of incumbents that innovate more slowly.²

This is something many in financial services and insurance are afraid of:

“88% of incumbents believe they're losing revenue to innovators.”³

PWC—Global Fintech Report 2017

1. Forrester: 2018 US Tech Budget Outlook, <https://www.forrester.com/report/2018+US+Tech+Budget+Outlook+Growth+Will+Accelerate+To+Almost+6/-/E-RES141177>

2. Jacques Bughin and Tanguy Catlin, “What Successful Digital Transformations Have in Common.” Harvard Business Review, 19 Dec. 2017, <https://hbr.org/2017/12/what-successful-digital-transformations-have-in-common>

3. PWC, Redrawing the lines: FinTech's growing influence on Financial Services, 2017, <https://www.pwc.com/gx/en/industries/financial-services/assets/pwc-global-fintech-report-2017.pdf>

Consumers' Shifting Demographics and Expectations

Consumers are now armed with the information they need to hunt out better finance and insurance offers. If price comparison sites have succeeded in leveling the market, then logically customer experience becomes all the more important.

And, as far as Gen Y and Gen Z are concerned, the experience they're looking for is frictionless service, something they've grown accustomed to from Amazon and many other digital consumer brands.

As Accenture's global study of nearly 33,000 financial services consumers reveals, there's a significant shift in what younger customers want, or expect, from their financial service providers.⁴ And they're increasingly open-minded about who those providers might be.

Accenture's report identifies three distinct personas:



Nomads. Nomads are digitally active consumers who are ready for new delivery models. They'll comfortably consider and migrate to non-traditional providers.



Hunters. Hunters search for the best price. They prefer traditional providers, but want digital as well as one-on-one service options.



Quality Seekers. Quality seekers remain loyal as long as they get service excellence. For them, price is less important.

The consequence? Financial services and insurance giants that fall behind in the innovation race are uniquely vulnerable to losing customers, who value digital convenience, price, or quality above the status quo.

That's a tough place to be. On one hand, hampered by complexity, legacy, and regulatory compliance, and on the other, trying to hold on to customers who can find countless alternatives faster than they can get through to your call center.

Two Perspectives on Legacy Debt

The challenge in this innovation race is actually similar for both the incumbents and the fintech startups. The only difference is one of perspective. Regret or fear of legacy debt, which is a form of technical debt created by legacy systems and "runaway" code.

Incumbent

Regret:
If only we could escape legacy debt and innovate like a startup!

I can't afford to rip and replace all our legacy systems. But, I need to innovate without adding to our mountain of complexity.

Startup

Fear:
How do I stop legacy debt from gradually building up as we grow?

As we scale and mature, how the heck can we stay clear of technology debt? Will we be just like an incumbent five years from now?

⁴ Accenture, Financial Providers: Transforming Distribution Models for the Evolving Consumer, <https://www.accenture.com/us-en/insight-financial-services-distribution-marketing-consumer-study>

Low-code: The Innovator's Savior

Whether you want to escape legacy debt or keep it from creeping up on you, low-code development platforms offer a solution. And, as the case studies that follow illustrate, it's an approach that is being adopted by the giants as well as the nimble newbies.

*"Products and/or cloud services for application development that employ visual, declarative techniques instead of programming and are available to customers at low- or no-cost in money and training time to begin, with costs rising in proportion of the business value of the platforms."*⁵

The Low-code Development Landscape

There were 76 low-code software vendors featured in Forrester's vendor landscape report published in mid-2017, and the products they offered included: Forrester defines low-code development platforms as:

- **Specialty mobile development tools**
- **Lightweight tools, aimed at business or "citizen" developers**
- **Platforms for application development and delivery (AD&D) pros.**

Mobile-centric low-code platforms were pretty much written-off in an earlier Forrester report. The justification being, that in a world that is increasingly mobile-first, there's no sense in a business having more than one low-code platform. Businesses should therefore opt for one platform that is equally capable of creating both web and mobile apps, with a single skill set.

Citizen development tools are generally "spreadsheet and email killers." They're great for lightweight departmental or team-based applications. But, if you want to accelerate the delivery of brilliant digital experiences to thousands of customers, these should not be your tools of choice. There are at least seven reasons why:

- 1.** The goal is to reduce legacy debt, not add yet more tools to the mix. The power and breadth you need to achieve that goal are likely to exceed what lightweight tools offer.
- 2.** If you're embarking on a widespread, long-term program of digital innovation, strong governance will be critical. Such capabilities are lacking in citizen development tools.
- 3.** Security and compliance will be crucial if you're handling customer and financial data. Not the sweet spot for citizen development tools.
- 4.** You need to integrate without limits. Lightweight tools normally come up short.
- 5.** You need pixel-perfect, brilliant user experiences. You cannot make do with cookie-cutter limitations.
- 6.** Almost certainly your customer experience vision will include native mobile apps. Most citizen developer tools are weak at native mobile.
- 7.** You're engaging with thousands or millions of customers. This is not a job for lightweight tools.

Low-code platforms for AD&D pros are therefore the sensible option to speed up delivery of brilliant digital experiences for your customers. As highlighted in **The Forrester Wave™ Low-Code Development Platforms For AD&D Pros, Q1 2019**, there are at least 26 criteria that you should take into consideration. In the next section, we'll describe the most crucial feature for customer-facing development.

5. Forrester, "New Development Platforms Emerge For Customer-Facing Applications," Clay Richardson, John R. Rymer with Christopher Mines, Alex Cullen, Dominique Whittaker, 9 June 2014.

Low-Code Capabilities for Brilliant Digital Experiences

Enterprise-Grade Security

You'll be handling customer and financial data for thousands or millions of customers. Make sure your low-code platform has bulletproof security and the certifications to prove it.

Integrate With Anything

Delivering digital experiences to your customers will inevitably involve integration with dozens of internal systems. Make sure that your chosen platform not only enables the development of apps that integrate with a wide variety of platforms and offers SOAP and REST APIs, but also allows you to develop your own connections and back-ends for limitless integration.

Massive Scalability

If you aim to delight thousands or millions of customers, make sure your low-code platform includes enterprise strength for speed, scale, and security. You're also likely to want flexible options for cloud (private or public), on-premises, or hybrid deployments.

Enterprise-Strength Governance for Large Developer Teams

To support wide-scale digital transformation programs, your low-code platform will need to support large numbers of developers in multiple teams, all building hundreds of applications. Make sure the low-code platform you adopt includes everything that is needed to implement a continuous integration development cycle.

Great UX for Web and Native Mobile

Providing brilliant digital experiences to thousands of customers requires a fabulous UX. Choose a low-code platform that has the design features you need both for responsive web and full-featured native mobile.

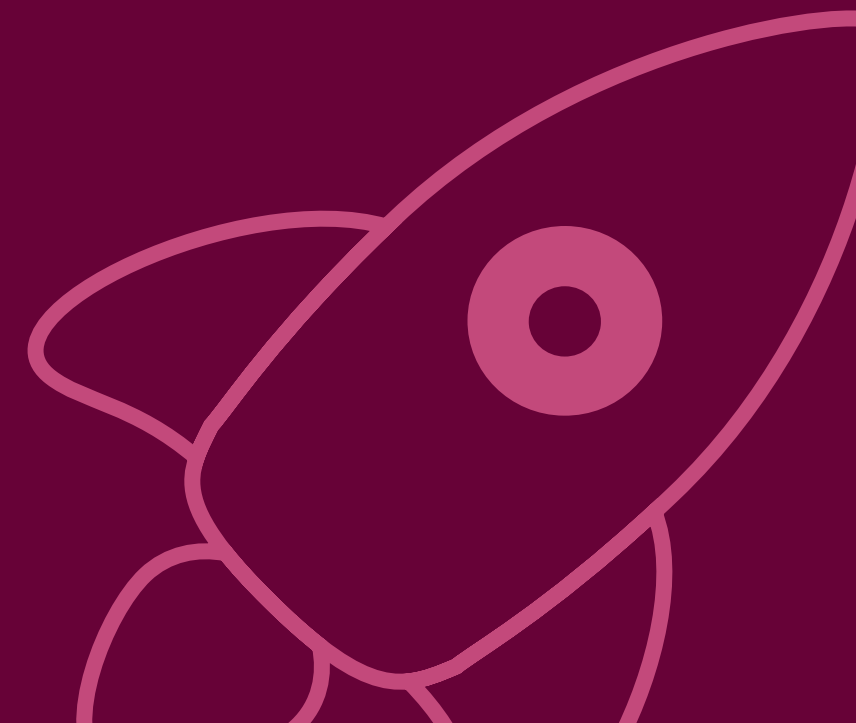
Low-code Without Constraints

Make sure your developers can extend your low-code applications with their own custom code. The goal: open standards, no vendor lock-in, worry-free, future-proof development.

Five Inspirational Stories Show How It Can Be Done

These five customer success stories from OutSystems illustrate how low-code can make a huge difference by accelerating innovation and delivering brilliant digital experiences. We've chosen a selection of financial services and insurance stories because their success in the face of obstacles like complexity, legacy, risk, and compliance makes their accomplishments all the more impressive.

Even if your business is in a completely different industry, we think you'll find that what these companies have achieved in double quick time is enlightening and encouraging.



BlueZest

- Fintech start-up
- Customer onboarding
- Loan origination

“OutSystems provides us a visual, self-documenting approach to development, complete with versioning, testing, and debugging all built in. So, not only can we develop quickly, we can adapt and enhance the application even quicker still.”

—John Robinson, CTO

BlueZest is a fintech digital disruptor. Founded by several mortgage industry veterans and technologists, BlueZest set out with a mission to transform the customer experience for mortgage borrowers.

They knew that AI, big data, and automation could dramatically shorten the application approval process for home loans. How much they’ve shortened it is astonishing. The UK industry norm for an approved mortgage offer is at least 18 days. BlueZest quotes speeds of less than one hour.

FICO

- Software used by 95 of the 100 largest financial institutions in the US
- Origination of new credit relationships
- Faster and easier integration for hundreds of customers

“We reduced our development hours by 75 percent and got to market 3x faster using OutSystems.”

—David Lightfoot, VP of Product Management

Founded in 1956, FICO introduced analytics solutions such as credit scoring that are used today by businesses in more than 100 countries around the world, including 95% of the largest financial institutions in the US.

Continuous regional regulatory changes and constant launching of new credit-check data sources meant FICO needed to offer its clients a more flexible product and provide rapid release updates. To realize this vision, FICO used OutSystems to completely rebuild their FICO Origination Manager application.

By adopting OutSystems as their low-code development platform, FICO was able to cut development time by 75%, using half the number of developers. FICO Origination Manager got to market in just six months—three times faster than originally projected.

Key metrics

5 months

Agile development project

3 full-time developers

2 were recent graduates; a 4th developer worked part-time

1 hour instead of weeks

for confirmed mortgage offer

Why OutSystems?

- Speed to market, continuous development, and innovation
- Great user experience on any platform or device
- Integration with multiple third-party web services
- Compliance and security built in
- Low-code development is around 10x faster
- Avoiding the future risk of legacy debt

Key metrics

50% reduction

in FTE resources required

75% saving

in developer effort

6 months

to develop

Why OutSystems?

- Speed to market and lower cost of continuous release updates
- Adapt faster to dynamic market and regulatory changes
- Easy incorporation of new credit-check data sources
- Faster and easier integration and customization for hundreds of customers



- Financial services
- Mission-critical core systems refresh
- Mobile development center of excellence

“With OutSystems, we can build native mobile apps that will give us a huge competitive advantage and help us fulfill our goal of becoming a true digital financing partner.”

—Erwin Kooiman, IT Senior Manager

Credit Agricole - Consumer Finance needed to revamp their outdated core banking system in order to progress their digital transformation strategy. They selected OutSystems to help with this effort.

Having cut their teeth on a few non-critical systems, the development team soon started to redevelop mission-critical core banking systems. They found that low-code made development much more agile, with rapid iteration and collaboration between developers, testers, and users. Customer experience innovations that they’ve rolled-out include a customer portal that handles credit agreements from application to approval and loan servicing. This development project took just six weeks.

The team has become a development center of excellence and uses OutSystems to deliver mobile apps for the group.



- Insurance
- Portal for brokers
- Claims servicing

“OutSystems enabled us to rapidly build a web-based portal for our brokers that helps them better serve their customers and eliminates unnecessary processes and delays.”

—Chris Voller, Director of Claims

AXA, the #1 ranked global insurance company, wanted to improve the service provided to brokers. Its contact center was overburdened, so their objective was to provide a digital claims handling process that would reduce calls to the center from brokers and customers.

AXA’s IT team turned to OutSystems because the insurer’s aging legacy systems were not up to the challenge of providing a portal that could be accessed from any device or browser. Their key selection criteria included robust low-code development and deployment, an open platform that avoided vendor lock-in, and limitless integration. The eServe insurance portal was delivered in just three months, about half the time it would have taken with traditional development methods. The result? A greatly improved digital experience, which is keeping AXA’s brokers and customers much happier.

Key metrics

6 weeks

to build customer finance app

Mission-critical

Core banking systems and ESB development

Mobile apps COE

Center of excellence for mobile apps

Why OutSystems?

- Good fit with core systems
- Ease of integration
- Cross-platform rapid application development
- Adopt agile development methodology
- Now employer of choice for young and savvy developers

Key metrics

3 months

to deliver broker claims portal

24/7 access

Massively reduced calls to contact center

260,000 claims

handled per year

Why OutSystems?

- Robust low-code development and deployment
- Enable more agile development
- Open platform with no vendor lock-in
- Strength of integration for legacy and new systems
- Pathway for IT modernization



- Insurance
- Systems of engagement and mobile apps
- 39 deployed applications

“We rely on OutSystems for all custom application development, especially for systems of engagement and mobile applications.”

—Eduardo Romano, CIO

Liberty Seguros is part of Liberty Mutual Group, a leading insurer that offers a wide range of insurance products and services from 900 offices worldwide.

Its ambitious goal was to make every customer process available to their third-party agents, empowering them to provide superior, streamlined customer service without Liberty’s contact center becoming a bottleneck.

Liberty selected OutSystems because it would enable them to integrate and extend their existing back-end insurance systems and create front-ends tailored specifically for their brokers and staff members.

Liberty has been using OutSystems to power their digital initiative for 10 years. The result is a suite of 39 integrated applications they call “Liberty Connect,” which connects every area of the company to 4,000 brokers and employees.

Conclusion

Brilliant digital experiences help you win, serve, and retain customers. And as several of these case studies show, such digital forms of service are not just preferable to consumers, they’re actually more efficient and cost-effective for the provider.

Obviously, if these are priorities for your business, speed is a key factor. Who will win the race for your customers’ and prospects’ hearts and minds?

These are the key takeaways from our customer stories.



Low-code makes it possible to accelerate the creation of brilliant digital experiences.



Fintech startups and software companies adopt low-code to keep legacy debt from creeping up on them.



Incumbents adopt low-code to escape legacy debt.



Both incumbents and startups got to market quicker with low-code.

Key metrics

2 months

Average app time-to-market

4 projects in parallel

12 developers

10 years

Strategic partnership with OutSystems

Why OutSystems?

- Integrate and extend back-end insurance systems
- Tailored front-ends for brokers and employees
- More flexibility to change applications while they are running
- Improved agility to stay competitive
- Retire expensive COTS packages over time

If these businesses can achieve this, so can you.

So, whatever industry you’re in, if you’re serious about finding a faster way to create brilliant digital experiences and you want to defeat or avoid legacy debt, let’s talk.



TALK TO US

Schedule a demo to see how we can accelerate your digital innovation.
outsystems.com/schedule-demo



LEARN MORE

See why OutSystems is the perfect platform to create brilliant digital experiences.
outsystems.com/platform

