

**Zoho Positioned as Leader in SPARK
Matrix™: Low-Code Application Development
(LCAD) Platforms, 2020**

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Low-code application development (LCAD) platforms empower citizen and professional developers to design, build, test, deploy, and manage enterprise applications without having to write complicated code. It includes a visual modeling environment with a graphical user interface, enabling business users without a technical background to easily create apps to meet their specific business requirements. It may also include functionalities to allow custom coding for professional developers to create custom functionalities, extend existing applications, or build complex applications.

For developing complex applications, organizations are struggling to find professional developers to keep up with their digital transformation roadmap. LCAD platforms' fundamental value propositions of providing graphical UI and visual development tools for rapid application development by business users are increasingly becoming a key enabler for digital transformation, and a key differentiator for organizations. Organizations are increasingly leveraging LCAD platforms for developing new apps, replacing legacy apps, and extending the value of their existing applications. LCAD platforms have emerged as an essential technology for digital transformation strategy, enabling organizations to keep up with their competition and quickly respond to market and technology disruptions.

Quadrant Knowledge Solutions recent study “[SPARK Matrix™: Low Code Application Development \(LCAD\) Platforms, 2020](#)” analyzes market dynamics, growth opportunities, emerging technology trends, and the vendor ecosystem of the global market. This research provides strategic information for technology vendors to better understand the market supporting their growth strategies and for users to evaluate different vendor capability, competitive differentiation, and its market position.

This research includes detailed competition analysis and vendor evaluation using the proprietary SPARK Matrix analysis. SPARK Matrix includes ranking and positioning of leading LCAD platforms vendors with a global impact. This study includes analysis of key vendors, including AgilePoint, Appian, Betty Blocks, GeneXus, K2, Kintone, Kony, Mendix, Microsoft, Oracle, OutSystems, Pega, Salesforce, Thinkwise, TrackVia, WaveMaker, and Zoho.

Figure: Low Code Application Development Platforms
People, Process, Technology, and Strategy Perspectives

People	Process	Technology	Strategy
The growing emphasis on digital transformation and focus on improving digital customer experience are becoming key differentiators for businesses across industry verticals	Legacy systems often create operational bottlenecks and slow down the team's efficiencies in responding to market forces and ongoing market trends	- Visual modeling environment with graphical UI for business developers - Functionalities for custom coding for professional developers	- Accelerate digital transformation initiatives - Improving customer experience in an omnichannel environment - Business agility to incorporate the latest trends and implement emerging technologies
Multi-disciplinary team collaboration and smooth interaction between business users and professional developers on the development projects	Development projects through professional developer with heavy coding demands long cycle time	- AI-powered smart assistant to offer next-best-step recommendations - Integration with leading cognitive service providers for advanced predictive analytics	- Involve team members to collaborate and contribute to projects - Leverage advanced analytics, process automation, and AI-powered smart assistant to accelerate development projects
- Shortage of qualified developers for meeting business objectives - Lack of communication between the business team and IT often leads to substandard results	Organizations often face challenges in updating and upgrading applications to accommodate market growth, emerging market trends, and technology disruptions	- Multi-experience capability to support automatic optimization for web, mobile, tablet, and smart devices - Integration and interoperability with third-party applications and services	- Build a robust team of citizen developers within the organization for various digital transformation projects - Ability to rapidly create new applications and extend existing applications - Protect applications from technology disruptions

Market Dynamics and Trends

Low-code platforms market is expected to grow significantly during 2020-2025

Driven by the impact of Covid-19, the global economy, along with industries, is facing significant challenges and negative growth. While Covid-19 has impacted the market for low-code development platforms, overall growth outlook looks promising. Despite the economic recession and negative impact on technology investments, the LCAD platforms market is expected to post double-digit growth in 2020, and during the forecasted years of 2020-2025.

Figure: Primary Market Drivers, 2020-2025

Primary Market Drivers
Digital transformation initiatives across industry verticals as part of the strategy to create digital-first enterprise and achieve operational excellence and business excellence
Huge skill gaps pertaining to availability of qualified professional developers
Growing emphasis on providing exceptional customer experience with consistent messaging in an omnichannel environment
Increasing requirements to offer consistent UI/UX across web, mobile, tablet, and smart devices and accommodate emerging tools for conversational, virtual reality, and immersive touchpoints
Limitations of legacy applications in meeting the business objectives in responding to ongoing market trends and technology disruptions
Value proposition of offering functionalities for multi-experience application development without requiring additional efforts
Low-code's ability to accelerate time to market for development projects
Protect applications from future upgrades and technology disruptions
Vendor strategy in offering specific capabilities for multiple vertical and horizontal use cases
Growing adoption of LCAD platforms from a current focus on B2E applications to build B2B and B2C applications

Digital transformation across a range of industry verticals remains the primary market driver for the adoption of LCAD platforms. LCAD platforms' key value proposition of providing a foundation for digital transformation initiatives, accelerating digital transformation projects, improving operational efficiency, addressing the challenges related to the skill gap for qualified developers, eliminating operational bottlenecks, meeting substantial customization requirements for legacy systems, and more are driving market growth across the geographical market and industry segments.

Due to growing competition with the emergence of new vendors with innovative technology offerings, leading LCAD platform vendors are making significant investments in improving AI and machine learning capabilities, for providing smart assistance to citizen developers in developing applications faster. Additionally, driven by promising growth opportunities and growing competition, LCAD vendors are looking at delivering use-case-specific and industry-specific capabilities for an improved customer ownership experience.

SPARK Matrix™ Analysis of the Low-Code Application Development Platforms Market

Quadrant Knowledge Solutions conducted an in-depth analysis of the major LCAD platform vendors by evaluating their product portfolio, market presence, and customer value proposition. The low-code app development platforms research provides competitive analysis and a ranking of the leading vendors in the form of a proprietary SPARK Matrix™.

SPARK Matrix analysis provides a snapshot of key market participants and a visual representation of market participants. It provides strategic insights on how each vendor ranks related to their competitors, concerning various performance parameters based on the category of technology excellence and customer impact. Quadrant's Competitive Landscape Analysis is a useful planning guide for strategic decision makings, such as finding M&A prospects, partnership, geographical expansion, portfolio expansion, and similar others. The evaluation is based on the primary research with expert interviews, analysis of use cases, and Quadrant's internal analysis of the overall low-code application development platforms market.

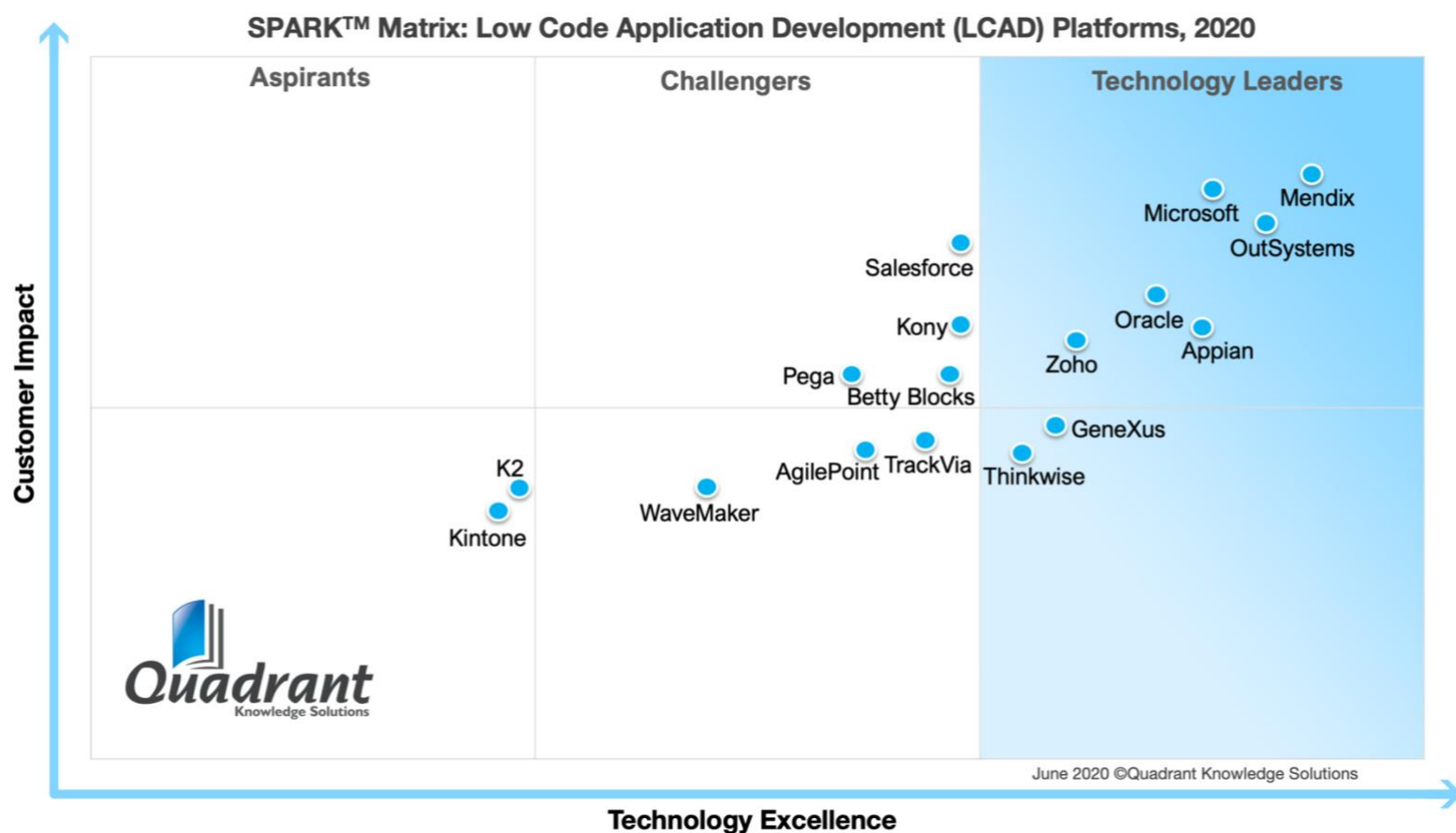
Technology Excellence	Weightage
Sophistication of Technology	20%
Competitive Differentiation Strategy	20%
Application Diversity	15%
Scalability	15%
Integration & Interoperability	15%
Vision & Roadmap	15%

Customer Impact	Weightage
Product Strategy & Performance	20%
Market Presence	20%
Proven Record	15%
Ease of Deployment & Use	15%
Customer Service Excellence	15%
Unique Value Proposition	15%

Figure: 2020 SPARK Matrix

(Strategic Performance Assessment and Ranking)

Low-Code Application Development (LCAD) Platforms Market



“Zoho, with its sophisticated low-code platform providing comprehensive functional capabilities, ecosystem strategy, value-based pricing, and strong industry experience, is well-positioned to grow its market position as well as maintain its growth momentum in the near future. Zoho has received strong overall ratings against various parameters of technology excellence and customer impact and emerged as the technology leader in the 2020 SPARK Matrix analysis of the low-code application development platforms market.”

~ Sachin Birajdar, Analyst at Quadrant Knowledge Solutions

Zoho's Capabilities in the Global Low-Code Application Development Platforms Market

Founded in 1996, Zoho offers Zoho Creator, a scalable and secure platform with end-to-end low-code development tools, enabling citizen and professional developers to create custom web and mobile apps, create extensions, and integrate with third-party applications. Zoho Creator includes capabilities for custom application, integration, process, report/dashboard, and extension creation.

Zoho Creator provides an intuitive visual drag-and-drop builder enabling users to build complex applications easily. Zoho has built-in features that provide app templates, prebuilt workflows, and drag-and-drop AI-features for every entity of the application, such as forms, reports, pages, and workflows. The web-based, multiplatform builder enables users to build, design, preview, and deploy apps for a multiexperience environment, including web, mobile, and tablets. When the user builds a web app on Zoho Creator, the platform automatically generates native mobile and tablet applications without any extra effort. These applications can be further customized for the device-specific user experience.

Most low-code application development platforms fall short when it comes to last-mile customization. Zoho Creator addresses this issue through Deluge, a next-generation scripting language made exclusively to cater to the needs of custom applications by understanding the context of data models. It also comes with a cloud-based visual IDE with autocomplete and syntax assistance to help customers build apps using Deluge.

The platform supports over 430 connectors and over 700 prebuilt workflows, enabling customers to integrate and automate applications using a dynamic builder to connect information across the enterprise and facilitate business synergy. Zoho Creator includes end-to-end BPM capability, allowing users to build process-based applications and automate routine tasks. It also supports a range of reports, including Kanban, spreadsheets, lists, calendars, pivots, and timelines, enabling users to create blended dashboards and compare, analyze, and optimize business processes. It also includes developer tools to build extensions to other Zoho applications easily.

Zoho Creator also includes customer portals, allowing users to set up a dedicated white labeled portal for collaboration between stakeholders, such as customers, partners, and vendors, with built-in authentication and security mechanisms. Zoho also provides an AI-engine called Zia. Some of the major

functions delivered through Zia include a sentiment analyzer, prediction, object detection, keyword extraction, and OCR recognition. Zia can infer models from the input data in Zoho Creator, and does model detection, cleansing, preparing, transforming, and persisting for incoming data input.

Analyst Perspectives and Differentiators

Following is the analysis of the Zoho Creator's capabilities in the LCAD market:

- ◆ Zoho is positioned amongst the technology leaders in the 2020 SPARK Matrix of the global low-code application development platforms market.
- ◆ Zoho's ecosystem, with over 45 applications across sales, marketing, enterprise operations, finance, IT help desk, and business intelligence, offers a strong customer ownership experience to its customers. Additionally, the company continues to make investments in expanding its existing product suite broader and deeper.
- ◆ Zoho follows a "code-is-data" approach to protect its customers' applications created on Zoho platform against technological disruptions. Customers can download and run applications built years ago into the latest technology environment without any additional effort or investment.
- ◆ Zoho enables one-click deployment and distribution of mobile apps through its built-in Mobile Device Management (MDM), without requiring additional development efforts. It enables companies to maintain data integrity on devices by separating company work profiles from personal profiles. Using the platform, they can also download mobile apps for customers with just one click and distribute via public apps stores like Google Play or the App Store, or on their own organizational MDM.
- ◆ While the company has a presence across a wide variety of industry verticals, the top industries include professional services, technology, banking & financial services, manufacturing, logistics, education, and healthcare. From geographical perspectives, a little over a third of the revenue is from North America, and the rest is evenly spread across regions, including the APAC, EU, Middle East & Africa, and the rest of

the world. The company primarily targets SMB and mid-market customers with its value-based and competitive pricing strategy.

- ◆ The primary challenge at Zoho includes the growing competition from emerging vendors with innovative technology offerings, ongoing trends of market consolidation with large organizations acquiring emerging vendors and improving market penetration in the large enterprise organization. However, Zoho, with its robust technology platform, ecosystem strategy, value-based pricing, and strong industry experience, is well-positioned to maintain its market position as well as its growth momentum in the near future.
- ◆ The company continues to make investments around the key themes of expanding its product breadth, product depth, integration, AI capability, tools for professional developers, and expansion of its marketplace. The major highlights of its product roadmap include augmented/virtual reality (AR/VR) and voice capabilities, unified data service, AI-as-a-platform for developers, multi-cloud hosting, deeper data control tools, full application lifecycle support, Zia-assisted development, and their design studio.