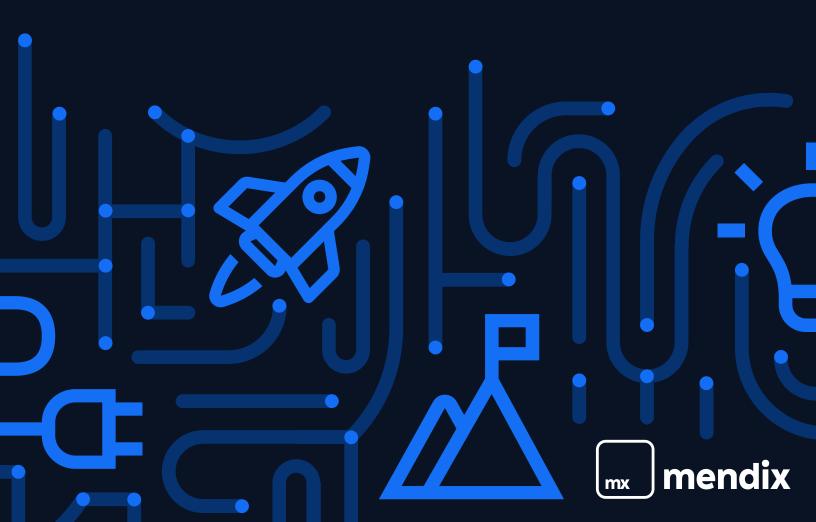


The Mendix Guide to

LOW-CODE FOR SOFTWARE VENDORS

How to Build Future-Ready Solutions that Surpass Customer Expectations



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With productivity shrinking and customer expectations growing, many enterprise businesses are eyeing their aging system setups and getting nervous.

These companies look to software vendors to engineer sustainable digital solutions to a growing list of legacy system shortcomings. However, in an age of rapid innovation marked by constant change, these software customers have some unyielding requirements:

- 1. Solutions must fit better than off-the-shelf approximations
- 2. Over-extended, custom timelines are out of the question
- 3. Don't forget to consider everything

That last one may be hyperbole, but not much. Successful software vendors create solutions that consider regulatory and compliance rules, security, and even the sustainability expectations of enduser customers—and at market speed.

Both software vendors and their customers can agree that staying competitive is incredibly complex, expensive, and time-consuming, especially in a traditional development, high-code model. Further, to unlock the invaluable SaaS toolkit that comes with cloud-native technology solutions, software vendors must overcome incompatible legacy systems and setups.

Here's How Low-Code Technology Can Help

Low-code technology is composable—rapidly developing reusable modules and widgets for quicker and more consistent builds is part of the low-code mission statement. Low-code development is also collaborative. It reduces the burden on busy developers by abstracting the development process—making it visual and understandable to a larger portion of the business.

MIT reports 56 percent of global tech leaders agree an "overall shortage" is the top challenge in recruiting tech employees. Korn Ferry forecasts \$8.5 trillion in unrealized revenues because of the ongoing tech talent shortage by 2030. When more of your users—especially business users with subject matter expertise—can develop solutions using a visual, logical IDE, your organization can continue and even accelerate your pace of development when the rest of the market struggles.

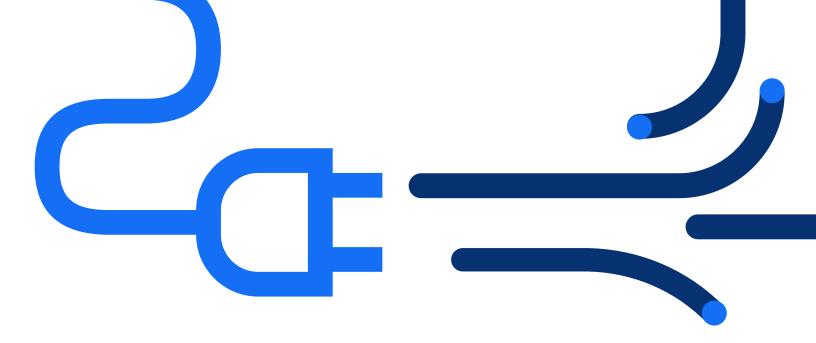
Many low-code solutions have the reputation of being stopgap or prototypical—but a software vendor building low-code solutions on the Mendix platform is offering clients a subscription to innovation with modernized systems that are future-ready for new capabilities and enhancements.

Clients expect a continual stream of innovation from their software vendors, with little to no interruption to business. The industry-leading Mendix low-code platform helps vendors rise to the challenge of modern software development and redefine what clients think is possible.

Consider three of the most common struggles software vendors face

- Legacy technology
- Customer expectations
- Productivity

Let's examine each through the perspective of the Mendix low-code platform.



Mendix Can Turn Legacy Technology into Long-Term Opportunity

Solving legacy system complexity is one of the most important and sought-after benefits a software vendor wants from a modern platform. Many technology providers say their platforms can help modernize complex legacy solutions, but few can demonstrate how, and even fewer can provide software vendors with an opportunity to leverage their existing software solutions for new business.

Mendix enables vendors to modernize — build and upgrade, simplify and migrate, or rebuild and replace—their existing legacy systems without disrupting support for their current customer base. Mendix low-code technology is an open tool chest of potential modernization strategies. The Mendix subscription to innovation gives vendors greater latitude to build cutting edge digital experiences that integrate optimized mobile, AI, and more.

Most importantly, software vendors using Mendix to build low-code offerings have a much easier time proving their claims. The Mendix platform simplifies the legacy modernization process—reusable modules accelerate timelines, and the visual, integrated development environment (IDE) makes it easy to show customers solutions and modifications, even in real time.

Further, if your software solutions are based on legacy technology, they will take longer to reach the market and recognize revenue.

- Legacy technology makes it harder to optimize for and move to the cloud, which blocks SaaS benefits
- Introducing new technology to legacy systems takes longer
- System upgrades and compliance- or customer-driven updates take longer
- Legacy technology costs more to maintain and carries more tech debt

Constantly Evolving, Low-Code Keeps Customers Engaged

Demonstrating your ability as a vendor to back up your software's claims is the first step to meeting and exceeding customer expectations. But it doesn't stop there. Customers want constantly evolving software—especially when it comes to new technology that allows better access to customer feedback, accelerates development timelines, and leverages innovation ahead of the competition. In other words, they want the same things most software vendors want for their own organizations.

Mendix is an AI-powered, full-stack, enterprisegrade application development platform.

With connectors to accelerate innovation and drive value, Mendix makes it easier for software vendors to rapidly incorporate new tech into their solutions.

Customers expect native mobile, enterprise-ready experiences, especially for global target users who may need access to several tools, data sources, and systems while on the go.

Customers also expect a Zen-like balance between personalization, security, and innovation from software vendors. With government-grade security update protocols, partnerships with Siemens, AWS, and other innovation and technology leaders, and a platform built for rapid process automation and development, Mendix positions software vendors to meet customer expectations faster, even with limited resources.

Boost Your Productivity and Your Customer's. too

Improving productivity is good for your customer's—and your—bottom line. Decreasing implementation timelines and improving the legacy resources supporting implementation are critical to success for many software vendors.

Skill shortages, hybrid workforces, and technology's unrelenting march forward affect business productivity in every industry—software vendors are not immune! Hiring inertia impacts traditional development cycles, forcing skilled, onstaff developers to be funneled away from important business-critical projects. Productivity improvements—improving the speed of development—often start with collaboration improvements, where the onus can be shared among a larger group.

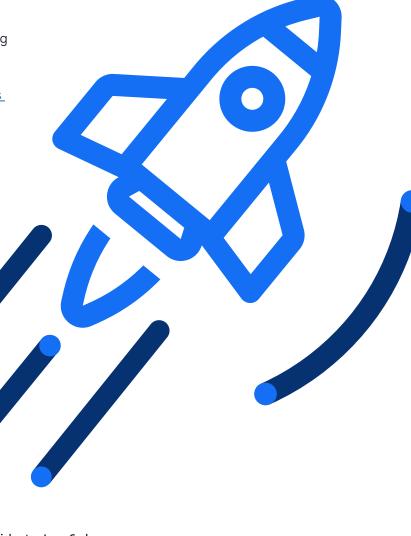
Collaborative development teams have faster implementation timelines.

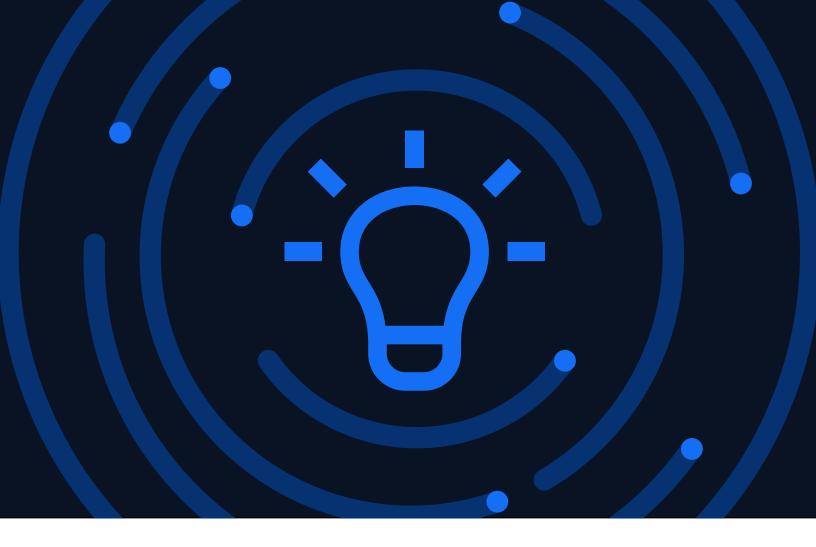
Collaborative, modular software scales faster into diverse technical ecosystems—and industrial scenarios. Faster implementation for more customers means faster and more robust times to revenue for the software vendor.

Mendix low-code technology allows software vendors to create custom-fitting solutions on a commercial-off-the-shelf (COTS) timeline. Partly, this is because the visual IDE makes collaboration across vendors and customer possible where it wasn't before. When customers and vendors can easily share ideas, bettertailored software that solves problems, automates processes, and frees up time for more valuable pursuits is possible.

But productivity boosts on the Mendix platform don't stop at feedback loops and feature checkpoints. A huge advantage comes with a software vendor's ability to incorporate an adaptable solutions framework to development using the Mendix platform. With a common-core approach to software development that's fully extendable and adaptable to meet customers' needs, vendors can:

- Simplify reuse
- Reduce development time pre-work
- Reduce versioning risks and customization requirements
- Increase innovation opportunities





Mendix Answers to Real-World Customer Queries

Many low-code platform providers repeat the same boilerplate talking points, but they have less to say when they face real-world customer expectations or technical limitations. We've researched the most common customer queries posed to software vendors to show that Mendix is not just for rapid prototyping or front-end functionality.

Let's take a closer look at some of the most common customer requests and why Mendix is the best choice to build an enterprise-grade solution.

"I need a SaaS solution to fit my enterprise needs."

Cloud computing technology has unlocked all the value points of production-ready SaaS solutions with drastically less resource drain and lower costs than their enterprise software predecessors. Many predict a colossal market value for SaaS technology offerings in the coming years—\$282.2 billion in 2024 <u>alone</u>. Software vendors leveraging cloud technology solutions are better poised for future success.

What does the customer want?

What company—facing modern business's tech, personnel, and cost challenges—wouldn't want to reap the number one reason for paying for a Managed Service Provider (MSP)?

Software vendor benefits roll down to customers when it comes to SaaS technology, and most fall into the following categories:

- Increased productivity & ROI
- Centralized, efficient platform & network management
- Optimized collaboration opportunities internally and externally
- Faster development and deployment
- Reduced human resource and ownership costs

What makes that need challenging?

Meeting the enterprise software needs of large corporations is a complex endeavor, with traditional technology carrying high costs—including opportunity costs—and extended timelines. In addition, building any successful software-as-aservice solution that fits the idiosyncrasies and nuances of an enterprise's setup requires indepth subject matter expertise and a thorough understanding of the enterprise's IT landscape.

Why is Mendix the best choice?

Vendors need a scalable tech stack to create successful SaaS products. All apps built on Mendix are inherently cloud-native, allowing software vendors to continuously collaborate, iterate, monitor, and refine their model into a successful SaaS offering.

Mendix ISV partner Menditect built a test automation tool that can be integrated with Mendix Studio Pro or used as a SaaS solution. With the Mendix platform, Menditect can continuously innovate and scale without risking sales and marketing endeavors. ISV partner In Motion builds cloud-native solutions based on microservices, allowing the software vendor to customize and scale automatically to meet any demand. Their insurance SaaS product, Policysense, combines six insurance value chain components into one tool.

Finally, Mendix is continually iterating to ensure software vendors have access to the best technology on the market to build SaaS applications. With Mendix, vendors don't need extensive cloud-native resumes to build SaaS applications. Mendix cloud deployment options are designed to help vendors scale and innovate—even with new and sometimes unfamiliar technology integrations—at market speed.

"I need a specific user experience or user interface for my front-end."

Despite the productivity and deployment timeline benefits of COTS solutions for enterprise customers, there are times when quick and easy isn't going to cut it. From mobile and personalization optimizations to simple process enhancements that cut out unnecessary steps, many enterprises have individualized needs somewhere along their operational horizon that software vendors will have to own.

What does the customer want?

On the front end, core functionality requirements can manifest in different dashboards, landing pages, workflows, result permutations, and other designs with unique functionality requirements. Accommodating the cumulative total of these requests can create a resource-heavy implementation and ongoing maintenance for vendors.

What makes that need challenging?

Anyone who has modified a COTS solution or tried to use traditional coding to move a product feature from the backlog to deployment knows it takes a lot of time to understand a customer's existing technical landscape and their specific user needs. The aggregative total of these seemingly simple updates can result in long-winded and expensive customizations, which are also challenging to maintain and version. Upgrading may be so complex and expensive—either in cost or in time spent—that it may be more viable for a customer to switch to a competitor's offering.

The Mendix low-code Studio Pro visual IDE is designed to accelerate software developer productivity with scalable logic, workflow automation, and Al-assisted development. Vendors can meet the needs of their enterprise customers by creating distinct user experiences without the custom expense and extended timelines. and without compromising future upgrades.

Why is Mendix the best choice?

Adaptable solutions developed on Mendix feature a standardized core, ensuring at least 80 percent of the final product remains inaccessible and unmodifiable to users outside the software vendor's organization, safeguarding your precious intellectual property. This core remains consistent across all customer implementations. The remainder of the solution is ready to adapt through customizations, extensions, integrations, or new customer-specific modules.

Mendix makes it easier for software vendors to adapt enterprise-grade solutions to customers' unique needs, from creating personalized experiences that optimize production for Dutch dairy farmers to more generic, low-stress mobile development enhancements.

"We need these product enhancements and functionality incorporated into our solution."

It's practically an unwritten rule for enterprises to put every bell and whistle they can imagine into their Request for Proposal (RFP) process, including generative AI and advanced machine learning applications. The key for software vendors is reaching technological stability on a timeline that anticipates customer needs.

What does the customer want?

Customers want access to new, easily adaptable technology molded to their use cases, which is partly why the software vendor-client relationship is so critical. Provide access to the latest tools and features clients need and the understanding they need to use them and become indispensable—a true partner adding value where other vendor relationships become line items.

What makes that need challenging?

It's also common for sales and development cycles to be at loggerheads, especially when it comes to well-publicized yet highly complex new technology like generative AI and machine learning. Or maybe your current customers want you to show them how to leverage these new features for their benefit.

With many new technology breakthroughs, the appeal is instantaneous, but technology often seems less exciting or overwrought with complexity in application. The challenge is getting something out there that's compliant, scalable, and useful.

Why is Mendix the best choice?

Speed-to-market is a global metric for software vendors. Customers and prospective customers want to know how you intend to use technology to give them an advantage, and that usually comes with a follow-up question starting with the word when.

Mendix is at the center of the <u>Siemens and AWS</u> <u>low-code roadmap for generative AI for 2024</u>. With a simplified and practical approach to <u>low-code and AI</u>, the Mendix platform helps vendors quickly discover and capitalize on commercial-scale solutions, from the growing stable of <u>AWS connectors</u> to the low-code <u>Machine Learning Kit</u> to the <u>OpenAI</u> connector.

So, what does all that access and flexibility, combined with low-code ease of use, mean for software vendors and their customers? For <u>Archway Software</u>, a <u>Mendix Independent Software Vendor</u> partner, it means onboarding talent in less time to do more. At Archway, it takes 4-6 weeks for new developers to <u>transition to commercial-grade programming with Mendix</u>.

Archway provides enterprise-grade adaptable banking and financial solutions and has easy-to-integrate technology modules, such as embedded conversational AI through Amazon Lex, Polly, and Transcribe. By automating email marketing campaigns with Amazon Personalize—a recommendation engine that analyzes user data to provide product recommendations—Archway opened 5,000 new accounts at one bank. With Mendix on AWS, most new features take weeks for the Archway team to roll out.

"Our current technology stack isn't ready to be modernized."

Integrating a new solution into an enterprise's existing technical framework using traditional coding typically requires pre-work from the customer. This black box of requirements can span legacy systems and databases, slowing down implementation milestones for an unpredictable time.

What does the customer want?

Less pre-work removes the burden from the customer and shortens the implementation timeline. Your customer wants to access the value of your software solutions quickly. They want as little business disruption and technical lift as possible.

What makes that need challenging?

With how fast the market moves and how many resources traditional development eats up, delivering the right solution at the right time isn't always possible. Software vendors miss out on a potential customer, and enterprise organizations lose out on a valuable solution.

Why is Mendix the best choice?

Every technology stack is ready to be modernized with low-code technology, which reduces the complexity of legacy modernization.

Mendix reduces pre-work and is specifically designed to integrate with, and abstract tech stacks that look more like snake pits. Vendors can build once and reuse modules and components across their systems. Connectors to core solutions and a marketplace of other destinations allow for easy integration with the latest and most innovative technologies—in a fraction of the time.

Applying a common core and adaptable, extendable customizations specific to each client's needs is an incredibly fast and powerful framework for vendors. With Mendix Solutions Kit, vendors create adaptable solutions, spending more time perfecting customizations and less time rebuilding the same backend functionality. In addition, these adaptations and modifications can be used to accommodate existing systems and legacy technology within an enterprise organization's technical framework.

The Mendix Solutions Kit allows software vendors to manage system upgrades and versioning with much more insight and control. Vendors can visualize what adaptations and extensions each customer needs to make to their implemented solution and predict and mitigate the impact of an upgrade or release.

"Implementation is taking too long and costing too much."

Extended implementations don't just cause problems for customers. They consume resources at a vendor, limiting the number of new customers they can onboard, their ability to respond to time-critical needs, and further product development.

What does the customer want?

Speed of implementation means both time to value for the customer and time to revenue for the software vendor. Customers want a vendor that can stick to the cost estimates and timelines promised at the project's launch.

What makes that need challenging?

Vendors have a variety of customers with different needs, timelines, and resources available. Adapting solutions to each customer's unique needs requires more flexibility and technical capabilities than in a traditional development environment.

Why is Mendix the best choice?

The best way to speed up and reduce the cost of software development is to increase collaboration.

Mendix was built to be highly collaborative, improving team interactions, reducing costs, and accelerating time to market. Mendix provides the low-code to drive personalization, adoption, and collaboration within Siemens Opcenter Manufacturing Execution Systems (MES). When you augment Siemens' rich MES capabilities with Mendix's low-code collaborative technology, you can better communicate with customers and adapt to their needs faster. When a vendor can personalize product offerings, such as the Siemens Opcenter MES embedded with Mendix for low-code personalization, they also provide customers with opportunities for:

- Streamlining execution
- Increasing flexibility
- Reducing support costs
- Building workforce engagement

Finally, the speed of prototyping and the time from project launch to deployment set Mendix low-code technology apart. The Config Team's award-winning PreBilt Mendix-based platform enables rapid digital transformation and process optimization for enterprise customers using SAP's warehouse management system (WMS). The Mendix ISV Partner's Prebilt platform integrates directly with SAP and can be deployed in days.

"How can we trust your product does what it says it does?"

Every software vendor worldwide has a bulletproof deck telling prospects why their solution is better than the competition. But there is a lot less talk when it comes to demonstrating that superior software solution for an individual client's pain point.

What does the customer want?

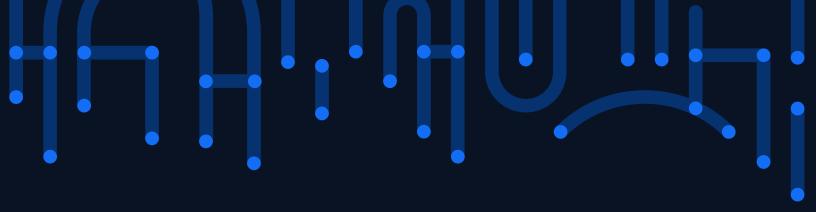
Customers don't want to be told that businesscritical modifications, extensions, or customizations aren't possible on the timelines and at the price points promised in those prospect meetings. Many vendors with solutions built with traditional development are speculating on what they can accomplish and then gambling with their customers' expectations—and bottom lines.

What makes that need challenging?

Building new functionality in a traditional development environment is time-consuming and complex—even modifying COTS software takes more time and resources than a speculative build can provide. Only when there is enough demand to spread the cost of development over many customers is it safe to break ground on development.

Why is Mendix the best choice?

Why rely on static interpretations of solutions when you can demonstrate modifications or a prototype on the fly with the prospect in your first meeting? With Mendix Studio Pro, software vendors can take the core functionality and provide a simplified prototype in collaboration with the customer in real time. This new way of real-time collaboration reduces costs and timelines and reassures the customer that you can do what you say you can do in the time you say you can do it.



About Mendix

Mendix is a leader in low-code application development and recorgnized as a leader in Gartner's Magic Quadrant for Enterprise Low-Code Applications.

Read more about how Mendix low-code technology can help software vendors grow, scale, and solve high-implact business complexity.

Reach out to a Mendix representative today to learn how you can use low-code to meet the modern challenges of software development.

