



Accelerated Commerce

Why Retailers Need an API Strategy



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Cyber Monday alone set a record 22% increase in year over year sales, and the reports pouring in from 2011 holiday spending include all kinds of record-breaking figures. Times have never been better for eCommerce professionals.

The future of digital is even rosier. With smartphones in the pockets of 48% of Americans (and over 50% in the U.K.) digital in-store kiosks proliferating, and an 80% increase in electronic payments, opportunities to drive more and more digital commerce are coming the way of savvy retailers. With devices including mobile phones, tablets, in-store kiosks, internet-enabled POS stations, connected gaming consoles, TVs, and even refrigerators, consumers are everywhere. Never before have there been so many ways to connect to purchase-ready buyers.

Yet with each of these new digital opportunities comes another item on the list of projects piled up in an IT department's backlog—the long meetings of pie-charts and statistics around which smartphone platform to tackle first, the queue of bar-code scanning affiliates waiting for your data feed, the integration project with a mobile website and store location information.

Oh, yes, and that iPad app the CEO has requested personally. This paper examines how an eCommerce executive looking to conquer the diversity of devices and proliferation of digital screens can leverage APIs to accelerate development, tackle multiple projects simultaneously and integrate channels both internal and externally.

What's an API?

Traditionally, databases, product catalogs or content servers are programmed to talk to a single system—say your website. Efforts to allow other systems (say an iPhone app) to talk to something like your product catalog require one-off efforts of intense programming. An API allows you to open up—or expose—your data in a way that makes it accessible to any number of devices outside of your website or even rich internet widgets within your existing website. In effect, an API becomes the key to a one-stop shop enabling you to explore any number of emerging channels without repeating efforts.

An API is an easy way to expose data and services to digital developers—whether they be in-house, partners, affiliates or even long-tail developers. Think of the assets to which they would like automatic access—the building blocks they might need to build their extension to your business and this helps paint a picture of the best APIs to build.

Retailers with more mature API programs, like Best Buy, have even begun to brand their APIs with iconography representing the different categories, promotional videos touting their value and, of course, a plethora of sample applications, solid documentation (consistently the most asked for support feature for developers) and frictionless registration.

What Can APIs Do for My Business?

While APIs represent an underlying data structure, the adoption of an API-based strategy can be a massive accelerator for retail businesses. As a matter of fact, the decision to adopt an API strategy in our rapidly shifting digital world is one of the most important business decisions that today's digital commerce executives can make. APIs offer the following benefits for retailers of all types and sizes.

Accelerate Mobile Strategy

A ‘Mobile’ strategy can be defined as much more than a roadmap for your next iPhone app. With dozens of mobile platforms, tablets, internet-enabled POS and store kiosks—all connected from gaming devices to household appliances to bus stops and even to pill cap bottles—the key to a solid ‘mobile’ strategy is in being able to proliferate your brand or offering across all relevant digital touch points. APIs decrease development time for each new app or platform offering—often by over 75%. Additionally, because APIs allow your data and services to be more easily accessed, the ability to contract with partner organizations becomes more seamless.

By utilizing their API, Netflix was able to extend their service to over 200 different devices in less than two years including major television sets, gaming devices, remote controls and all major mobile platforms.

Exponentially Increase Affiliations

Affiliates drive a substantial portion of many eCommerce programs. Yet data access methods often remain stuck in the data feeds or spreadsheet dumps of yesteryear. Additionally, partner on-boarding can occupy weeks (sometimes months) of legal wrangling, support-calls and integration plans. Retailers modernizing their affiliate relationships with APIs report the reduction of integration time from weeks to minutes (yes, really). Additionally, seamless onboarding of affiliates allow for effortless engagement with long-tail affiliates.

Transform Partner Integrations

Like affiliate integrations, APIs drastically reduce the integration time with key strategic partners. This not only adds efficiency to existing relationships, but frees up resources to focus on exploring partners that leverage different and new capabilities like bar-code scanning, geo-local, group buying, and social media.



EXPEDIA AFFILIATES

The revamp of their API and affiliate program has allowed Expedia Affiliate Network to support over 3,000 active affiliates. Their API includes access to Hotel, Airline, and Rental Car information, and is available in 20 languages.

PRODUCTS API		
	Pricing Availability	Specifications Descriptions and images
REVIEWS API		
	Reviewer Rating	Date Submitted Review commentary
BBYFEED API		
	Provides access to data learned from customer and associate interaction	
COMMERCE API		
	Provides seamless purchasing and product fulfillment through at-home delivery or in-store pick-up for partner e-commerce or web-based sites	
CATEGORIES API		
	Category and product searches within category on bestbuy.com Scan API	
BBYOFFER API		
	Provides access to the latest Best Buy offers and promotions	
STORES API		
	Address Geo-location	Store hours and phone number
BBYSCAN API		
	Provides usage data on who is scanning QR codes, as well as when, where, and what is being scanned within Best Buy stores	
MOBILE UPGRADE CHECKER API		
	Allows users to check the status of their upgrade status, and determine the trade-in value of their current phone	

The Best Buy APIs represent all relevant aspects of their commerce experience and are leveraged in apps from affiliates, internal developers, key strategic partners and even long-tail developers.

Un-Silo Channels

Sometimes it feels like the retail industry has been searching for true multi-channel integration since the web first sprung onto those clunky desktop terminals. Since then, the holy grail of a 360° customer-centric experience has seemed as elusive as Bigfoot. APIs enable rapid and seamless data sharing between various internal teams and systems. Think web, store, enterprise, POS, inventory, CRM, mobile all talking to each other as a true cross-channel integration.

Foster Innovation

Because APIs allow for such easy access to underlying data and services, carefully managed APIs can be made accessible to a broader developer community—both inside of your organization and out. Developers bring expertise to varying markets, demographics and even platforms—taking your presence to places even the most creative planning committee might not have imagined. Hackathons, both community and internal, are a great way to allow developers to experiment with creating new and innovative experiences.



BEST BUY CITI-REWARDS

Through a high-profile partnership, Citibank rewards members can purchase Best Buy products using Citi-Rewards points. Customers in a Best Buy store can scan a barcode of any product and find out on the spot if they have adequate Citi-Reward points for purchase. Through a mobile device, these same joint customers can even “purchase” products using points.

Who Owns APIs? It or Business?

Much like the early days of the web required cooperation between technical and business teams, a robust API program requires tight coordination between business strategy and technical expertise. A recent Forrester Research report titled “The Agile Commerce Platform” summed it up well,

“APIs are not new. Developers and IT professionals have used APIs to integrate systems for many years now. What is new is how APIs are becoming a key business strategy, to the point where entire businesses are built off of them.”

With uber-connected customers demanding digital retail engagement that puts them at the center of multiple touch points, platforms and partners agility becomes a key requirement for success. An API-based digital strategy offers the fundamental basis for not just staying competitive, but relevant in today’s rapidly shifting digital landscape.



ASOS HACK DAY

At ASOS, an internal hack day resulted in numerous prototypes, including a social shopping app, a portable ASOS ‘search button’ for integration onto any website, an online fashion trading game, and a twitter search bot. The winning team created a “single button integration” allowing customers to discover, save or consume any part of the ASOS experience through readers such as Feedly and Flipboard.



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