Customer Story

Walgreens

Putting an API Around Their Stores

apigee

"The goal is to drive customer interactions. It doesn't matter where it starts from because it's all flowing into your business."

Joe Rago
Senior Product Manager, Walgreens Mobile

Walgreens is the largest drugstore chain in the United States, operating more than 8,200 locations across the country. Each day, Walgreens provides millions of customers with convenient, omnichannel access to consumer goods and services and trusted, cost-effective pharmacy, health, and wellness services and advice.

The company launched Walgreens.com in the mid-1990s to expand its reach; it created a mobile website in 2007. Two years later, Walgreens offered its first native app on the iPhone platform with other native apps that followed for Android Phone & Tablet, iPad, Windows Phone & Tablet, and BlackBerry.

Challenges and Opportunities

"At the highest level, we've always been focused on giving our customers the ability to interact with Walgreens through a number of different channels, and this has evolved over time," said Joe Rago, senior mobile product manager at Walgreens.

Delivering an open API to foster a broad array of third-party apps that leveraged Walgreens services was a natural next step and one that enabled Walgreens to take advantage of mobile trends, as well as mitigate an internal business problem.

Opportunities

- Deliver an open API to foster a broad array of third-party apps
- Take advantage of **mobile trends** and **mitigate** internal business problems.

Customer Story

Walgreens

Putting an API Around Their Stores

apigee

Solution

While Walgreens had established itself as a digital leader early on, it knew that in order to continue its pace of innovation additional support was necessary. Walgreens selected Apigee as an API platform provider to help build its developer program.

Walgreens started development of its web services platform on Apigee in the fall of 2011, and went into production in January 2012. Previously, Walgreens had begun to route web services traffic for its own mobile apps through Apigee Edge, as well as launch its external developer portal.

In 2012, Walgreens recognized that 27 percent of all photos were taken by cell phones. At the same time, the company also saw a decrease in the number of people who were going to Walgreens Photo, uploading photos, and printing those photos to a Walgreens store.

Over the prior two years, thousands of photo apps had flooded the market—everything from editing to album organization. Even though most of these apps didn't compete head-to-head with Walgreens' photo business in the traditional sense, they crowded out Walgreens and made it challenging to stand out.

To address these challenges, in July 2012, Walgreens built on its tradition of technology innovation with the introduction of its first open API, QuickPrints.

QuickPrints enables mobile app developers to include the ability for their users to print photos from their mobile devices to any of the more than 8,200 Walgreens locations. With every photo order that is successfully

"Our strategy is to extend our greatest Walgreens assets to an innovative ecosystem. One-hour photo fulfillment across more than 8,200 U.S. locations is a good example of a powerful asset—it's something an app developer can't recreate, but would certainly love to leverage. We're encouraging and incentivizing app developers to create innovative digital experiences that incorporate our assets, which, in turn, benefits both developers and Walgreens."

Joe Rago,
Senior mobile product manager,
Walgreens

Walgreens

Putting an API Around Their Stores

apigee

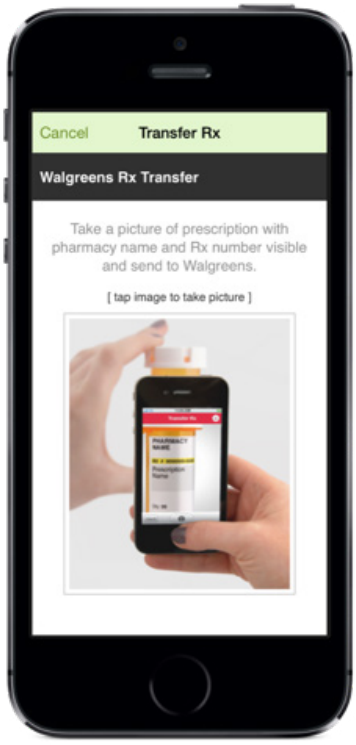
placed and picked up at a local store, the developer can earn 15 to 20 percent revenue-share commission depending on the type of photo printed. QuickPrints is available as both an SDK (iOS, Android, Windows 8 & Windows Phone 8) and an API.

Although the QuickPrints SDKs and API were designed to be used by third-party developers, Walgreens first exposed the API through Apigee for usage within its flagship mobile app. After fine-tuning the API internally, the company worked with a developer pilot group, and then made the SDK and API available for third-party developers.

While Walgreens continued to grow its QuickPrints ecosystem, its goal was to eventually expand to all areas of its business by "putting an API" on their stores.

In 2013, after successfully opening up the QuickPrints API to third-party developers, Walgreens launched its Prescription API with the goal of giving third-party consumer healthcare apps the ability for their users to initiate a prescription refill or transfer to a Walgreens store.

To gain deeper visibility into the performance of its own production mobile apps, Walgreens installed the Apigee SDK, which includes app performance monitoring that Walgreens uses for its iPhone, Android Phone, and mobile web apps. The SDK enables the mobile engineering team to monitor app performance in terms of number of users on each app, API response time, bugs, crashes, and device performance by network provider, so that the mobile engineering team can identify the precise cause of poor app performance and promptly debug.



Results

A GLOBAL PLATFORM FOR PARTNER ONBOARDING AND ECOSYSTEM DEVELOPMENT

Apigee has assisted with Walgreens ability to project its QuickPrints and Prescription APIs to a partner network that extends Walgreens reach. The company quickly brings new third-party integrations onboard and accelerates time to market for partner apps.

Through its QuickPrints and Prescription APIs, Walgreens has integrations in place with companies ranging from Adobe, Hallmark, HP, Aviary, and Pic Stitch to award-winning healthcare apps like Healthspek and GenieMD. Overall, Walgreens has grown its app ecosystem by 20x since launching with its pilot group of third-party apps.

One reason Walgreens has been so successful building an app ecosystem is because its APIs and SDKs are so easy to use.

Pic Stitch–a photo arranging application–implemented the

Customer Story

Walgreens

Putting an API Around Their Stores

apigee

QuickPrints API within a few hours, providing its more than 6 million users the ability to pick up their edited photos at the Walgreens store of their choice within about an hour of placing an order via the Pic Stitch mobile app.

Walgreens increases its own agility by leveraging the speed and innovation of its third-party app ecosystem. In the fall of 2012, Walgreens was working on its own mobile app and a host of features (including the ability to print canvas and poster photos from an iPhone or iPad to a Walgreens store). Yet, one product that Walgreens did not have time to incorporate was photo cards.

Walgreens addressed this product offering gap by launching a competition for third-party developers. In order to drive developer participation in the contest, Walgreens offered an increased revenue share during the competition as well as a bonus prize to the app that sold the most photo card orders during the holiday season.

This effort resulted in two new photo apps that offer users the ability to print photo cards—Cardmento and Versaries. These two companies integrated the QuickPrints API and allowed users to print photo cards — just in time for the holiday season.

The goal of the contest was both to promote the photo cards product, as well as raise awareness of the partner applications. In fact, Cardmento didn't exist before the competition and went from being an unranked app to the #89 photo app in the Apple App store in the first week of going live with Walgreens, according to AppAnnie.com.

This kind of open innovation has helped Walgreens continue to provide an industry-leading mobile experience. The company has won numerous awards for its mobile apps including:

- Apple "Top App" of 2012 and 2013
- 2013 South By Southwest Appy award for best retail mobile app
- Forbes.com top retail app of 2013
- 2014 Webby award for best integrated mobile experience

Results

- Leveraged innovation and speed of the third-party developer community to quickly launch new products and grow the partner ecosystem
- Boosted Walgreens iPhone app rating from 4.1 to 4.5 stars within three months