Everyone seems to be talking about APIs, or Application Programming Interfaces, these days. And it's more than just chatter amongst IT teams and in tech circles. APIs are fast becoming a powerful business tool, enabling companies to accelerate digital transformation, rapidly advance new ideas, and move the business forward.

APIs are all about opening up new opportunities, connecting your business in ways that weren't possible before. This includes bringing your people together internally, as well as strengthening connections with customers and partners. With APIs, the once arduous and expensive task of connecting applications—and more importantly the valuable data inside—has virtually been eliminated. APIs have enabled developers and business people to create new ways of doing things at companies of all sizes.

Let's take a deeper dive into APIs, and specifically how they're helping transform businesses.

In terms of functionality, you can think of APIs as creating a bridge between applications, devices, and data—enabling them to share info, interact with each other, and take on tasks together. The underlying premise: The whole is greater than the sum of its parts. Possible benefits delivered from APIs include: a smoother customer experience, a better financial outcome, a more efficient process that reduces cost, and an innovation that results in a completely new use case that drives more revenue.

A recent Forbes article offered three specific ways APIs are transforming businesses and delivering big results. Take a look to see how they apply to your company:

**1. Improving Customer Experience:**

APIs are creating new and more effective ways for companies to engage with customers. Customer-facing employees—and even customers themselves—have access to more data than ever before, bringing the notion of personalization to a whole new level. This is being enabled by better access to data and better connectivity of apps and customer channels via APIs. For example, employees can see all historical and real-time information across all interactions when engaging a customer.

In many cases, front-line agents are now being assisted by artificial intelligence (AI) and predictive analytics to recommend the "next best action" based on each unique customer. This takes into account factors like where they are in their journey and what they typically buy. APIs are also enabling customers to take more control over their own experience. They can choose from a range of communications preferences, handle many tasks in full self-service mode, and maintain easy connections to a live person for more complex interactions. All thanks to APIs.

**2. Opening Up Collaboration:**

An API's core functionality is all about connectivity. The technical layers connected span apps, devices, and data, but the true value of the API comes with its ability to connect users. According to the Forbes piece, "In 1990, the average enterprise used a mere 5 to 10 different enterprise apps. Fast forward to today and the average enterprise uses nearly 1,200 cloud apps!" This includes multiple applications in all enterprise software categories, including CRM, ERP, Marketing, Finance, Communications, and more.

APIs and API management platforms are helping tie it all together. As a result, APIs play a big role in improving processes and collaboration at companies today. APIs enable more sophisticated designs of workflows that can draw upon more data and apps—and more people. This enablement of collaboration across both systems and people is improving productivity and efficiency.

**3. Driving Innovation and Disruption:**

The Forbes article asserts that, "APIs allow companies to supercharge innovation." This is not a surprising claim given the innovation we're already seeing as a result of APIs. As we stated earlier, APIs open up new opportunities. By leveraging APIs, companies can make connections with new partners, deliver new services, and access new markets that can lead to major transformation and massive returns.

Indeed, the possibilities are endless. As your use of APIs scales and becomes an even more integral part of your business, the opportunity to bring even more business impact through connectivity increases. According to the Forbes article, "Enterprises with advanced API management processes experience up to 47 percent better business results as compared to enterprises with basic API management."

Unleash the power of APIs at your company!

To learn more about the business benefits of APIs, see how Aetnahealth created a new marketplace for healthcare partners and innovators in this case study example.