PUTTING AN API INTO YOUR MARKETING PLAN

A non-technical overview of what you need to know
Written by a marketer, for other marketers

First Off, How Are APIs Relevant To Marketers?

An API (application programming interface) connects two different software. APIs enable a tech company to share their product's functionality without revealing the proprietary technology. By using an API, developers can focus on innovating using an existing product, instead of spending resources trying to reinvent the wheel.

APIs hold two exciting opportunities for marketers. One, marketers can integrate standalone software to make their workflow more efficient. In a common use case, we could use APIs to connect the different channels that collect data to a single database or analysis platform.

This paper will address the second opportunity for marketing professionals, which is the field of API marketing.

The number of public APIs has skyrocketed, as a result of standardized development and documentation practices, combined with rising consumer expectations for application quality, speed, and reliability. Programmable Web holds the world's largest database of public APIs. It lists over 17 thousand APIs, and estimates that nearly 200 APIs get added each month.

These rapidly increasing numbers indicate that businesses need marketers who can make their API stand out from the crowd of competitors.

How Does A Marketer Contribute?

Even though a company produces an API to help users connect to its software, the API cannot be regarded as a just a technical feature. A successful API must be treated as a product, with continuous collaboration between the business and technical departments.

Just as with any other product, a marketer is first responsible for learning about the target customers' needs, values, and expectations; and then working with the other departments to plan how to produce and promote a product that would satisfy the target market.

Strategizing Your API

Planning out the technical specifications and functionality of an API takes a deep understanding of back-end development. Nevertheless, it is imperative to have a marketer in the room who will advocate for the end user, with consideration for what the development team is capable of producing with their abilities and resources.

Technology consultant Mckinsey & Company recommends the use of a prioritization matrix to "help whittle down the list based strategic value and implementation complexity".

The other crucial strategic decision is the revenue model. There are three possible choices:

1. Pay for use

   In this straightforward approach, external developers pay a fee to access the API. As the volume of data moving through the API increases, so does the usage fee.

2. Revenue-sharing

   Some companies choose to partner with other companies in exchange for the added value. For example, the Google Maps API costs external developers only $10 thousand annually, yet it generates far more revenue through ads linked to the map searches (apigee, 2017).

3. "Freemium"

   In third option, a company offers the API without charging for it, as a strategy to rapidly scale. Facebook did just that: "by enabling free access to their Like button, Facebook now has 2.7 billion likes per day with 2.5 billion websites using the Like button and 1,000 websites adding it daily"(apigee, 2017).

The Pre-Launch Checklist

Just as with any other product launch, the marketer must plan for a flawless user experience and build anticipation well before the product goes to market. There are several product-specific tasks for a successful API:

Produce a landing page for the API with a developer portal

Nordic APIs, an online community of API enthusiasts, recommends several features for your company's developer portal. Firstly, the API must have documentation that is comprehensive, easy-navigable, and kept updated. There should also be a way for developers to test out the API's different capabilities. This can either be a console or embedded code that can be copy-pasted.

The portal should offer a simple registration process that collects information on each developer who plans to use the API and outputs an authorization (similar to a user ID/password login credential).

Developers should have access to a range of software development kits (SDKs) in the appropriate packages for the various programming languages. The technical team is responsible for creating these; if your company releases less SDKs than your competitors, you should ask why.

Finally, include a few use cases that are relevant to your target market. They can help developers better understand the possibilities of the API. Better yet, add sample code that uses the SDKs.

Address how your company will offer user support

Software companies rarely wait to release a perfect version (if that even exists). Instead, these companies allocate resources to continue improving and releasing new iterations on a regular basis.

For this reason, it is crucial to have a system where users can submit feedback, report bugs, and track updates. GitHub is the most popular version-control service, plus it offers a way to interact directly with developers. Other services include Stack Overflow, certain subreddits, and even social media sites like Facebook or Twitter.

Engage an evangelist

Even in the digital age, word of mouth promotion remains a key marketing tool for technology, including APIs. An evangelist will raise awareness and user trust for your API using online media, as well as by attending developer-oriented events. The ideal person is both a salesman and a geek: you need someone who inspires enthusiasm and possesses a sufficient understanding of the technology in order to interact with developers.

Plan for integrations and partnerships

Once the API gains some traction, plan to leverage those developers to widen your market reach. Your technical team can create integrations that will tailor the API for specific use cases, making it easier (and more attractive) for developers to use. Sometimes it's as simple as writing code and publishing a guide, such as a WordPress widget.

Otherwise, you may need to form partnerships with businesses through the revenue-sharing model to motivate them to build products that use your API.

Determining Success

While the technical team plans and releases code updates, your job is to collect information to report on whether the API is successful. You can gauge that based on several properties:

Discoverability

- How easy is it to find the developer's portal from your company's homepage?
- How many pages in the portal are visitors clicking through in order to find what they are looking for?
- When you search for the API with keywords related to its functionality, instead of by your company name, how is it ranked in search results?
- Where else (besides on your company's website and social media channels) would a developer find out about the API?

Customer Use

- What percentage of API users are hobbyist vs commercial developers?
- Is the number of landing page visitors comparable to the number of registered users?
- Are there certain functions of the API being used less than others?

Cost Vs Value Of New Customers, Calculated By Marketing Channel

- Is the Customer Acquisition Cost smaller than Customer Lifetime Value?

Other Performance Metrics

- Number of data requests sent over time
- Number of data errors
- API response times

What's Next?

Ultimately, the more you know about APIs, the better you can contribute in the upcoming cross-departmental meetings.

To start, continue reading about API marketing to better understand the consumers, the product life cycle, and your role. The e-book, *How to Successfully Market an API,* from Nordic APIs, offers a much deeper understanding of the product from the business side.

If you have a long weekend coming up, consider learning about the technical side, and then diving into a project that uses API. Not only will you impress your team, you will also gain first-hand knowledge of what makes an API user-friendly versus a pain in the you-know-what.

Lynda.com offers several excellent courses on APIs: [REST APIs](), [API Documentation with JSON and XML](), and [Programming Foundations: Web Services]().

When you're ready for a hands-on project, try the one mentioned in the introduction: connect all the data silos from your various marketing channels to a single dashboard so that you can analyze and visualize the data in one place.

Finally, when your company decides to move forward with developing an API, be sure to build strong relationships with the technical team so that you can continue to advocate for your customers throughout the API lifecycle.

Sources

API Monetization. (2017, October 3). Retrieved from

> https://apigee.com/about/tags/api-monetization

API Strategy 102: The Business Value of APIs. (n.d.). Retrieved from

> https://www.apiacademy.co/lessons/2015/04/api-strategy-lesson-102-the-business-value-of-apis

Iyengar, K., Khanna, S., Ramadath, S., & Stephens, D. (n.d.). What it really takes to capture the

> value of APIs. Retrieved from

> https://www.mckinsey.com/business-functions/digital-mckinsey/our-insights/what-it-really-takes-to-capture-the-value-of-apis#0

Pedro, B. (2015, April 17). API Lifecycle Operations Stage: Marketing Your API | Nordic APIs |.

> Retrieved from

> https://nordicapis.com/api-lifecycle-operations-stage-marketing-your-api/

Santos, W. (2017, March 13). ProgrammableWeb API Directory Eclipses 17,000 as API Economy

> Continues Surge. Retrieved from

> https://www.programmableweb.com/news/programmableweb-api-directory-eclipses-17000-api-economy-continues-surge/research/2017/03/13