



A JITTERBIT REPORT

2018 State of API Integration

Table of Contents

- [2 About this Report](#)
- [3 Methodology](#)
- [4 Overview](#)
- [5 Findings & Key Takeaways](#)
- [17 Conclusion](#)



About this Report

The 2018 State of API Integration report is a comprehensive study that uncovers:

- The most common technologies deployed in the cloud today
- Which new technologies businesses plan to deploy in the next 12 months
- How companies are integrating and automating processes between these systems
- How businesses are leveraging APIs to drive new business value
- The types of AI that are being infused into processes today
- The plan for leveraging intelligence in the next 12 months

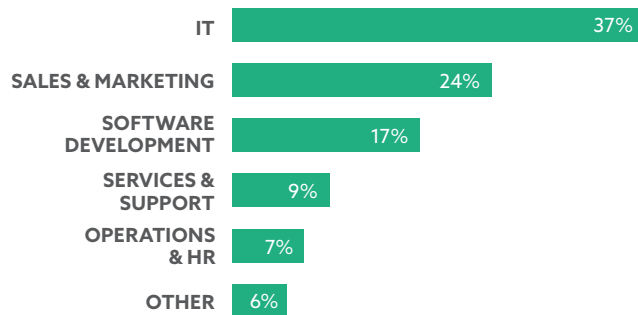
The insights collected from this survey are intended to help you anticipate business technology trends, compare strategies with your peers and better prepare your business for digital transformation.



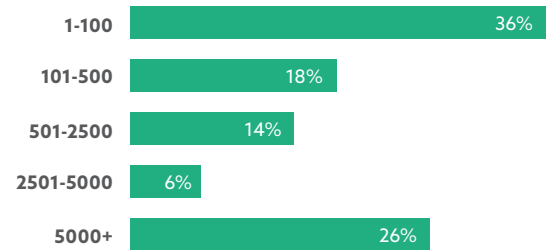
Methodology

We surveyed 450 companies of varying sizes with respondents working across various departments and functions.

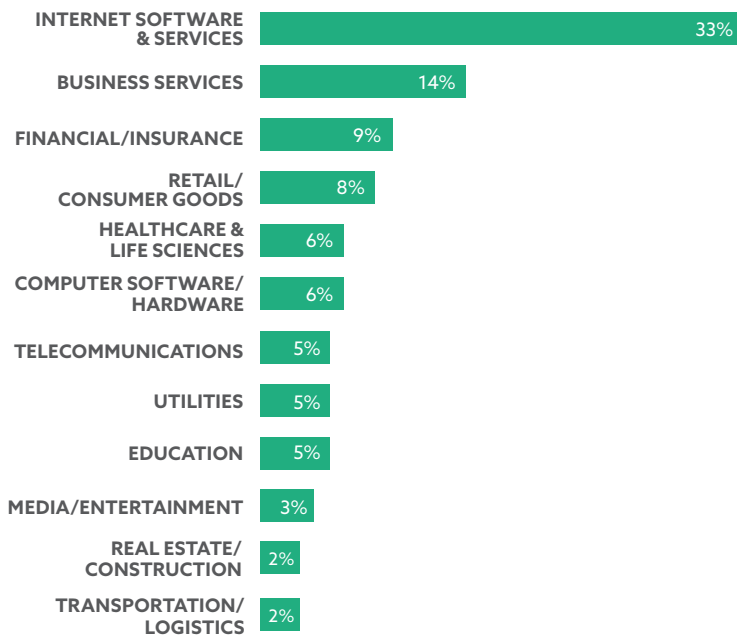
What department/job function do you work in?



How many employees are in your company?



What industry is your company in?



Overview

The insights from this survey highlight three major considerations for digital businesses:

1 The IT stack is growing quickly and companies are shifting the gravity of their data to the cloud.

74 percent of respondents have at least three systems deployed in the cloud, with 42% planning to double the number of new cloud systems in the next twelve months. The gravity of data is shifting the cloud.

Even with this explosion of new cloud deployments, only 33 percent of these organizations are currently using a cloud-based integration platform to integrate these systems and automate processes between them.

Data has a weight to it and where it lands, it typically stays. It's not easy to move petabytes of data from one place to another. With tremendous amounts of data being created in the cloud there is a growing demand to access it from the cloud.

2 Many businesses are looking to stay on the cutting edge and break away from competitors by leveraging APIs.

An impressive 64% of organizations are creating APIs today for use in either internal or external use cases. Respondents anticipated the benefits from APIs including increasing ROI from their existing investments, bringing differentiated offerings to market faster, growing their ecosystem and attracting new partners, and creating new revenue channels.

While 33% of respondents use technology to help manage their APIs, 91% of respondents lean on their development teams to code APIs from scratch. Already burdened with coding integrations between an increasing number of new cloud applications, organizations are placing additional demands on their developers to code new APIs from scratch and then manage them for the business.

Even though companies are looking to APIs to boost their bottom line and move faster, most are currently creating and managing these APIs in inefficient and costly ways.

3 Infusing intelligence into their digital processes is top of mind for a majority of companies in 2018.

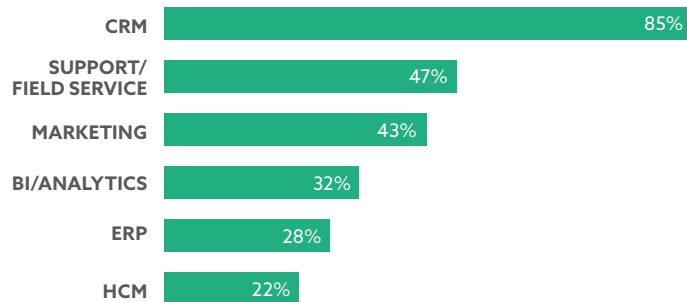
Four out of five companies are currently using or plan to infuse artificial intelligence into their processes. These companies are prioritizing predictive analytics above other forms of AI but almost half also see significant benefits coming from chatbots, virtual assistants and sentiment analysis.

90% of companies surveyed recognized the value AI could bring, suggesting a vast majority of businesses are exploring the benefits of artificial intelligence in 2018.

Findings & Key Takeaways

Responses to the survey led to a number of interesting takeaways.

Q What types of applications does your organization run in the cloud today?



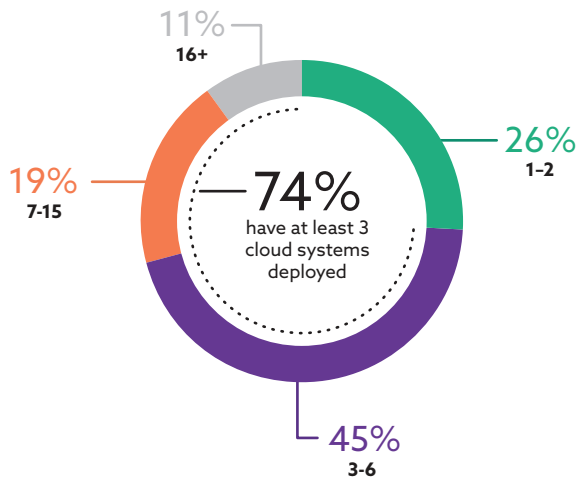
KEY INSIGHT

The IT Stack is Shifting to the Cloud

Organizations responding to the survey have deployed a variety of systems in the cloud, but systems of engagement lead the pack. 85% of organizations are running a cloud-based CRM platform, 47% service their customers online and in the field with a cloud solution, and 43% use SaaS marketing tools to attract and engage prospects.

As the volume of data shifts to the cloud, these companies are logically deploying more and more of their business intelligence in the cloud in order to gain insights from this data. Although about a quarter of organizations have moved systems of record to the cloud, the majority of companies continue to leverage on-premise solutions. Hybrid technology stacks comprising cloud and on-premise systems continue to be pervasive across all industries.

Q How many different cloud systems and data sources does your organization use today?



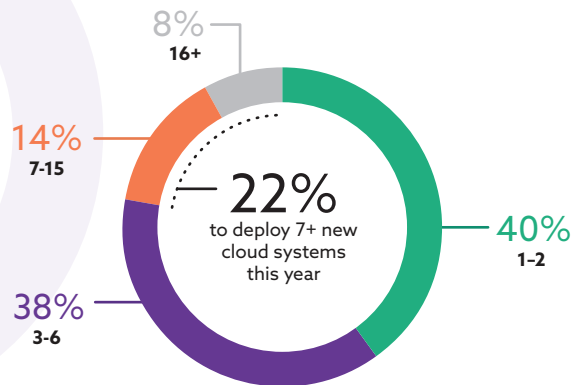
KEY INSIGHT

Best of Breed Cloud Adoption

74% of respondents have at least 3 systems deployed in the cloud today, while almost a third have more than 7 cloud-based systems. One in ten organizations had greater than 16 cloud systems running today!

The “best of breed” trend in technology adoption underscores the growing need for connecting these new applications in the cloud and making integration a key part of an organization’s growth strategies.

Q How many new cloud applications and data sources does your organization plan to deploy in the next 12 months?



KEY INSIGHT

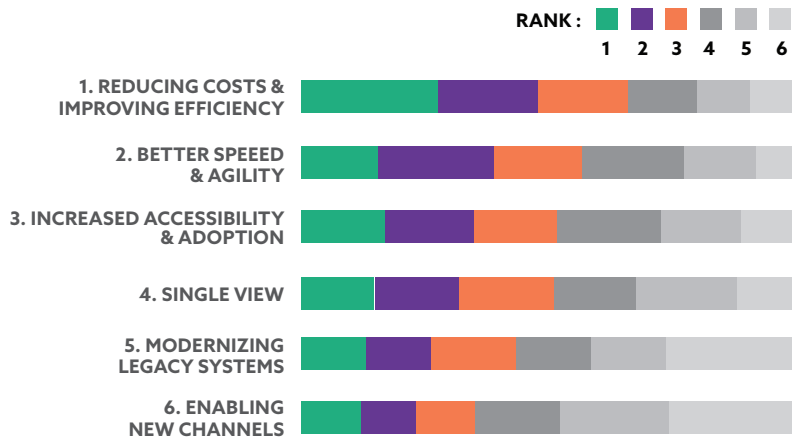
Rapid Adoption of New Cloud Systems

Every organization surveyed has plans to deploy additional technology in the cloud in 2018, with 60% planning for 3 or more new deployments. Almost a quarter of organizations will deploy more than 7 new systems in the cloud in the next 12 months!

42%
plan to double the number of cloud-based technologies in the next 12 months.

As companies look to keep up with the pace of innovation and to better compete in their markets, their adoption of new cloud solutions is not slowing. 42% of organizations surveyed plan to double the number of cloud-based technologies in the next 12 months.

Q What are the top reasons that your organization is adopting cloud applications?

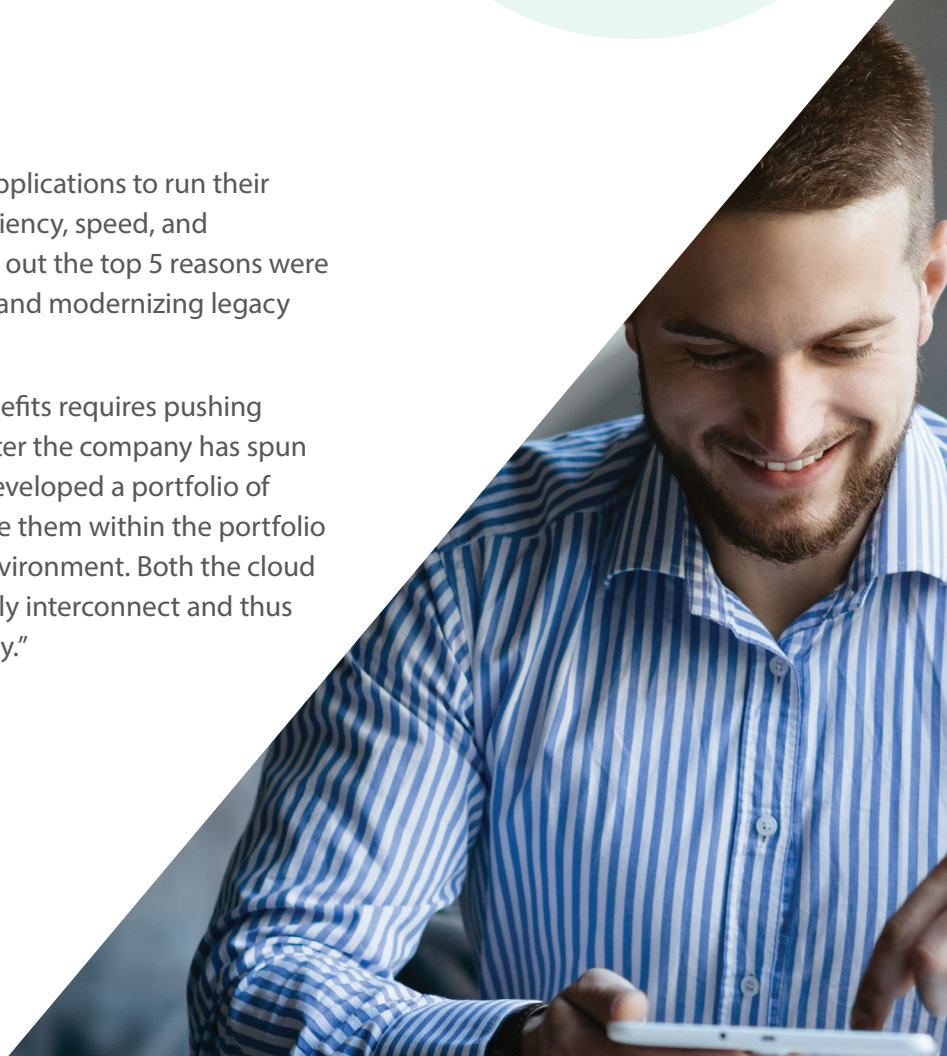


KEY INSIGHT

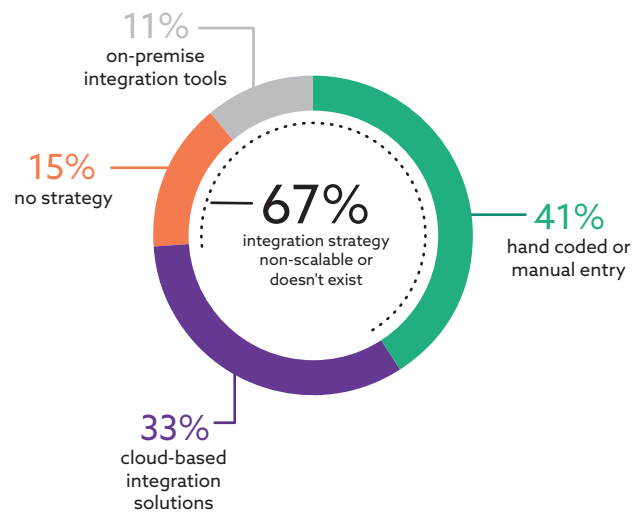
Moving at the Speed of the Cloud

When asked why they have selected cloud applications to run their business, organizations ranked cost and efficiency, speed, and accessibility as their top 3 reasons. Rounding out the top 5 reasons were providing a single view of all corporate data and modernizing legacy investments.

According to [Accenture](#), achieving these benefits requires pushing through one major obstacle: integration. "After the company has spun up and absorbed these new concepts and developed a portfolio of cloud-based capabilities, it needs to integrate them within the portfolio itself and across the organization's legacy environment. Both the cloud portfolio and legacy operations will ultimately interconnect and thus require strategies to work together effectively."



Q How do you currently connect and automate processes between your on-premise and cloud systems?



KEY INSIGHT

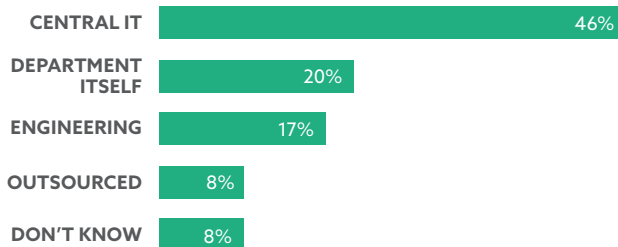
Integration Strategies Are Lacking

Integration is the key to realizing the true benefits of cloud investments, yet when asked about their current integration strategy, over 40% of respondents currently write code or manually enter data between systems — so much for efficiency, speed, and better visibility!

Just 1 in 3 companies surveyed currently have a cloud-based integration platform. That leaves 67% of companies with no true integration strategy or using solutions that were not built to scale with their current and future cloud deployments.

With the growing need to connect new cloud systems to existing technology investments, including those on-premise, only a third of companies surveyed appear to be positioned for success with their stack. These companies have a competitive advantage, though there is ample opportunity for those that shift their 2018 priorities.

Q Who is responsible for ensuring all systems are integrated within your department?



KEY INSIGHT

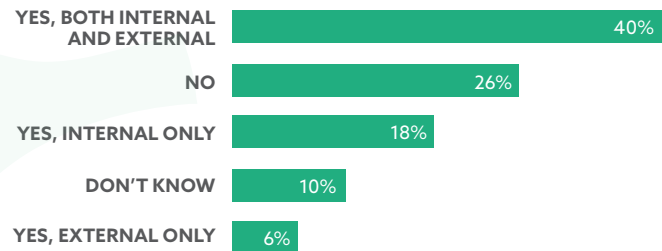
Integration Burden Falls to IT

About half of organizations surveyed look to Central IT to integrate their systems. With most IT organizations backlogged and struggling to keep up with today's self-service deployment of "best of breed" cloud platforms, it is little wonder that a majority of respondents said they do not have a defined integration strategy.

Almost 1 in 5 companies currently leverage valuable development resources to code integrations. Considering 42% of these organizations plan to double the number of new cloud systems in 2018, it is fair to ask if they can keep up. Companies risk getting bogged down in custom coding integration instead of focusing their developers on strategic customer-facing innovation.



Has your company created APIs to expose internal data “as a service” to other internal departments or external customers and partners?

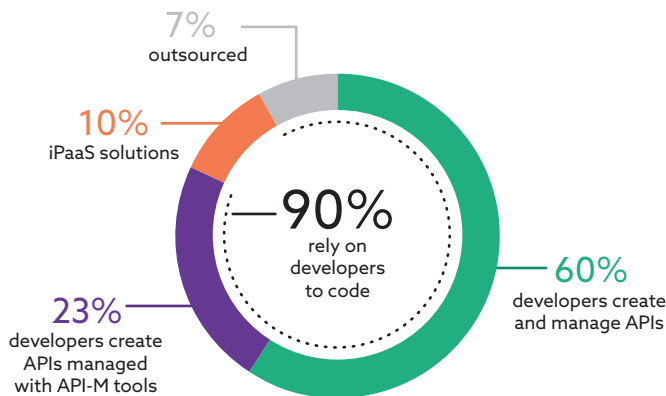


KEY INSIGHT

APIs are Transforming Business

An impressive 64% of organizations are creating APIs today for use in either internal or external use cases. While a quarter of respondents are not creating APIs at all today, 40% are leveraging APIs in both internal and external use cases.

Q How are you currently creating and managing APIs within your business?



KEY INSIGHT

API Creation and Management is Falling to Developers

A majority of organizations leveraging APIs today rely on their developers to both write and manage these APIs. While 33% use dedicated technology to manage their APIs, 90% of respondents lean on their development teams or outside resources to code APIs from scratch.

Already burdened with coding integrations between an increasing number of new cloud applications, organizations are placing additional demands on their developers to create and manage APIs for the business.



Q What are the benefits that your company is realizing from exposing existing systems through APIs?

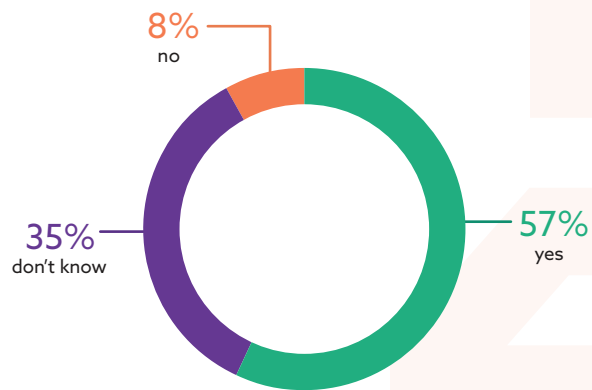


KEY INSIGHT

APIs Help Companies Drive New Revenue

When asked what benefits they are realizing from leveraging modern APIs to expose existing technology investments, a majority of organizations suggested they are realizing many and similar positive results. 7 in 10 have seen an increased return on their initial investments, creating even more value from technology they already had. Approximately half realized benefits to their bottom line by bringing new offerings to market faster, finding new markets, new partners and ultimately new revenue channels.

Q Are other companies in your market/industry currently utilizing APIs in their business?

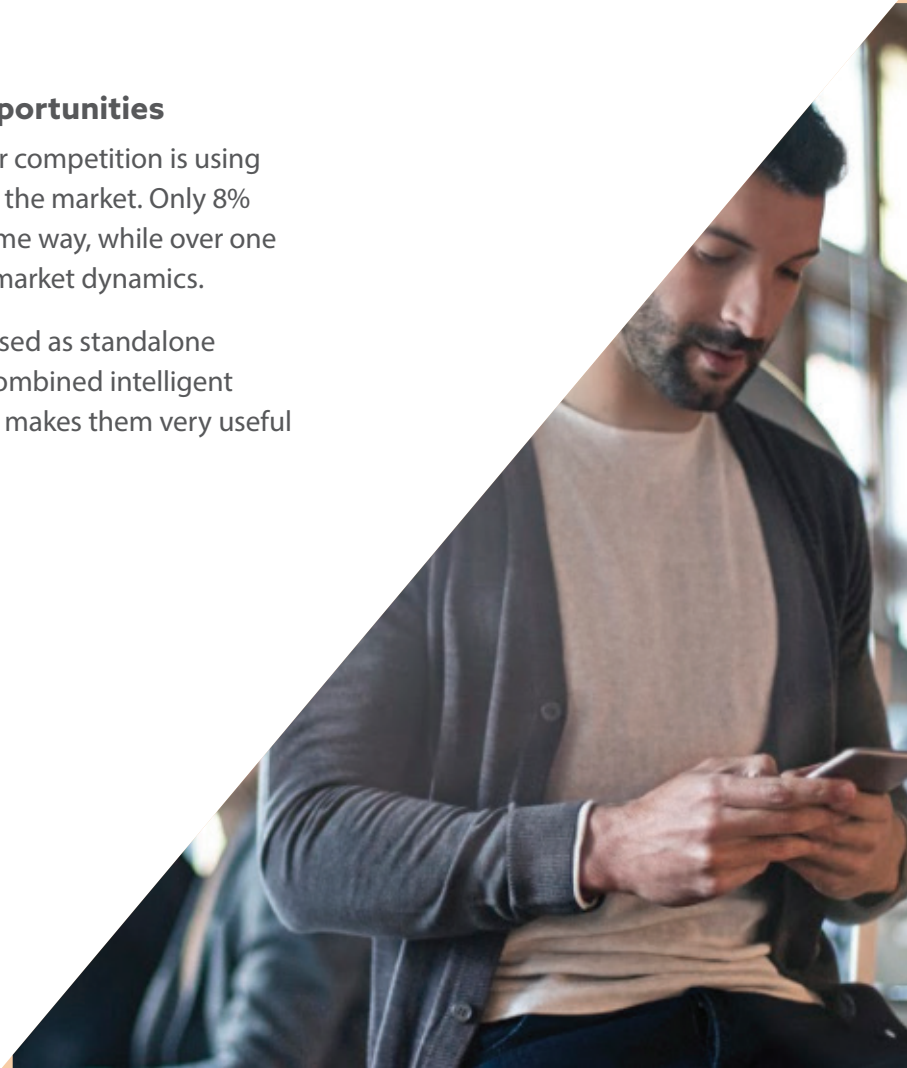


KEY INSIGHT

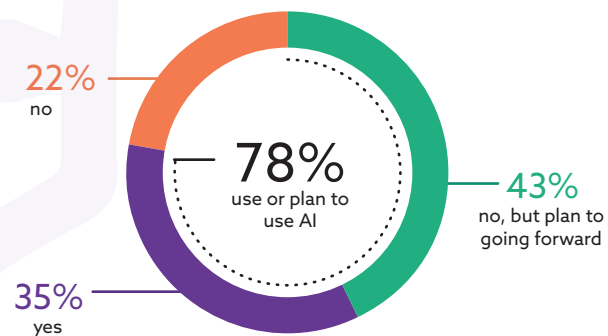
APIs Offer Competitive Disruption Opportunities

A majority of organizations recognized that their competition is using APIs to transform their business and compete in the market. Only 8% said their competitors were not using APIs in some way, while over one third were unaware of how APIs played in their market dynamics.

According to [Deloitte](#), "APIs do not need to be used as standalone services. They can serve as building blocks for combined intelligent applications...This modular characteristic of APIs makes them very useful for a wide range of AI applications."



Q Is your company currently infusing intelligence into its business processes and systems (e.g. real-time language translation, sentiment analysis, artificial intelligence)?



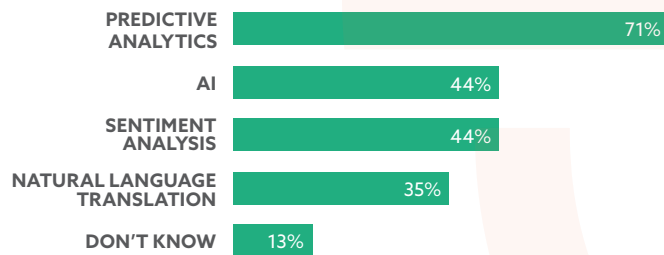
KEY INSIGHT

Artificial Intelligence will Disrupt Business in 2018

4 out of 5 companies are currently using or plan to infuse artificial intelligence into their processes, while just 20% do not currently have plans to leverage AI. There is a striking shift in focus on leveraging AI in 2018 — while 65% are not currently using AI, based on responses about future plans, that number could flip to 80% using AI this time next year!

Artificial intelligence is likely to be the most disruptive force in technology in the coming decade and companies that embrace AI will gain a competitive edge. Those that do not, risk being disrupted.

Q What types of intelligence would your company most benefit from infusing into existing business processes?



KEY INSIGHT

Companies will Leverage AI in Different Ways

Companies believe that predictive analytics is the type of intelligence that would benefit them most by almost two-fold over other results. Even so, nearly half responded that they believed they would gain additional value from chatbots, virtual assistants and sentiment analysis. In the new global economy, it is perhaps not surprising that 1 in 3 suggested both written and verbal language translation would help them enter and support markets around the world.

Interestingly, only about 1 in 10 companies surveyed did not know what value AI could bring, suggesting a vast majority of businesses are already exploring the benefits of artificial intelligence.

Conclusion

Companies in all industries are building businesses in increasingly competitive markets — and they are turning increasingly to the cloud to gain advantages. Among the top reasons for adopting cloud-first strategies are the desire to get to market faster with innovative offerings, create new channels of revenue, and to squeeze a bigger return out of existing technology investments.

A majority of companies in 2018 will leverage APIs to further extend the value of their technology, including infusing artificial intelligence into their digital processes.

However, in their rush to leverage modern connected technologies, many companies are falling back on traditional methods for deploying and managing this technology. With a heavy burden already placed on IT and developers, businesses are putting potential gains at risk by leaning on these same teams to develop, deploy and manage so many disparate systems.

The 2018 State of API Integration report underscores the need to leverage enterprise integration platform-as-a-service technologies to rapidly deliver on the innovation and competitive advantages promised by the cloud, APIs, and artificial intelligence. A company's API integration strategy will be the #1 reason why businesses succeed or fail in their digital transformation in the next five years.

**API Integration
Assessment**

Jitterbit is the API transformation company that accelerates innovation by combining the power of APIs and integration. The Jitterbit API integration platform enables companies to rapidly connect SaaS, on-premise and cloud applications and instantly infuse intelligence into any business process. To learn more, visit www.jitterbit.com and follow @Jitterbit on Twitter.

