

Building solutions in a value network

One can assume that each API is used equally throughout the relationship duration, however, in reality; its use is (usually) concentrated at different stages. This chapter illustrates the prerequisite to every customer journey in a multifaceted complex relationship environment. The customer (and partner) journey have several interactions (Moments of Truth) at different stages during the lifecycle of their relationship, where the API's have been designed to address a small subset (the minimum –so to say).

The relative placement of the API's or the similarity between partners/customers may also be questioned –

1. it can be argued that catalog management is used also extensively during the consume phase (example upselling/cross –selling) or also along the full cycle, or
2. That customers may also be on boarded since a while (see crowd-sourcing, ebay ® (direct biz m), Amazon ® (JIT Procure Bizm).

Nonetheless, it is helpful to have a quick glance overview to see which features apply where.

In Figure 3, below, we differentiate quickly the different requirements that are placed on API's used in a traditional value chain, and contrast this to the challenges in a value network.

In contrast to a Local Integration Service (ad-hoc regional value shop) (top of picture), the Value Network (bottom part of the picture) may have very short setup times (Quick start/Quick Die) or cycles – i.e. too short to negotiate a unique contract, or requiring change so constantly, that the Business Case is not too low for operational support by DSP technology department.

The picture is also representative of the increasing challenges of providing more flexible interfaces as time passes. The challenges of the 90's (turnkey solutions) (top part), have been superseded by and increasing number of interfaces (1:1) and complexity to partners (middle part of picture), and the introduction of a cooperative partnership (bottom part), where no single player has absolute dominance.

The Parties to the Open Digital API's (Marked as green stars) cannot assume that the interfaces underlie negotiations of individual partnerships. Since these API's is offered globally, it builds a fundamental cornerstone upon which further feature rich differentiated services can be built upon. Hence, the focus shifts towards supporting newer economy extended service, by lowering the entry barrier globally for existing business services (like catalog management, billing, trouble ticketing etc.)

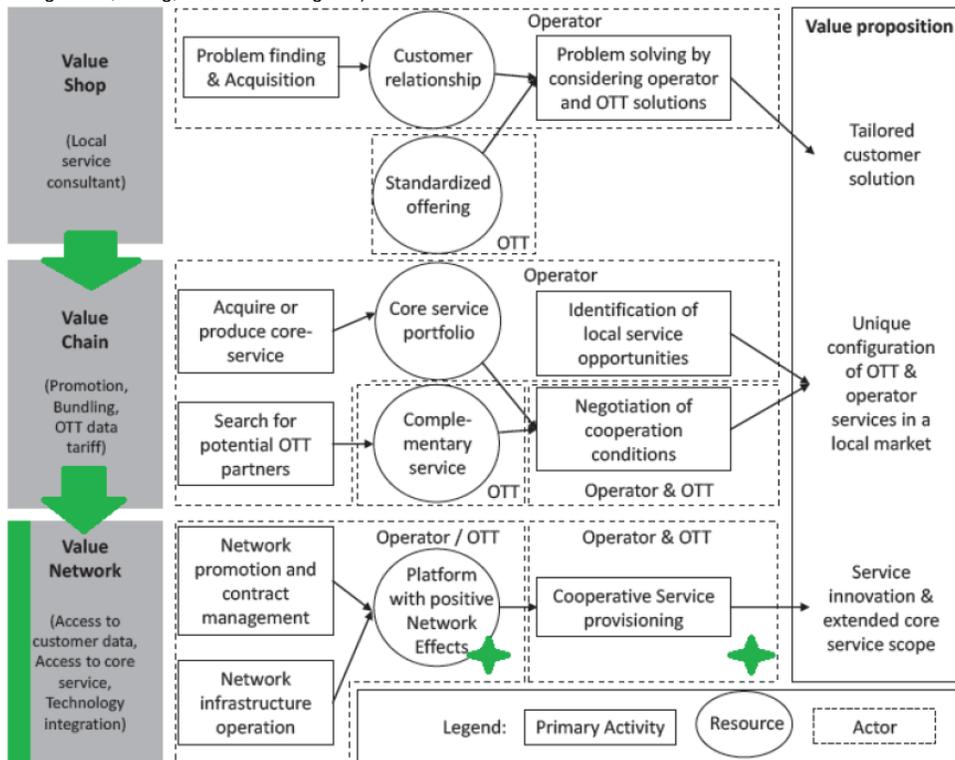


Figure 3: Successive Value creation through -shop, -chain and network (from Cooperative Operator and OTT value creation Patterns –based on Fjeldstad and Haanes; Ostervalder 2004)

As illustrated by Figure 3, the Open Digital API can, of course, be used in a wide variety of scenarios. In addition, they should simplify cooperation in a value network, where the network facilitates dynamic and cooperative behavior beyond what is possible today in a value chain, allowing delivery of services which are not feasible with standard onboarding or partnering processes available today.