



KLEINSCHMIDT

BUILDING ESSENTIAL CONNECTIONS

TOP 10 QUESTIONS About EDI and API Integration

TOP 10

QUESTIONS ABOUT EDI AND API INTEGRATION

01

What's The Difference Between EDI And API?

EDI is a way for businesses to send data in batches using special formats. It's been used for decades in industries like retail and shipping. API is newer and lets systems talk in real-time. Think of EDI like sending a fax, and API like chatting online. Both help businesses share important info.

When working or talking about EDI, you may hear X12 come up. EDI X12 is a standardized format, that has streamlined business-to-business automated transactions for over 40 years. APIs are a little different-as the data structure is designed to be more flexible, yet it takes a little more development to set up. Kleinschmidt has developed a recommended "standard" for industries that we serve; adopted by businesses moving to API.

02

Are APIs Replacing EDI?

Not yet. EDI is still required by many big companies, especially in the supply chain and healthcare industries. But APIs are growing fast, especially in newer industries. A lot of companies now use both.

03

Can EDI and APIs Work Together?

Yes! Some tools can turn EDI data into API messages and back. This means you can keep your systems up to date while still working with partners who use older tech.

Kleinschmidt often connects companies using legacy systems that use EDI, XML, CSV or other proprietary formats with those using API-based management systems.

04

How do I connect EDI or APIs to my software (like ERP or CRM)?

If you have technical staff and bandwidth, you can find software tools, plug-ins, or services that help connect everything. Kleinschmidt can manage the data conversion to/from partners to the format that your software requires, to reduce the need for those extra programs/software and strain on your internal staff.

05

What are the steps to get started with EDI or API integration?

Kleinschmidt will help you through the process and act as an extension of your technical staff. Here are the basic steps:

- ✓ Pick the process you want to automate.
- ✓ Find out what your partners need (EDI or API).
- ✓ Define how to send and receive data from each partner.
- ✓ Match up the data formats.
- ✓ Test everything.
- ✓ Keep an eye on things to make sure they work smoothly.

Kleinschmidt managed services include doing the heavy lifting on these steps.



06

How much do EDI managed services cost?

Business-to-business integration usually has a combination of a one-time setup price and ongoing fees that depend on how much data you send and receive. This helps you control your costs, especially if your business is seasonal, or needs to scale up or down.

Your Kleinschmidt team contact will help you assess your needs and recommend an approach that will be cost-effective, save you time and hassle.

07

Should I do it myself or get help?

If you have a strong tech team, you might build it yourself. You would need to invest in hardware, software, staff and ongoing training to keep up with changes. But most companies use managed services to save time, reduce the need for specialized technical integration staff, manage the process around the clock, and avoid mistakes.

08

How do I keep my data safe?



For EDI, we recommend an AS2 or SFTP connection. For APIs, use HTTPS and strong passwords.

An AS2 connection securely transmits your documents over the internet using encryption, digital signatures, and HTTPS, ensuring data integrity and sender verification. We recommend using a strong authentication type such as OAuth2 or Bearer Token.

An SFTP connection transfers files through an encrypted channel, protecting sensitive data with strong authentication and preventing unauthorized access during transmission.

Kleinschmidt takes data security seriously, as we manage a secure, SOC 2 network that is a hybrid of on-premises and cloud. SOC 2 is a highly-recognized framework that ensures our data is secure, confidential, and private.

Throughout your business, use secure tools and make sure your data is encrypted.

Cybersecurity training for your staff and a high priority on internal security policies is one of the best defenses.



09

If I were a customer and needed to add a new trading partner to the VAN, what does the process look like?

To add a new trading partner, just send an email to Kleinschmidt. This will immediately create a ticket for a Business Analyst to review.

If the partner is already in our network, we can usually finish the setup within 24 hours.

If they are not in our network, please send us their contact information and anything they've given you so far (like format details or connection instructions).

Our team will then work with them to start the setup and testing.

Your Kleinschmidt contact will support you through the whole process, just like they did during your first setup.

10

What if something goes wrong?

Kleinschmidt monitors data transmissions through our network. On a 24x7x365 basis, our team ensures that everything is working perfectly, and will work with you or your partners if there is a snag.

Furthermore, we have a rapid response Incident Management protocol that includes analysis and remediation as well as communication with businesses who depend on us.

GLOSSARY

EDI and API Integration Terms

This glossary defines some of the key terms and acronyms related to EDI and API integration used in this guide.

- > **API (APPLICATION PROGRAMMING INTERFACE)**
A set of tools that lets different software systems talk to each other in real-time.
- > **AS2 (Applicability Statement 2)**
A popular way to securely send EDI messages over the internet.
- > **CRM (Customer Relationship Management)**
Software used to manage a company's interactions with current and potential customers.
- > **Data Mapping**
Matching fields from one data format to another so systems can understand and use the information.
- > **EDI (Electronic Data Interchange)**
A way for businesses to send documents like purchase orders and invoices electronically in a standard format.
- > **Encryption**
A way to protect data by turning it into a code so only the right person can read it.
- > **ERP (Enterprise Resource Planning)**
Software used to manage daily business activities like accounting, purchasing, and inventory.
- > **HTTPS (HyperText Transfer Protocol Secure)**
A secure version of the web protocol used to transfer data online.

GLOSSARY

EDI and API Integration Terms

- **iPaaS (Integration Platform as a Service)**
A cloud service that helps connect different apps and data systems.
- **Managed Services**
A service where a third party handles your EDI or API integration for you.
- **Real-Time**
Data sent and received instantly, instead of in batches or after delays.
- **SFTP (Secure File Transfer Protocol)**
A secure way to send files between computers.
- **TMS (Transportation Management System)**
Software that helps plan, execute, and track the physical movement of goods. It's often used by shippers and logistics companies.
- **Trading Partner**
Any business or group you exchange electronic documents with, like a supplier or customer.
- **WMS (Warehouse Management System)**
Software that helps manage warehouse operations, like tracking inventory and shipments.
- **X12 Standards**
X12 is a set of data exchange standards that are specific to business-to-business transactions. This standardized data formatting has streamlined information exchange for more than 40 years. Learn more: [X12 Transaction Sets](#) | [X12](#)



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www.kleinschmidtinc.com



847-945-1000



solutions@kleinschmidtinc.com

