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# EDI: THIRD-PARTY VENDOR TRAFFIC STILL RISING

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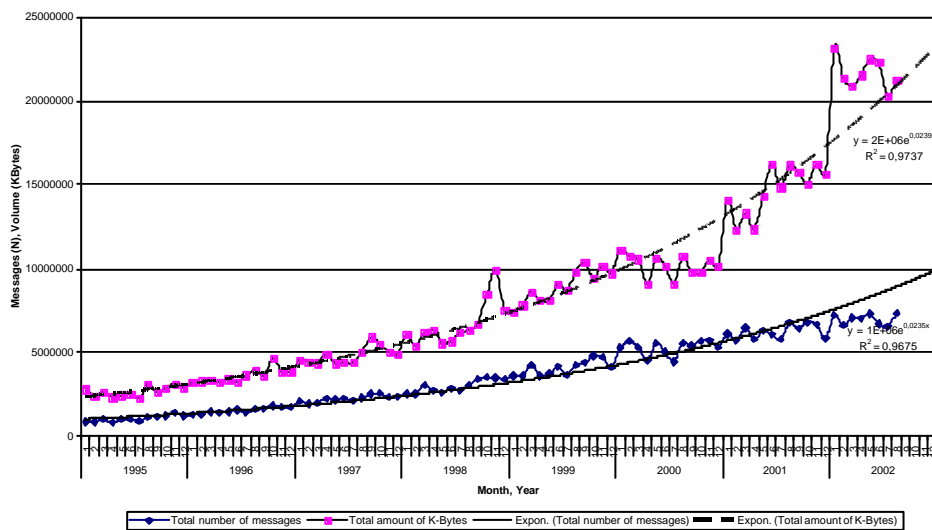
## EXTENDED ABSTRACT

Although EDI, e.g. EDIFACT and ANSI X.12, is considered superseded by various XML dialects by many people, industry is still using it a lot. Similarly, value-added network service providers (VANS) were expected to be defeated by the Internet by the end of the 20<sup>th</sup> century. We have surveyed VANS-based EDI traffic in Denmark since 1995 and found that traffic is increasing with average yearly increase-rates of 30% even into the 21<sup>st</sup> century.

During the late 1990s, we have surveyed EDI-uptake and pointed to outstanding growth-rates of VANS-based EDI. Even during the assumed dot-com high area 1998-2000, a general high level of EDI application usage has been found. Based on an update of our analysis, we can now demonstrate that third-party against all odds is doing well and continues to outperform the Internet-based exchange of EDI-messages. The growth in the Danish EDI traffic is remarkable in the light of the business structure where there is few multi-national companies present and no major up-stream powerful companies.

Our analysis include all major VANS-operators in Denmark where we have collected all outbound traffic month by month for the time span from 1995 till 2002. We have data for both the amount of K-bytes and the number of messages transmitted. The increase in bytes is at a more exponential level than the growth in messages.

The analysis of our data has also found that the companies that use EDI exchange still more messages with still more partners, but do not exchange more different types of messages. Also, there is no indicator that the integration of the EDI-messages is at a substantial higher level since the most prevalent message types exchanges is orders and invoices. One exception is the health sector, which has been the major reason for the growth in EDI traffic.

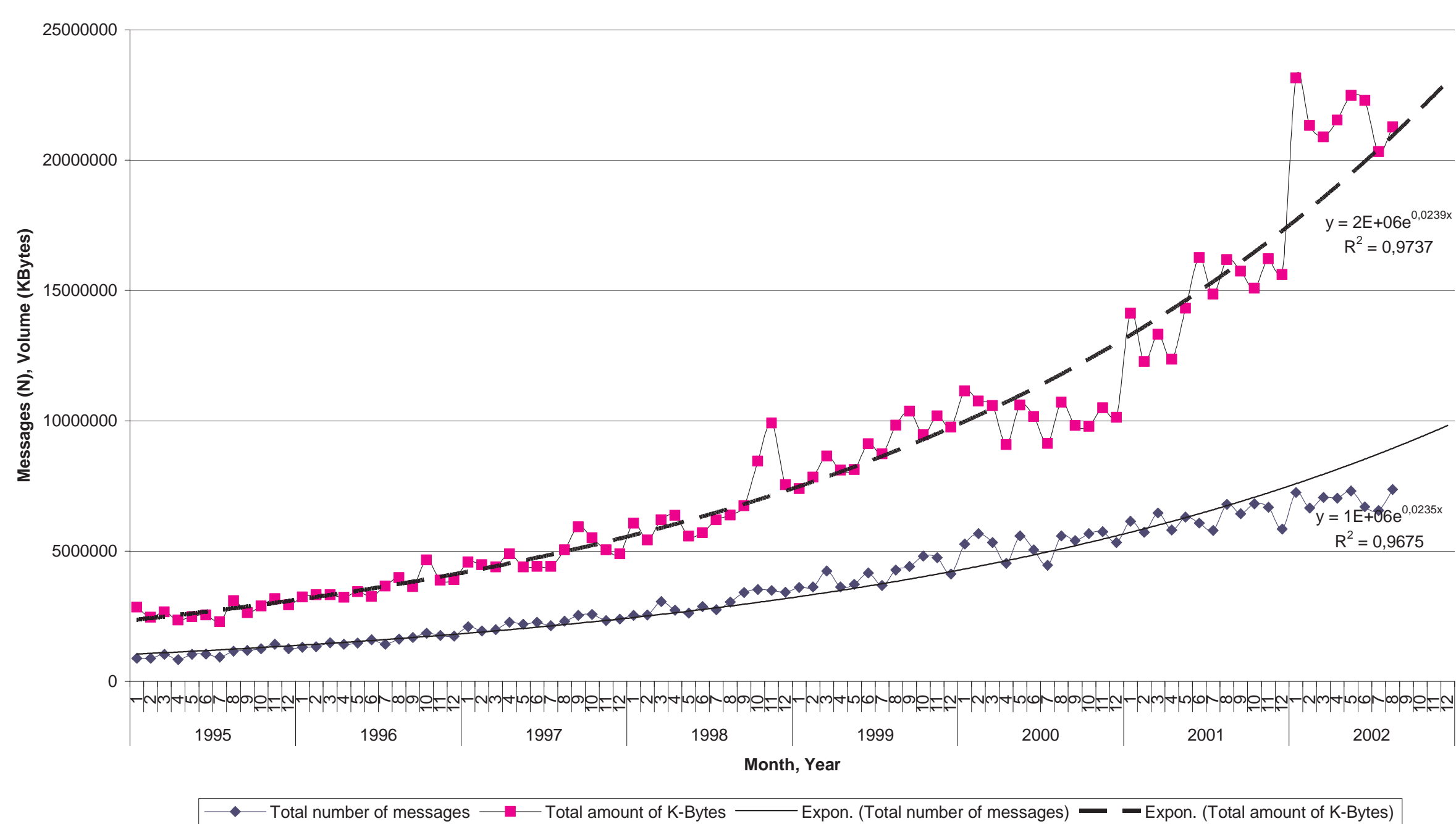


# EDI: Third-Party Vendor Traffic Still Rising

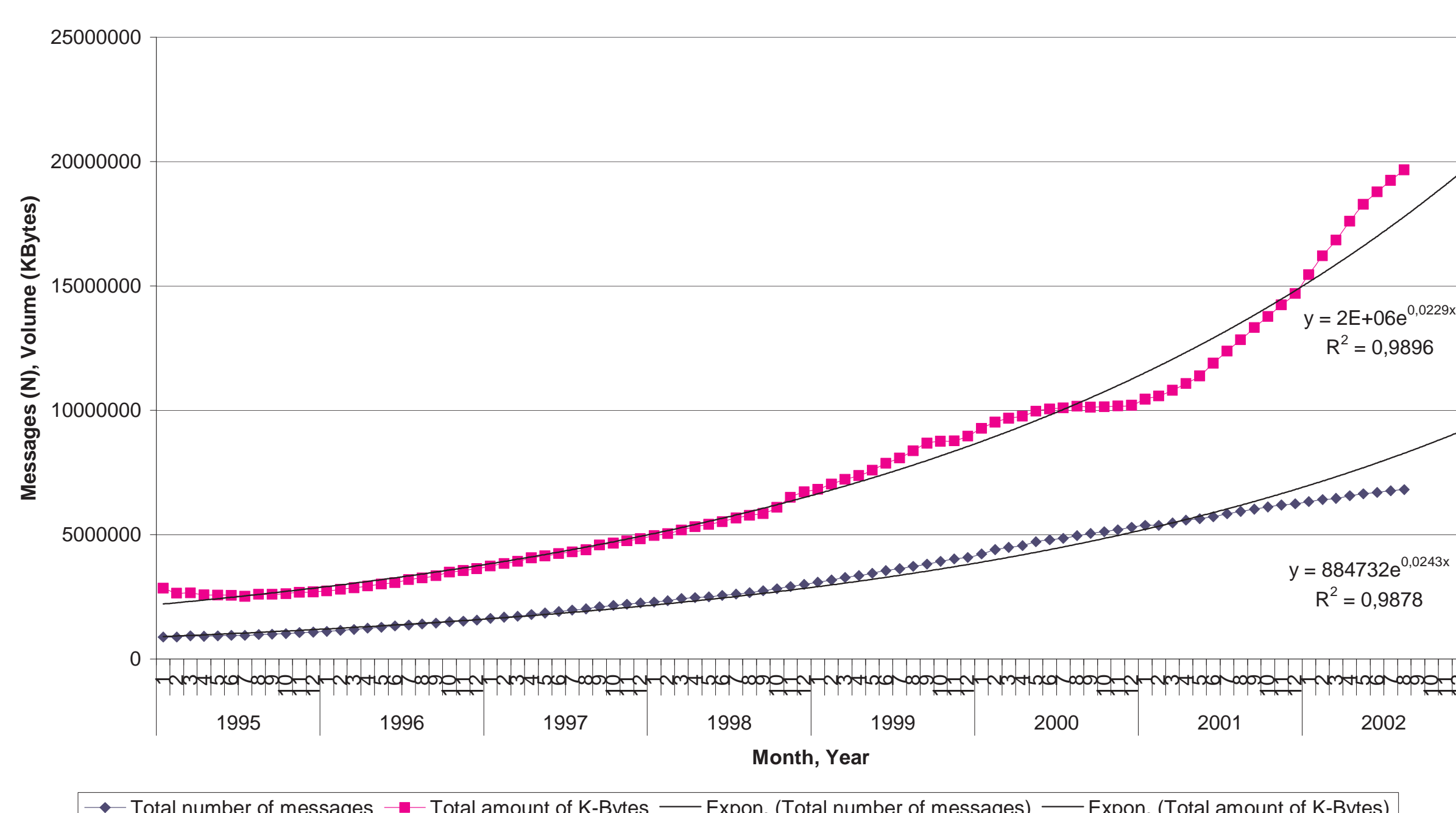
## Kim Viborg Andersen & Niels Christian Juul



Monthly EDI Traffic 1995 - 2002



EDI Traffic (12 month running average)



**Who:**

Measured in collaboration with all major Danish VANS (Value Added Network Service) Providers

**What:**

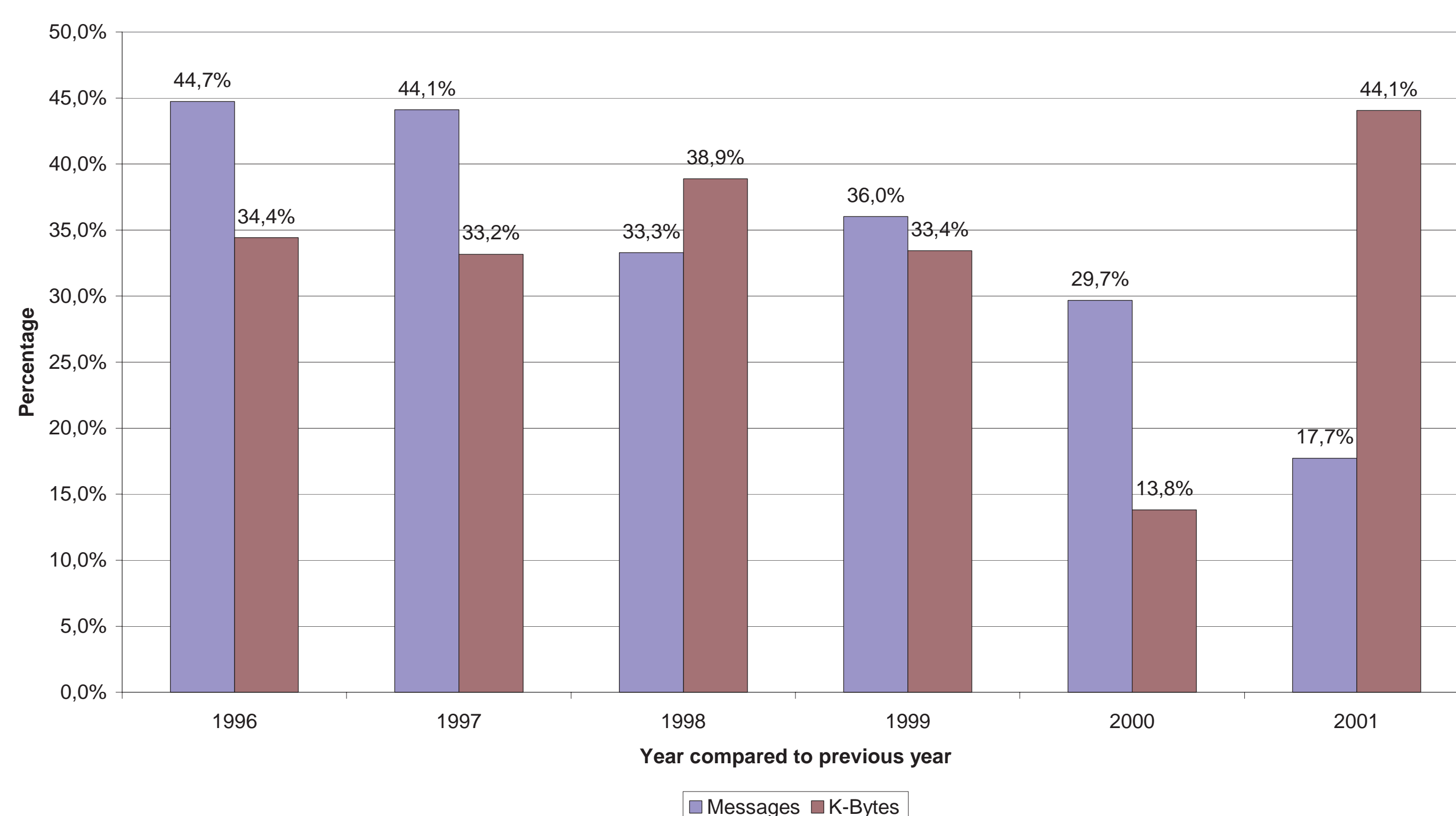
EDI traffic through VANS carrying mostly EDIFAC messages

All outbound traffic month by month for the time span from 1995 till 2002

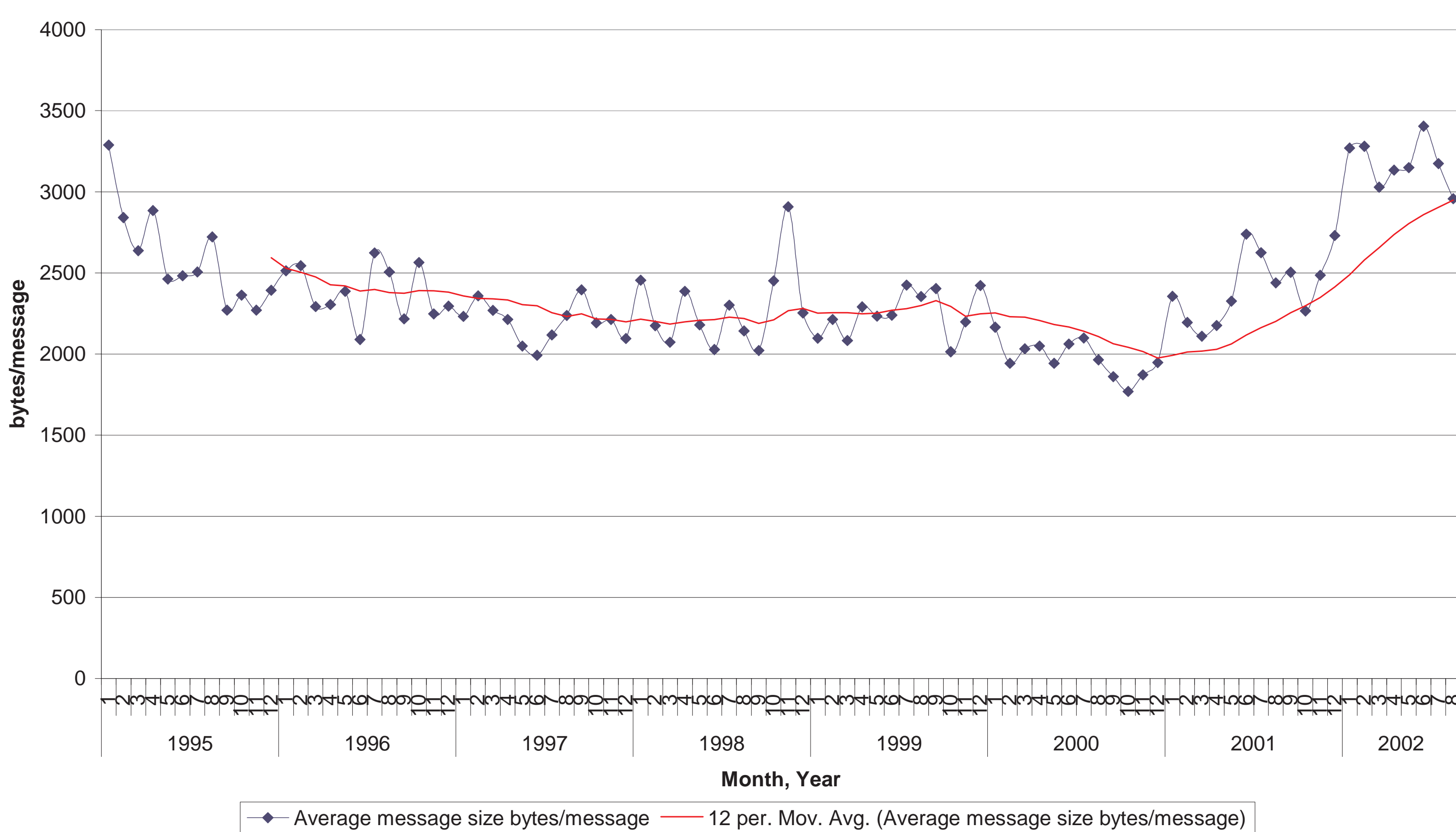
Measured in K-bytes and number of messages

Yearly growth rate 30%-40% continually

Independent growth rate of Internet penetration in corporate Denmark



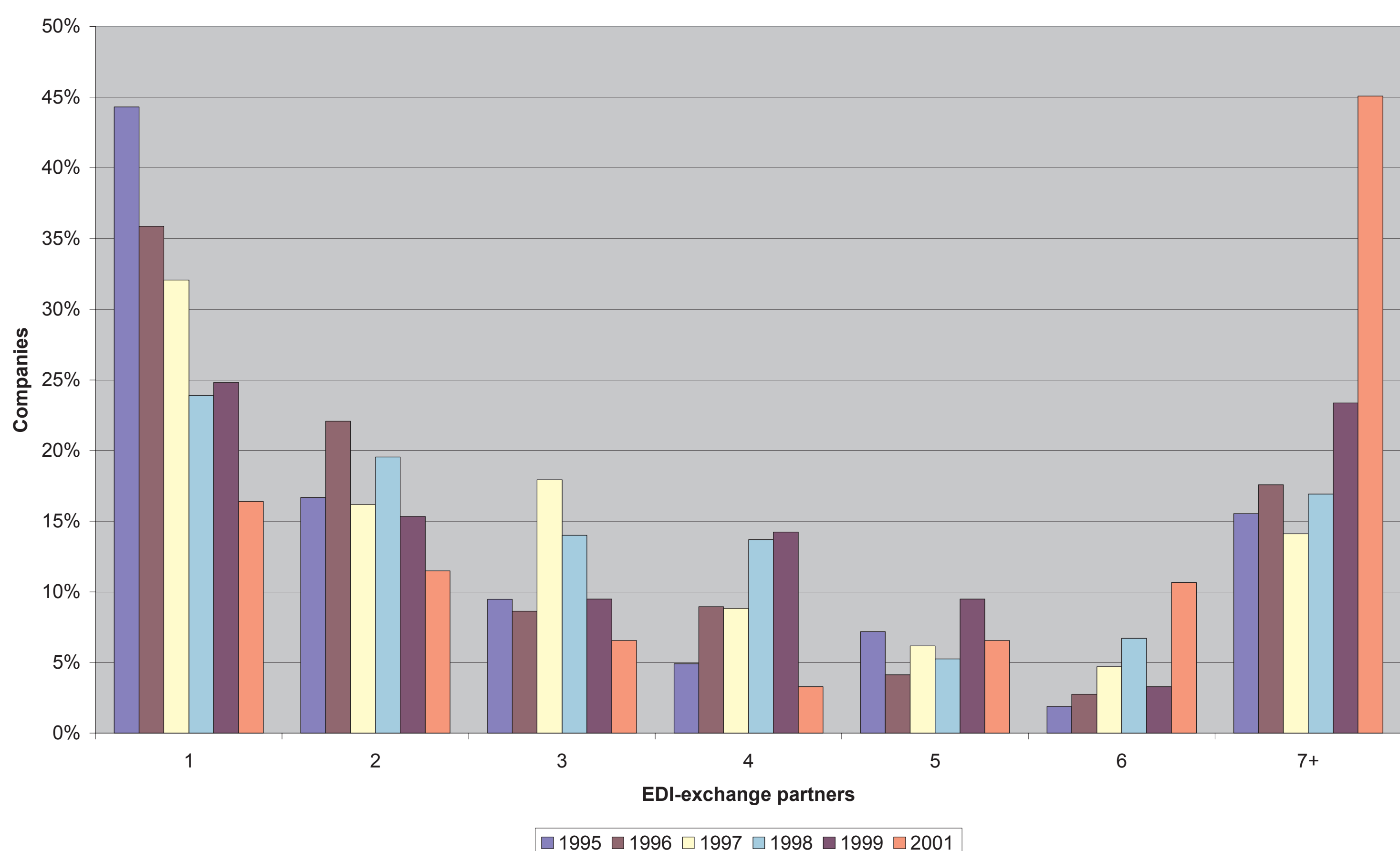
Average message size



**Further analysis:**

Increase in average message size  
 The companies that use EDI exchange still more messages with still more partners but do not exchange more different types of messages  
 no indication of substantially higher level of integration of EDI  
 most prevalent message types exchanges is orders and invoices  
 Health sector is the major reason for the growth of EDI traffic in Denmark

Development in number of EDI-exchange partners shows steadily growing utilization of EDI investment



Constant growth in EAN location numbers

