AS2 or SFTP? Which one is better?





AS2 would be preferable where a company would like to share EDI files like purchase orders and invoices with its business partners because it is used in many industries universally and is compliant with diverse standards.

Reliability and Accountability

AS2 has built-in support for message disposition notifications (MDNs), which acknowledge the receipt and processing of messages. Therefore, this is an important feature in ensuring reliable and accountable message delivery in business transactions.

Security and Regulatory Compliance

Encryption and digital signatures are among the robust features that have made AS2 offer strong security. These help in ensuring regulatory compliance needs for healthcare (HIPAA) or finance sectors. If your niche falls under this category and it requires particular security measures, AS2 could be the answer.

Industry Requirements

Specific sectors, including retail, automotive, and healthcare, have adopted AS2 as their standard mode of communication between businesses (B2Bs). Walmart, the well-known shopping store, is one of the important companies that use AS2 for their EDI transactions.

Setting up and managing SFTP is generally easier compared to AS2. It is a good alternative for corporations that lack specialized software and dedicated IT resources, among other complex setups.



Basic Security Requirements

Although AS2 has better security capabilities, SFTP also has powerful encryption and safe transmission of data. If your security needs are adequately met by SFTP's capabilities, then there would be no point in complicating matters more by introducing AS2 with its more advanced security features.



Batch Processing /

If your data transfers do not require immediate real-time processing or acknowledgments, SFTP's batch processing is good enough, which is usually the scenario in non-essential business operations.

Cost Considerations

Implementing and maintaining SFTP can be more cost-effective than AS2, especially for smaller businesses or those with simpler data exchange needs. SFTP typically involves fewer overhead costs relating to software, hardware, and ongoing maintenance.

Compatibility with Existing Systems

If your current systems and workflows have SFTP as their main foundation, it might be a more effective solution to stick with this as opposed to migrating to AS2, unless a convincing reason exists for doing so.



Ease of Use and Setup

5