GoCardless

GoCardless Seamlessly Runs Its Online Direct Debit Service on Bare Metal Servers from SoftLayer, an IBM Company

GoCardless, the U.K.'s leading direct debit provider, chose SoftLayer's cloud infrastructure to support its payment platform and gained the power, reliability, and security it needed to grow its business.

Setting the Stage

London-based GoCardless was founded in 2011 to provide a simple platform for merchants to instantly and affordably take direct debit payments from across the U.K. and Europe. Until that time, direct debit was seen as a complicated, expensive process, available only to large corporations.

Historically, within the European Union, direct debits were made under each country's laws, restricting them to domestic transactions within those countries. After the Single Euro Payments Area (SEPA), a payment-integration initiative of the European Union, went into play for direct debit at the end of 2009, it improved the efficiency of cross-border payments denominated in euro. GoCardless saw an opportunity to capitalize on this efficiency and further simplify the payment process.

By combining recent innovations in the card world (developer-friendly APIs like Stripe and Braintree and instant setup and approvals) with the strong fundamentals of direct debit (affordable fees, low failure rates, and complete control over payment collection), GoCardless created a simple payment platform that brought direct debit into the 21st century. While the platform was available to companies of all sizes, it was specifically tailored to smaller businesses that had previously been excluded from banks' direct debit systems. It also provided its customers with the convenience of integrating with all European countries' payment systems a single time (vs. integrating with each E.U. country separately), enabling merchants to easily collect online euro-denominated direct debit payments across European borders.

Soon after GoCardless' launch, it began growing exponentially, with 2,000 merchants signed up in less than three months of operation. In its second year, the company's revenue grew by 700 percent. Widely recognized in the press, GoCardless was named one of Wired's startups of the week in May 2011, one of The Guardian's 20 hottest tech startups in East London in July 2012, one of Wired's hottest startups in London in 2013, and scored multiple features in TechCrunch.

Challenge

To support its rapid growth, GoCardless needed a cloud provider with powerful, reliable computing and a high level of security to protect both its merchants' and customers' sensitive financial information. Its

Industry
Financial Technology

Challenge
GoCardless needed a cloud provider that was powerful, reliable, and secure enough to seamlessly support its payment platform.

Why SoftLayer, an IBM Company
SoftLayer was the only cloud provider that could offer GoCardless powerful, reliable computing via bare metal servers and high-level security options to protect its merchants' and customers' sensitive financial information.

WHAT WE ACHIEVED WITH SOFTLAYER

- Reliable bare metal server environment with no downtime

- Ability to create secure VLANs in the cloud

- Responsive, 24x7 customer service

Build the future.™

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SOFTLAYER
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existing cloud provider, Rackspace, didn't offer the high level of control and reliability that GoCardless needed to support its payment program.

Harry Marr, CTO of GoCardless, said that Rackspace didn't give his company control over virtual server placement, and as a result, the company's virtual servers often ended up on the same physical servers, which led to problems. "Our infrastructure was built to handle partial failure, but rather than losing the odd server here and there, we'd often lose a whole cluster at once."

Furthermore, GoCardless' existing cloud provider's internal network was open to the entire data center, so GoCardless had to isolate the network manually in order to provide secure direct debit transactions. The company preferred a cloud provider that offered a secure private network with configurable VLANs.

During its search for a new cloud infrastructure provider, GoCardless looked at both Amazon Web Services and SoftLayer. It ultimately chose SoftLayer for its bare metal servers and reliable, secure infrastructure.

Solution and Results

SoftLayer gives GoCardless the power, reliability, and security it needs to seamlessly support its payment platform. Because there is redundancy built into every facet of SoftLayer's infrastructure, GoCardless can create an environment with no single point of failure, giving its customers a seamless online experience.

"For the same overall cost as our previous cloud provider, SoftLayer is able to handle a much larger workload.

We've also hugely stepped up our reliability—we haven't had a single outage caused by infrastructure since the migration," said Marr.

In addition, SoftLayer provides GoCardless with a secure cloud environment that makes it easy to meet the security standards required for a payment business. SoftLayer's network integrates three distinct and redundant architectures so that systems are fully accessible to administrative personnel, but safely off-limits to others. Moreover, its secure virtual infrastructure allows GoCardless to create configurable VLANs to easily segregate different types of servers (i.e. database servers from application servers) and separate the traffic and content going between those servers.

"Our experience with SoftLayer has been amazing—the 24x7 service goes above and beyond. We have a secure network, faster deployment than we had with our previous cloud provider, and we've even often received better, more upgraded hardware than we expected," said Steve Domin, head of Web operations at GoCardless.

GoCardless is now running its payment platform on more than 100 servers in SoftLayer's Amsterdam data center, and has grown its customer base to 5,000 active companies, including The Guardian and Virgin, that process a total of $650 million in transactions annually throughout Europe. With SoftLayer's infrastructure, it plans to grow GoCardless Pro, its new, targeted offering for enterprise clients, and expand its services across Europe.

See for yourself if our servers are right for your data. Visit http://www.softlayer.com/bare-metal-servers

"FOR THE SAME OVERALL COST AS OUR PREVIOUS CLOUD PROVIDER, SOFTLAYER IS ABLE TO HANDLE A MUCH LARGER WORKLOAD. WE'VE ALSO HUGELY STEPPED UP OUR RELIABILITY—WE HAVEN'T HAD A SINGLE OUTAGE CAUSED BY INFRASTRUCTURE SINCE THE MIGRATION."

- HARRY MARR, CTO OF GOCARDLESS

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