

## A CASE STUDY FOR:

# PAYU

### RACKSPACE PAYS OFF FOR PAYU IN LATIN AMERICA

Outstanding customer service and Fanatical Support empowers Latin American payment service provider to exponential growth.

#### BUSINESS

PayU is a payment service provider allowing merchants to process online payments throughout the world. In Latin America, PayU is present in seven countries and offers more than 80 payment methods to reach the entire market.

#### CHALLENGES

With the backing of broad-based multinational internet and media group, Naspers, PayU experienced a growth rate far faster than their local IT hosting and service providers could keep pace with.

#### SOLUTION

Rackspace Managed Cloud, Dedicated Hosting, Alert Logic Threat Manager devices, Managed Storage (DAS), and multiple virtual machines and hypervisors.

#### OUTCOME

By handling the 24 x 7 uptime requirements backed by Fanatical Support, PayU in Latin America has grown from 10 to 300 employees in just 5 years and expects to grow even more in the near future.





Selling to Latin American consumers online is a lot harder than it sounds. A merchant must establish relationships with every bank in the region, negotiate rates, safeguard payment traffic, navigate the maze of international banking laws, and keep systems running 24 x 7. Most merchants have neither the technology nor the expertise to deal with these complexities. That's where PayU comes in. Merchants look to PayU to insulate them from the technological details so they can penetrate the Latin American market with their products and services.

The company started in 2002 in Bogotá, Colombia as Pagosonline.net, selling their payments gateway services to ecommerce companies doing business in Latin America. Their success gained the attention of Naspers, the internet and media group based in Cape Town, South Africa. Naspers already owned several payment gateways in emerging countries, so in 2010, they acquired Pagosonline.net, as well as two other payment processors in the region and brought all of the companies under the PayU brand.

Ricardo Pertuz, Director of IT Operations, PayU LATAM, is responsible for keeping systems up and running 24 x 7 year round. Ricardo understands that his job is far greater than just running an IT operation. "I believe we play an integral part in helping our clients grow their business and this is a key focus for our company. As they grow, we also do."

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"RACKSPACE UNDERSTANDS OUR BUSINESS AND GAVE US THE SOLUTION THAT FIT WHAT WE ARE TRYING TO ACHIEVE. THEIR CUSTOMER SERVICE AND FANATICAL SUPPORT WAS THE DIFFERENCE."

**RICARDO PERTUZ** :: Director of IT Operations, PayU LATAM

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## MASSIVE GROWTH CREATES TECHNICAL CHALLENGES

Everyone at PayU expected business to pick up with the acquisition by Naspers, but no one could have foreseen just how much they would grow in such a short period of time. When the company acquired several new marquee clients poised to sell a torrent of products into the region via ecommerce, Ricardo knew that the local managed service providers he had always relied upon could no longer meet his needs. "As the ecommerce markets started to grow in the region, we needed more interaction and consulting service than they could provide. We needed a strategic business partner that could give us all the opportunities we would need to grow in a faster way."

So Ricardo and his team went in search of a provider that would be able to give them the support needed to undergird the growth levels they were experiencing. They evaluated many providers both in Latin America as well as the United States, benchmarking each potential solution for an apples-to-apples comparison. The clear winner was Rackspace.

## THE RACKSPACE DIFFERENCE

"Other providers could give us a similar technological solution, but only one could make the connection between the technology and how it could help us meet our goals," said Ricardo. "Rackspace understands our business and gave us the solution that fit what we are trying to achieve. Their customer service and Fanatical Support made the difference for us."

Rackspace met PayU's needs with managed cloud, dedicated hosting, and security services among multiple data centers at strategic locations around the globe. They also took advantage of Rackspace's powerful virtual machines and hypervisors in managed storage (DAS). As a result, PayU continues to win new clients from all over the world.

Business is on the upswing and traffic demands show no signs of slowing down any time soon. But Ricardo is not worried. He knows he can call his Rackspace support team any time for help, advice, or just to bounce around ideas. "Our Rackspace account manager and engineer are really close to us. They are more like friends giving us advice on how to make things better. That friendship means a lot to us."

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## MOVING INTO THE FUTURE WITH A TRUSTED BUSINESS PARTNER

The ecommerce payment space is a rapidly changing technological landscape that requires agile scaling, lightning-fast execution, and frictionless user experiences. But when evaluating service providers, technological benefits alone are not enough. It is important to choose one that understands their clients' needs and provides solutions and support to make sure those needs are met. With Rackspace, Ricardo is more confident than ever of his ability to meet the ever-changing demands of providing online payment services to merchants doing business in Latin America.

"Prior to Rackspace, we couldn't even handle one Black Friday or Cyber Monday season. That was a problem for us, because in Latin America we have five events similar to Black Friday in the United States. Now we can handle those traffic levels without any problem. Because of Rackspace, we expect to grow much faster than we have up to this point."

# ABOUT RACKSPACE

Rackspace (NYSE: RAX), **the #1 managed cloud company**, helps businesses tap the power of cloud computing without the challenge and expense of managing complex IT infrastructure and application platforms on their own. Rackspace engineers deliver specialized expertise on top of leading technologies developed by OpenStack®, Microsoft®, VMware® and others, through a results-obsessed service known as **Fanatical Support®**.

Learn more at [www.rackspace.com](http://www.rackspace.com) or call us at **800-961-2888**.

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