Infusionsoft built its own integrated payments processor using WePay

Infusionsoft.

"Infusionsoft Payments is a big step forward for Infusionsoft. For the first time we're able to offer payments that are tightly integrated into everything we do."

Clate Mask,
Infusionsoft
CEO

Background

Infusionsoft is solely focused on small business and provides one powerful sales and marketing solution. Combining CRM, marketing automation, e-commerce and a payment solution, with a vibrant marketplace of apps, integrations and partners, Infusionsoft helps small businesses scale their sales and marketing and accelerate growth. The company serves more than 33,000 businesses, and is an 8-time Inc. 500|5000 honoree.

Like many platforms serving small businesses, Infusionsoft initially took a more hands-off approach to payments. Rather than offer its own integrated payments solution, it allowed users to connect their existing merchant accounts through a number of payment gateways and processor integrations. When a user didn't have a merchant account, it had a referral agreement in place with a merchant services provider which could provide one after a lengthy underwriting process.

With payments handled by this simple system, the team at Infusionsoft was able to focus on building new features and expanding its user base.

However, as the company grew, it had to add more and more payment gateways to accommodate the range of merchant account providers its users came in with. This very quickly began to grow out of control — at its height, Infusionsoft had 30 payment providers.

This mass of processors created challenges for Infusionsoft:

+   **Consistency of service:** Not every payment provider had the same level of service, complicating support and leading to user confusion.

+   **Multi-system chaos:** One of the main benefits Infusionsoft offers to its customers is its simplicity. Before consolidating marketing, sales, and e-commerce into a single offering, they had to maintain a different software for every workflow.

+   **Sign-up conversions:** Integrating a payment provider, and the redirect this entailed, introduced another step to sign-up. This hurt conversions.

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+ **Market addressability:** Requiring a merchant account up-front effectively limited growth among users who didn't already have a merchant account — a not-insubstantial segment, given Infusionsoft's strong position among businesses with less than 25 employees.

+ **Product extensibility:** Having payments handled by third parties limited Infusionsoft's access to transaction-level data, which hampered its ability to build features that depended on payments.

Implementation

Infusionsoft initially considered building its own payment system in-house to address these issues, but quickly rejected the idea. Although this would give the company the control and the tightly integrated payments experience it sought, it would also prove distracting from work on its core products. Infusionsoft was also reluctant to take on additional fraud risk and operational overhead, as these were something it had previously avoided by working only with merchant gateways.

That's when the team at Infusionsoft discovered WePay. They quickly realized that WePay offered them the best of both worlds: the customizability of a purpose-built, in-house product with the operational ease of having payments handled by someone else.

Beyond the obvious benefits of the technology, the Infusionsoft team was impressed by the partners-first culture that it found at WePay. Even before the two companies had agreed to work together, the WePay team spent a long time getting to know Infusionsoft and understand its priorities. WePay also drew on its own experience in platforms to suggest approaches Infusionsoft hadn't considered and draw attention to opportunities it might otherwise have missed. This stood out compared to other processors Infusionsoft explored, such as Stripe, which didn't feel as partnership-oriented.

Through these extensive conversations, the two companies were able to arrive at a vision for how Infusionsoft could use WePay to build a deeply integrated payments product with numerous advantages for its users, and bring it to market in as little as a few months.

There were some other things that proved attractive as well:

+ **Easy expansibility:** Infusionsoft could piggyback on development work WePay did to adapt to new payments technologies. This would allow it to add support for new payments types and offer its users features like mobile payments and automatic credit card updates without extra development time.

+ **Support integration:** WePay and Infusionsoft would be able to integrate their customer support teams in such a way that WePay could offer seamless tier two support for payment questions. That way, Infusionsoft maintained its customer relationship, and tough payments queries could be handled with less disruption to the businesses Infusionsoft served.

+ **Flexible Pricing:** WePay and Infusionsoft worked out a profit-sharing agreement that allowed

Infusionsoft.

"With the other large processors we talked to, it was all about payment volume and how much business we could give them. It felt like I was trying to sell them on letting us be their customer. But WePay took the time to really listen. They understood the issues we cared about, and they went out of their way to give us answers. From our very first conversation, it was like, 'Whoa, these guys get it.' "

**Zach Vance,
Infusionsoft
Business Development**

the company to profitably offer credit processing at an industry-competitive rate of 2.9% + 30 cents.

+ **A roadmap for the future:** Infusionsoft would be able to quickly bring a product to market while leaving open the option of eventually becoming a payments company itself. The tight integration allowed the company to learn the ropes of payment processing, with the flexible API providing the ability to gradually take on more of the process in-house.

Infusionsoft quickly decided to move ahead with WePay, and was able to complete the integration process in about three months.

Results

The finished product, Infusionsoft Payments, debuted at the company's annual ICON conference in 2015. Infusionsoft Payments allows any Infusionsoft customer to start accepting credit card payments immediately, with a set-up that takes as little as 10 minutes and occurs entirely within the same Infusionsoft interface users are accustomed to.

Once their account is set-up, merchants can immediately accept online payments through Infusionsoft's normal e-commerce portal. And there's even an additional payment feature that wasn't available in the past — the Infusionsoft Reader, an optional mobile peripheral that allows users to capture payments in-person from physical credit cards.

After launch, Infusionsoft immediately began seeing strong user adoption and real business results:

+ Infusionsoft Payments quickly became the No. 1 payment processor choice for new users — more new users sign up for Infusionsoft payments than the other 12 payment processing options combined.

+ The install base grew 60% month over month for the first 6 months, with more than 2,500 businesses signing up and processing more than $7 million monthly.

+ Thanks to its popularity with new users and strong adoption by the existing base, WePay became the No. 2 largest revenue-driver among Infusionsoft partners, outpacing other payment processors that had been in place for years.

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