Building Future-Proof Operations for Cleaning Services

How Wegho established successful payment operations from day one.

switch.

SUMMARY

To create an online platform dedicated to cleaning services and prepare the business for the challenges ahead, Wegho needed to partner with a payment solution provider to handle all the technical integrations and to keep up with their growing needs for the upcoming years.

A long-term partnership with Switch has helped Wegho build a successful payment operation from day one. Wegho can access multiple payment methods through a single API and meet compliance needs effortlessly through prompt customer support.

As Wegho continues to grow, they can rely on a single integration adaptable to their evolving needs.

wegho
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About Wegho

Founded in 2017, Wegho is an online platform created to revolutionize cleaning services by making the sector more equitable while improving its services' quality.

With their own cleaning products, vehicles, and 150 qualified and trained staff, Wegho has already served more than 7.000 Portuguese family homes and companies' offices. Their services include domestic, office, and post-construction cleanups as well as professional disinfection.

Challenge

The cleaning services market is typically informal and lacks social support for the ones working within the field. This makes it harder for cleaning staff to have proper work conditions and deliver maximum quality. Besides, the industry has registered little improvement in these matters over the years and still lacks digitalization. Wegho is here to change that.

Wegho's mission is to counteract the industry's informality and improve service quality by giving adequate work conditions to cleaning workers, providing them with formal contracts, and protecting their rights. Carlos, the founder, decided that the way to go was to launch an online store that would sell cleaning services under a single brand. The platform is a reliable reference for cleaning workers and for customers that can request cleaning services just a few clicks away.

To attract investment to the company, Carlos wanted to present to investors an initial version of the business with a reasonable amount of delivered services and registered sales. Wegho needed to consider all aspects of the operation to deliver a successful model from day one.

> "We carefully thought about our architecture from the start of Wegho. Everything needed to be automatic, from the payments intermediary to the invoice system. None of us is a programmer, so we hired a tech company to develop our platform, and Switch was their recommendation as the payment solution to integrate with."

Carlos Magalhães, CEO at Wegho

The main requirements that led Wegho to choose Switch as a payment solution were the following:

- They didn't have developers in the team, so the integration process needed to be quick and straightforward. From day one Wegho needed a reliable low-code solution.

- To avoid concerns about payment method providers in their payment system. For local methods or credit cards, everything should be integrated within one solution.

- To have an automatic charge process that could save time and effort when managing payments.

- To capitalize from an optimized bank reconciliation process and manage cash balance efficiently.

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Solution

Low code and endless connections.

With Switch, Wegho only needs to integrate a single API to access multiple payment providers and payment methods. A single integration makes it easier for the company to accelerate its payment strategy without hiring payment experts or developers.

Although their initial strategy for payment methods only included international credit cards, Wegho decided to add local payment methods at the very last moment before the platform went live. Because Switch was already integrated with local processors, Wegho didn't need to worry about technical setups with these stakeholders. Switch handled all communications and quickly provided access to local methods which ended up making 80% of the total payment volume.

Long-term fidelity and reliable support.

Switch has been the payment solution for Wegho since their first transaction. The partnership was established more than three years and Wegho recognizes that effective customer support and reliability are two of the most significant assets provided.

> **"During these three years of Wegho existence, we've changed all of our providers. The only one we kept was Switch."**

Carlos Magalhães, CEO at Wegho

> **"We've never had major problems with our payments system. Besides, Switch customer support has always been fast and effective in any issue encountered. You have competent people on your side."**

Rodrigo Trêpa, Head of Product at Wegho

Wegho uses Switch Reconciliation to guarantee and to confirm that there are no constraints regarding the payment system and to confirm that the amount received in their bank account matches the information on the Dashboard. Carlos adds, "There must be 100% trust when it comes to bank reconciliation but, above all, when it comes to payments. We need to trust that we are receiving the right information and that the integration is functioning perfectly."

Achieving PSD2 compliance in advance

Switch also helped Wegho become compliant with the Payment Service Directives (PSD2) – a mandatory regulation in Europe that seeks to make electronic payments more secure – by seamlessly enabling Strong Customer Authentication (SCA). While companies were working to meet the compliance deadline on the 31st December 2020, Wegho already had a compliant payment system since September.

> "It was Switch who anticipated these needs of compliance with PSD2. Otherwise, we would probably miss the deadline."

Rodrigo Trêpa, Head of Product at Wegho

To prepare Wegho to meet the deadlines in advance, Switch handled all communications with Stripe – their payment service provider. It was essential to liaise with Stripe about all the changes needed in integrations, APIs, and payment parameters.

Switch created and enabled a new channel for Wegho to transact compliant payments and only then disable the previous one. This way, Wegho wasn't taking any risk of failures during the transition.

Once Wegho became compliant with PSD2, no changes in payments performance and operations were identified. None of their clients raised issues, nor did the company register declines in acceptance rates which can be a bitter consequence of enabling SCA. Besides, Wegho hasn't had to update any back-office system that is dependent on payments like billing systems, ERPs (Enterprise Resource Planning), or even their website.

Future

The clients of Wegho recognize that their services are superior to the alternatives, that their cleaning products and equipment are of higher quality, and that the staff is competent and experienced. This positive feedback and recognition naturally translated into sales growth, especially in the B2B sector.

Wegho's business clients usually pay for recurring cleaning services by bank transfer, a manual and time-consuming process for both the client and Wegho. But the company has plans to provide its business clients with a frictionless payment experience.
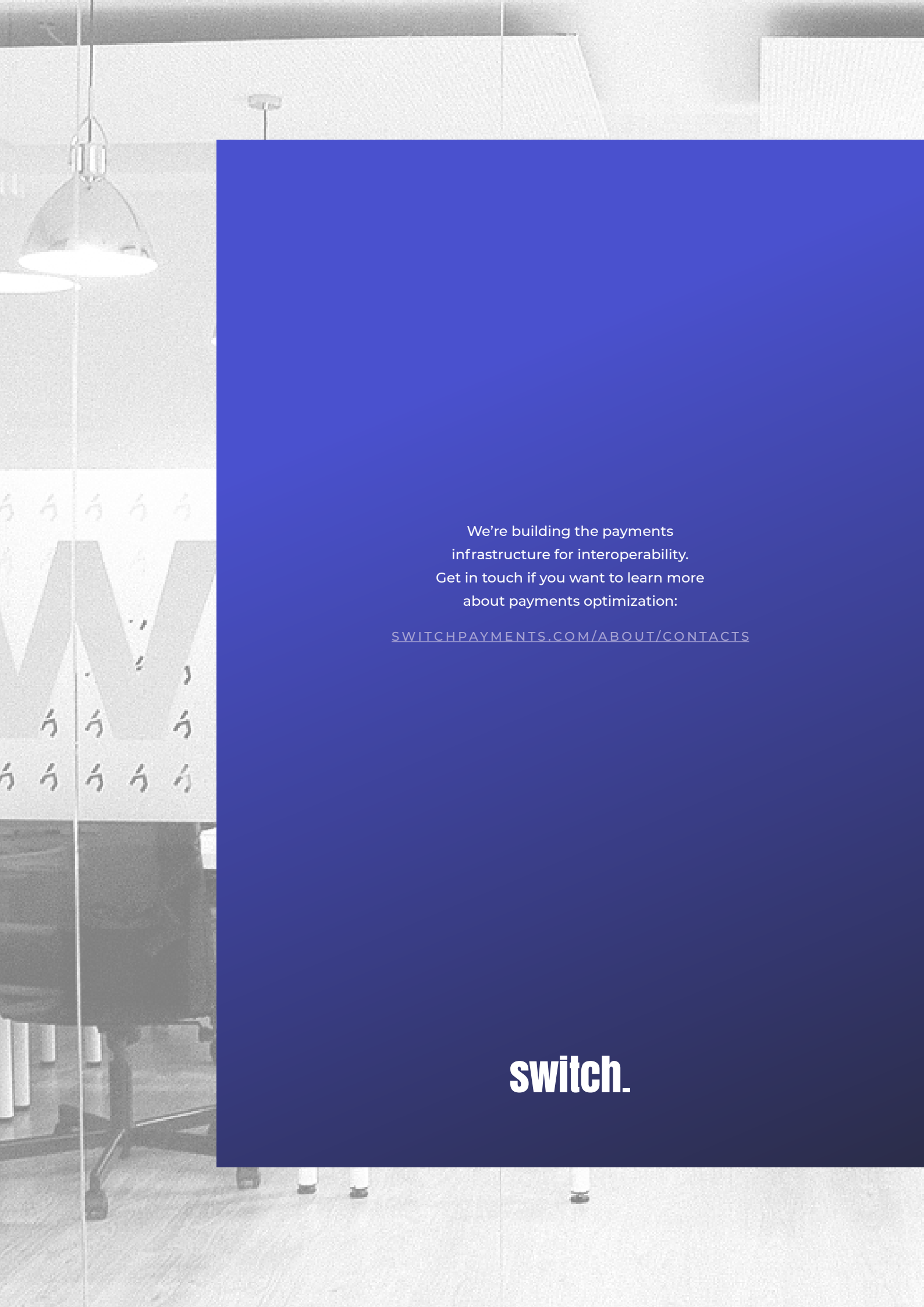
> "For some of our business clients, it would make sense to offer direct debit payment options. Clients wouldn't need to make all the intermediary steps, and we would have the amount automatically on our side."

Rodrigo Trêpa, Head of Product at Wegho

As Wegho keeps growingy, the engineering and customer support teams at Switch will keep in constant contact to guarantee their operations' success and to follow future payment needs.

—— KEY RESULTS

• More than three years of reliability without the need to hire additional technical staff or payment experts.

• Prompt and effective customer support for payment operations without affecting payments performance.

• Wegho achieved PSD2 compliance three months before the European Union deadline without any changes in payment performance.

• Wegho's payment operations are prepared for adding any payment provider or payment method in the future. No more integrations needed.

We're building the payments
infrastructure for interoperability.
Get in touch if you want to learn more
about payments optimization:

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