



Buyagift.com Embarks Upon International Expansion With Savvis' Help

Overview

Buyagift.com has successfully solved the problem of what to give to that person who “has everything”.

Founded in 1999, the premiere UK-based gift experience company offers more than 2,200 experiences, ranging from indoor skydiving, to Ferrari driving, to more traditional spa and hotel breaks. With almost US\$25 million in revenue in 2008, Buyagift.com is growing at more than 20 percent annually. Its Web site attracts more than 600,000 unique visitors per month. It also has more than 3,000 affiliate sites and dozens of third party clients including many prominent retailers. Currently employing more than 60 people, Buyagift.com has recently launched an international expansion initiative beginning with a Paris-based branch, Coolcadeau.

Business Opportunity

As online shopping becomes ever more popular, Buyagift.com has expanded significantly in recent years. In 2008 alone, its Web traffic increased by more than 70 percent. Additionally, most (75 percent) of Buyagift.com's business is transacted during the holiday season between October and the end of December. There are other huge spikes in demand during such holidays as Mother's Day and Valentine's Day that can be as much as 30 percent higher than traffic on a typical day. These spikes bode well for Buyagift.com's business. However, for the IT staff, they were previously also a source of worry: could the firm's outsourced IT infrastructure handle the increased traffic?

Kashif Abbas, head of IT for Buyagift.com, remembered vividly when the Web site was unavailable for two days over Easter weekend — one of the firm's busiest holidays. “I got a call from our hosting provider saying that the Internet connection in the fiber optic network was down, and there was no way to divert traffic,” Abbas said. He estimated that the outage cost Buyagift.com US\$80,000. “We decided right then and there to change our hosting provider,” he said.

Company:

Buyagift.com

Industry:

Gift/Entertainment

Line of Business:

Packages unique and exotic “experiences” as gifts

Target Market:

Consumers and businesses worldwide

Location:

New Barnet, U.K.

Summary:

Buyagift.com, the UK's leading “experience gift” company, needed a managed hosting provider that was high-performing, flexible and understood its business, but also one that could scale its infrastructure capacity up and down as required to meet Buyagift.com's seasonal organizational demands. By choosing Savvis, Buyagift.com was able to cut costs, improve IT department productivity, increase revenues, and establish a foundation for a planned expansion into international markets.

“Our top priorities were scalability and availability,” said Abbas. “We needed to scale up and scale down based on the seasonality of demand, and we needed to avoid the kind of downtime we’d suffered in the past.”

The only infrastructure outsourcing vendor to meet all its criteria was Savvis. “Not many hosting companies actually own and manage their own data centers and network like Savvis does,” said Abbas. “Because of this, we were more confident of its ability to keep our Web site available and high performing under even the most challenging conditions.”

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**- Kashif Abbas
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Solution

Today, Savvis hosts six Buyagift.com online storefronts: its own, plus five “white label” storefronts branded by other prominent retail organizations. Buyagift.com’s flexible managed services contract with Savvis allows it to add servers during peak periods such as Christmas, and to scale back down again during non-peak times. In addition to managing its Web servers, Savvis also provides Buyagift.com with network and security services.

Benefits

The benefits were substantial — and immediate. First and foremost, Savvis works tirelessly to make sure the Web site is secure and available. Additionally, Buyagift.com no longer has to “overbuy” capacity to accommodate the traffic its Web site experiences during peak business periods. “We can scale up and down as needed, which saves us a significant amount of money and time,” said Abbas.

Then there’s business agility. “Previously, provisioning time for a new server was two weeks,” said Abbas. “Today I make just one call to Savvis, and we’re quickly up and running with a fully configured machine.”

Savvis’ support has been exemplary. “Whenever we have problems, Savvis is extraordinarily helpful in finding out the root cause, even if the problem is on our end,” said Abbas. “Rather than just telling us there is an issue with one of our applications, Savvis takes a deep dive and figures out exactly what is going on. This approach is really refreshing.”

As a result, said Abbas, “we consider Savvis an important part of our IT team. Its knowledge and expertise complement what we have in-house.”

Abbas also stressed the importance of having a high-performing network to Buyagift.com’s business success. “The average online customer spends five to 10 seconds on a page, and if that page doesn’t load fast enough, you’ve lost that sale,” said Abbas. “With Savvis’ world-class data centers and network behind it, Buyagift.com has built a fast and responsive Web site, and its conversion rate — turning browsers into buyers — has risen from 1.5 percent to 2.3 percent. When you take into account that we get hundreds of thousands of unique visitors a month, this adds up to significant revenues,” said Abbas.

Savvis has also helped Buyagift.com attract new business customers that want Buyagift.com to build gift Websites for them under their own brand names. “We mention Savvis and the SLAs [service level agreements] it provides, and we don’t have to answer any more infrastructure questions. The fact that we are hosted with such a renowned and experienced hosting provider has helped us win new business.”

Future

Buyagift.com has aggressive plans to expand throughout Europe over the next few years, as they have already done with the French subsidiary, Coolcadeau.com. “As we grow we expect to continue depending on Savvis for all our managed hosting and network needs,” said Abbas. “Going forward, we’ll also be considering new Savvis service offerings, such as Cloud Compute, to drive further efficiencies and cost savings.”

**For more information
about Savvis, visit
www.savvis.net or
call 1.800.SAVVIS.1
(1.800.728.8471).**

EMEA
Savvis UK Limited
Tel +44 (0)118 322 6000

ASIA PACIFIC
Savvis Singapore
Company Pte Ltd
Tel +65 6768 8000

JAPAN
Savvis Communications K.K.
Tel +81.3.5214.0151