![ICB - The Institue of Certified Bookkeepers]

Institute of Certified Bookkeepers Software Review

2016

GoCardless

Company Background

GoCardless Limited was founded in 2011 with offices currently in London. It was founded by Tom Blomfield, Matt Robinson and Hiroki Takeuchi. Their aim: to make it simpler for small businesses to collect Direct Debits payments online.

GoCardless processes over £1 billion worth of transactions per year and with the introduction of European Direct Debit schemes in the past year this figure is sure to grow. GoCardless's mission:-

> "To break down barriers so that businesses can quickly and simply start taking payments from anyone, anywhere in the world."

GoCardless utilises the full social media experience to gain current and potential costumer attention. Having reviewed their social media sites I was pleased to see recent posts and a relatively high frequency of their posts across Twitter, LinkedIn and on their own website via their blog. The website https://gocardless.com/ is visually easy to read and you quickly understand the service on offer. It uses a good mixture of text and images. It is easy to navigate and very quickly you can see where to login/join up.

The Product

GoCardless is a third party company that provides small and large businesses with the facility to accept Direct Debit payments from customers. Generally, a business can only set up as a Direct Debit originator once it is turning over in excess of £1 million and in some banks cases over £10 million. For many SMEs a Direct Debit scheme is simply not an option. GoCardless changes this. The average small business in the UK waits to be paid for more than 43 days AFTER the payment terms. Since "cash-flow" is one of the major contributors to small businesses failing in the first few years of trading GoCardless has an important role to play in this market.

Set-Up

Creating an account was very straightforward and quick - email address, name and password and you're straight into the system. You are then given the option to watch a quick 2-minute video that takes   on you a tour of the system and explains how it works.
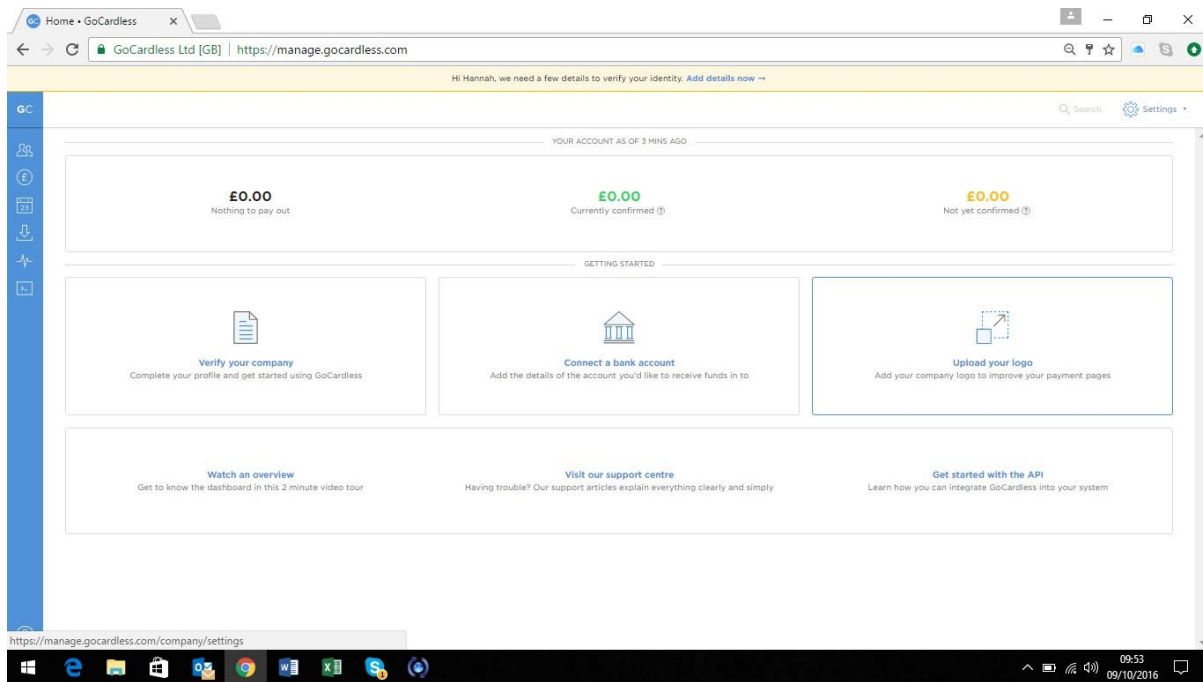
Before I could get started I was required to enter some company information. I entered my name, address and date of birth and then received a message saying that my details had been sent off for verification. The next stage was to enter my company bank details which also have to be verified before any payments can be sent to my account. To verify the account I was asked to transfer £0.01 into a verification bank account (for which I was provided with the account details together with my individual reference for the payment). As a note this verification process can take up to 2 days. Until your bank account has been verified you will see a banner at the top of your dashboard stating the bank account needs to be verified. I then uploaded my company logo so that when my customers open the link they can instantly see that it was my company requesting the Direct Debit.

Once the initial set up had been done it was time to start entering details of my customers.

Customers

From the main dashboard on the left hand side there is a menu, the first option is where you'll find your customers. To get started, click 'add customers' in the top right corner, and choose how you'd like to add them. There are three ways in which you can add/ invite new customers:-

1)   You can copy and paste a link that you can add to your invoices or website.
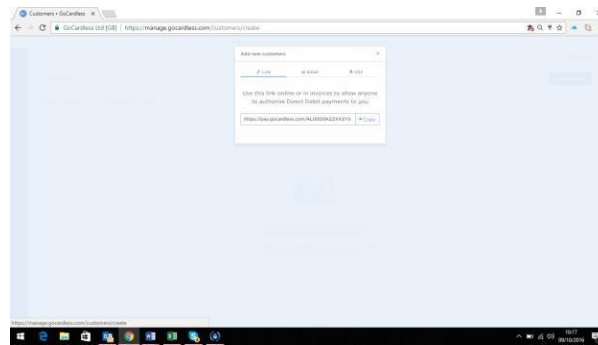
2)   You can email individual or multiple customers with a personalised message.
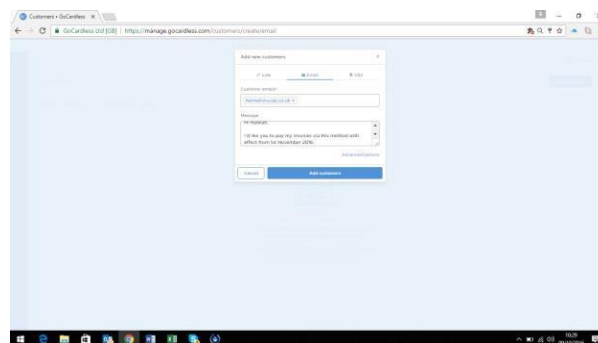
3)   For bulk customer uploads you can download a CVS template file, complete the required fields and upload this back into system. This is a great time saving option if you can export your customer details straight from your accounting software.
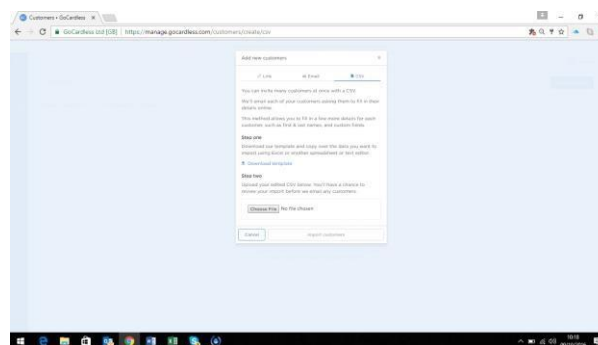
Whichever one of these options above you choose, the client will always be asked to fill in their details online.


When they click on the link your customers will be taken to your personalised page (logo at top of page). They need to enter all their information and once done click "set up Direct Debit". They are then asked to check again that the bank details provided are correct, click "confirm". The customer then receives a message on screen informing them that the Direct Debit has successfully been set up, they then just need to close the web browser.

Once your customer has set up the Direct Debit both you and the client receive a confirmation email.
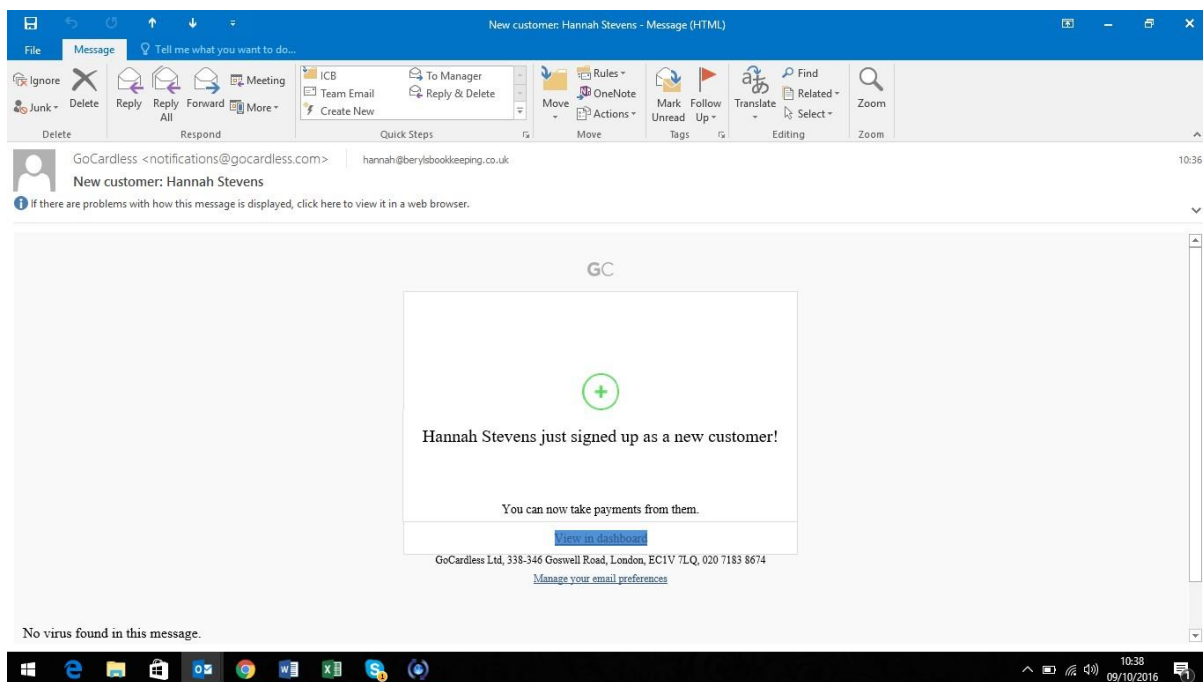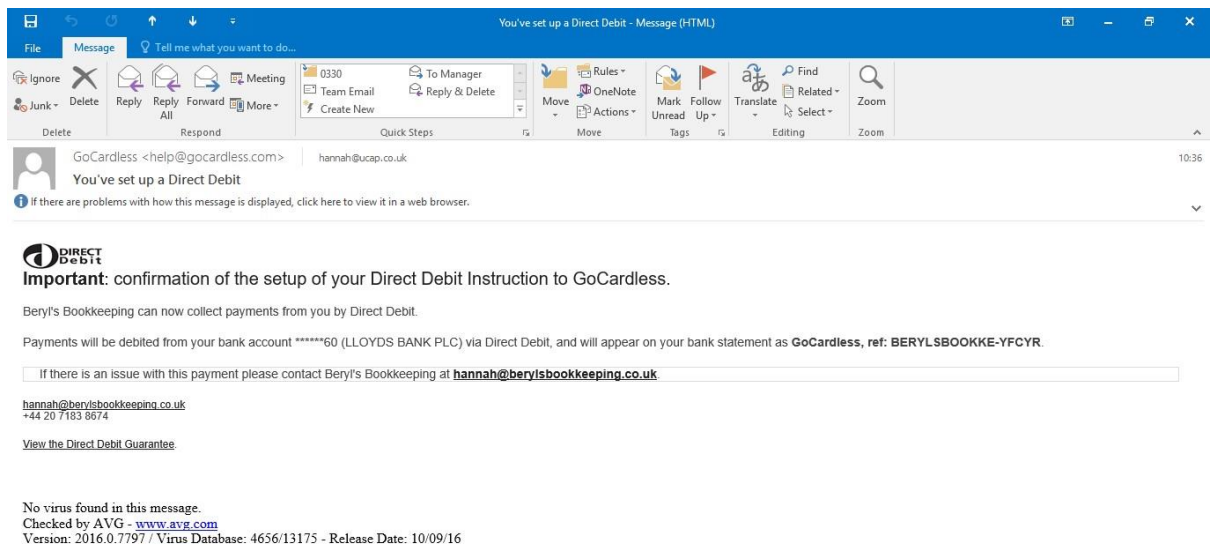
On the main customer homepage, you can sort the view by customers that are active, inactive and those that are pending, i.e. have not yet actioned the link issued. Customers you've invited, but haven't yet signed up will appear under the 'pending' section above. If you have a number of clients that are pending you can click "Remind All" to send a reminder email to everyone.
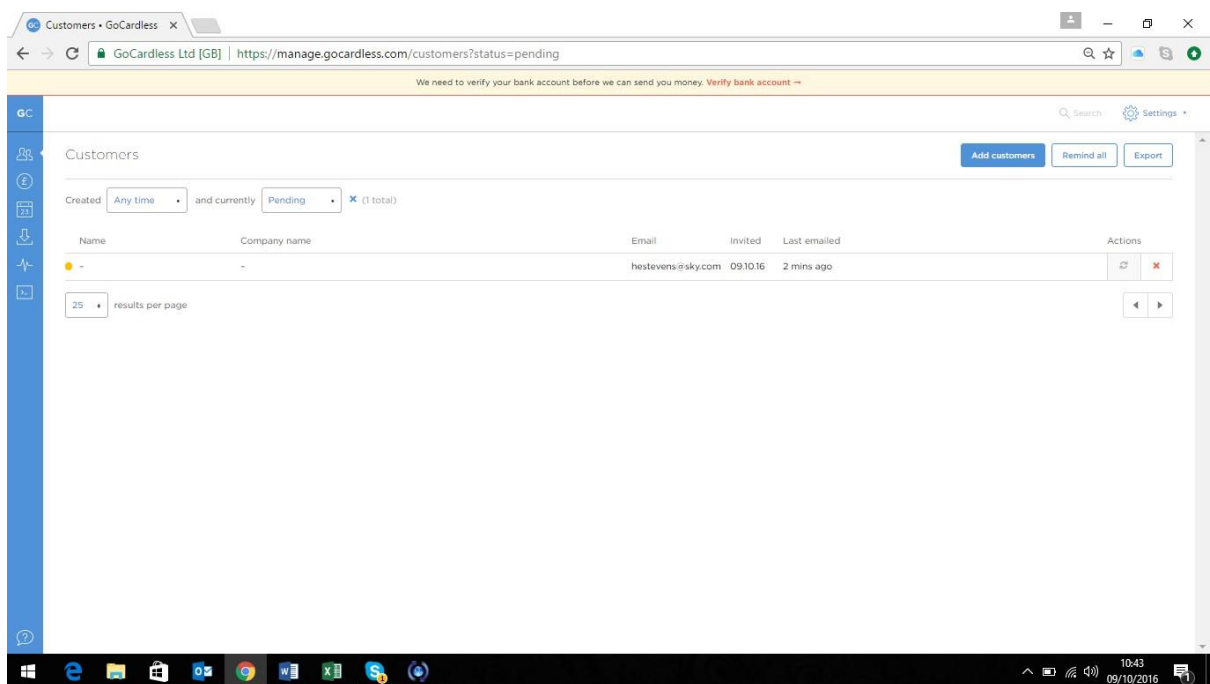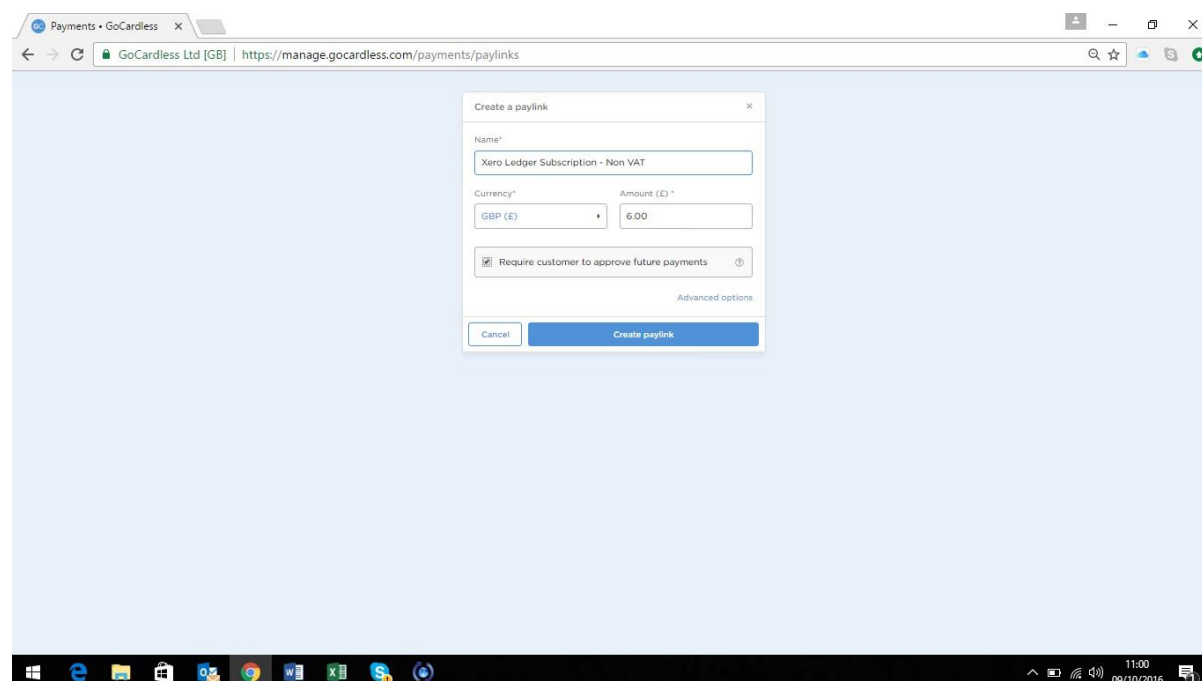

Payments

The next option from the menu on the left of the screen is "Payments". This is where you'll find details of each payment taken.

As I hadn't yet taken any payments, I needed choose a customer to take a payment from by selecting 'Customers' in the main menu or create a plan and let customers sign up to it by putting the link on my website or emails.

I decided first to set up a paylink. Near the top right hand side of the screen click "Paylinks". Paylinks lets you take the same one-off payment from numerous customers. They're great if you're collecting donations, or if you offer your clients a choice from a range of packages at different prices. You can share this link with your customers by displaying them on your website or in emails. So I entered the name of the paylink, selected the currency, amount and if I wanted to give the customer the ability to approve future payments.

Once this is done click "Create Paylink". You'll then be provided with a URL link that you can put on your website or send an email to your customers. When your customer clicks the URL link they will be taken to your personalized page you have already created. Your customer will need to enter all their information and once done click "set up Direct Debit". They are then asked to check again that the bank details provided are correct, and then click "confirm". The customer then receives a message on screen informing them that the Direct Debit has successfully been set up, they then just need to close the web browser. Once your customer has set up the Direct Debit both you and they receive a confirmation email.

Plans

This is where your payment plans live. To get started, click 'Create plan' in the top right corner. You can add existing (or invite new) customers to plans. You then enter the name of your plan, select the currency, enter the amount to be taken and select on what basis the payment is recurring, i.e. weekly, monthly or yearly. You can set up the plan to continue taking the Direct Debits until a set date or until further notice.
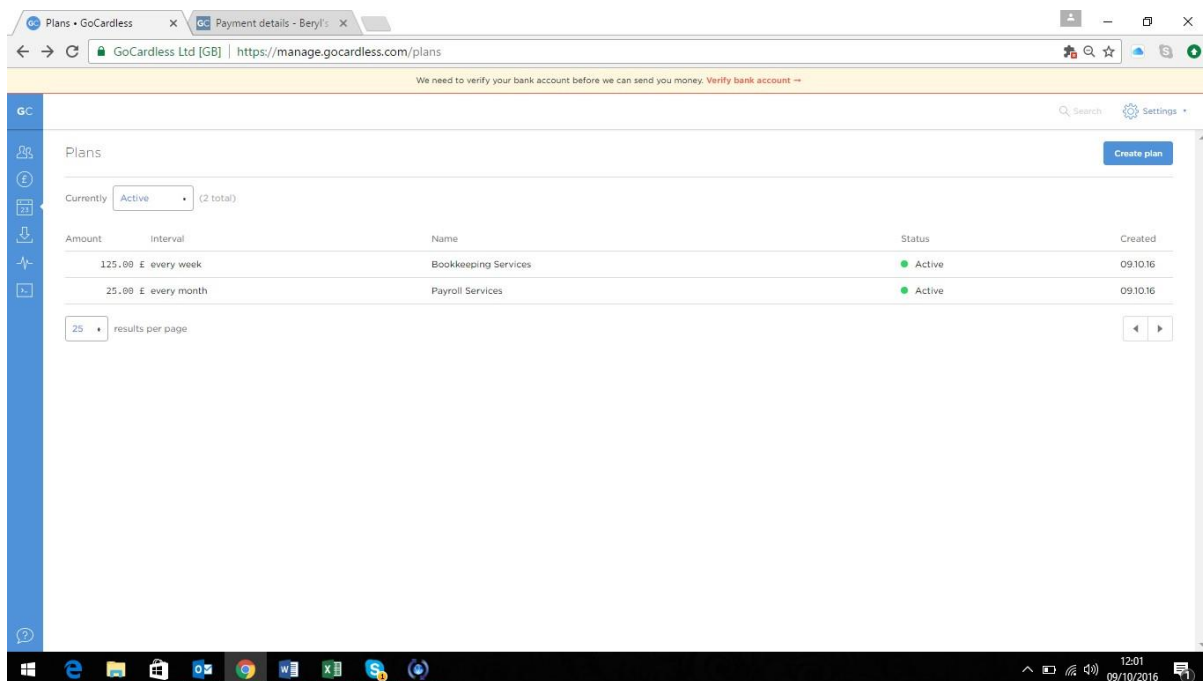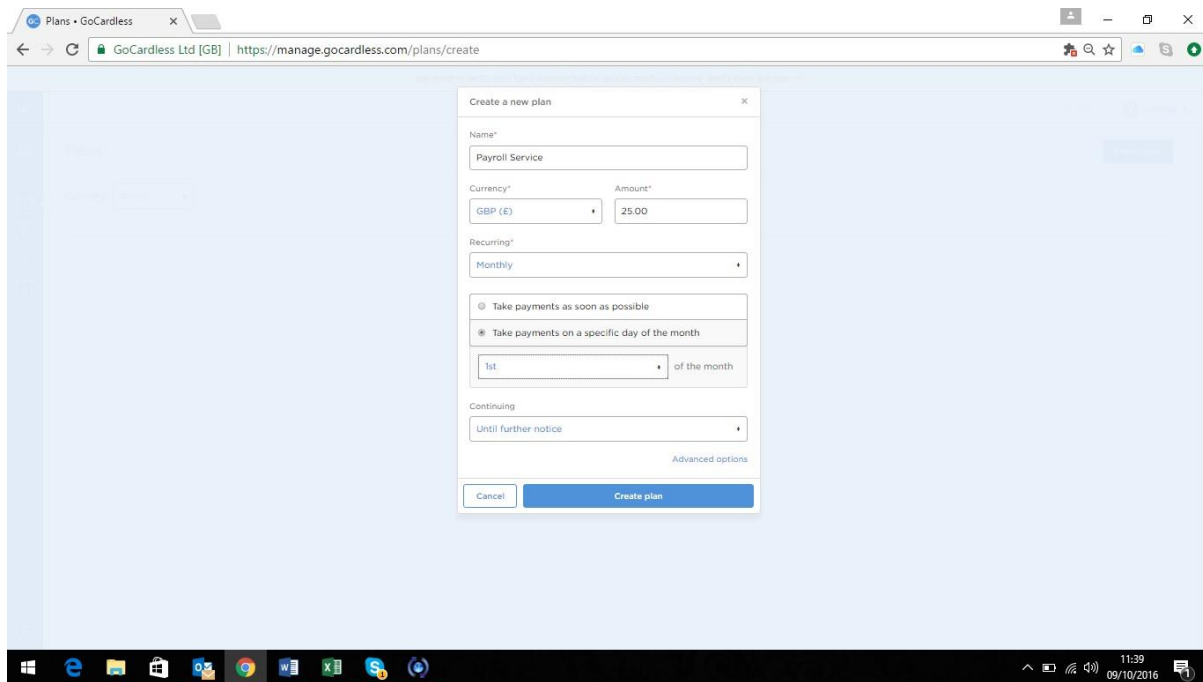
Once the plan is set up and is listed on the main "Plans" screen you can click into the plan and invite new customers into the plan and also see details of customers you have invited in but have yet to confirm or customers that are pending.
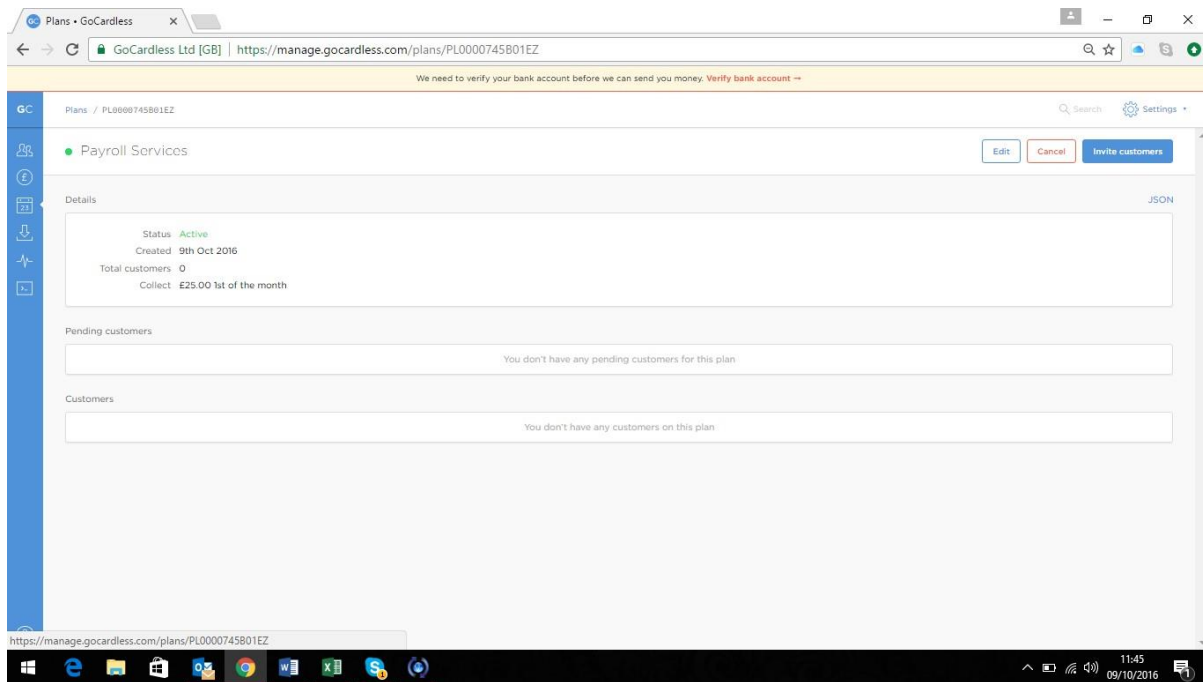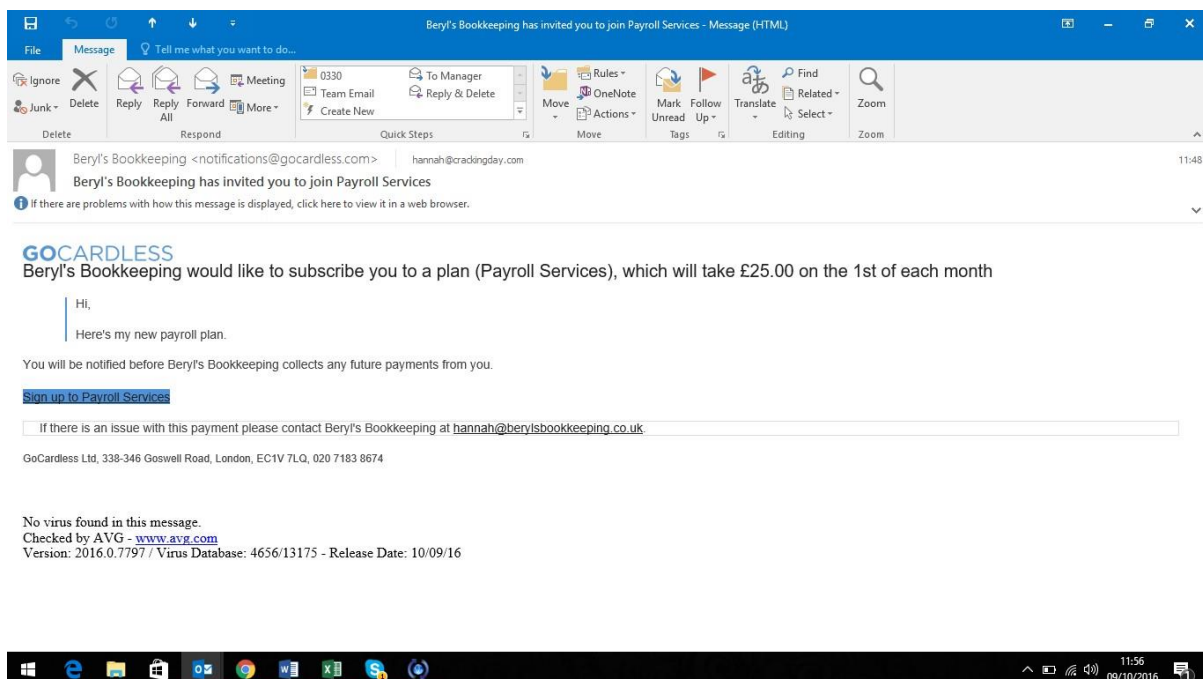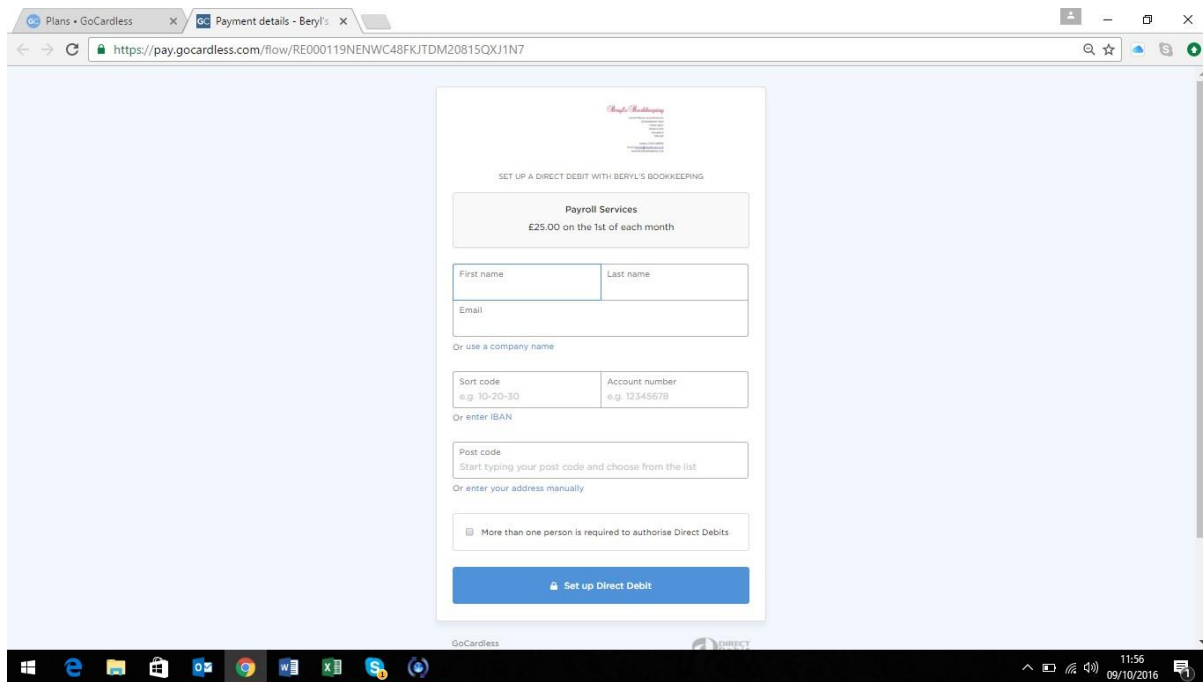
Near the top right hand side of the page click "Invite Customers", to be provided with a URL link that you can put on a website or send in an email to your customers.
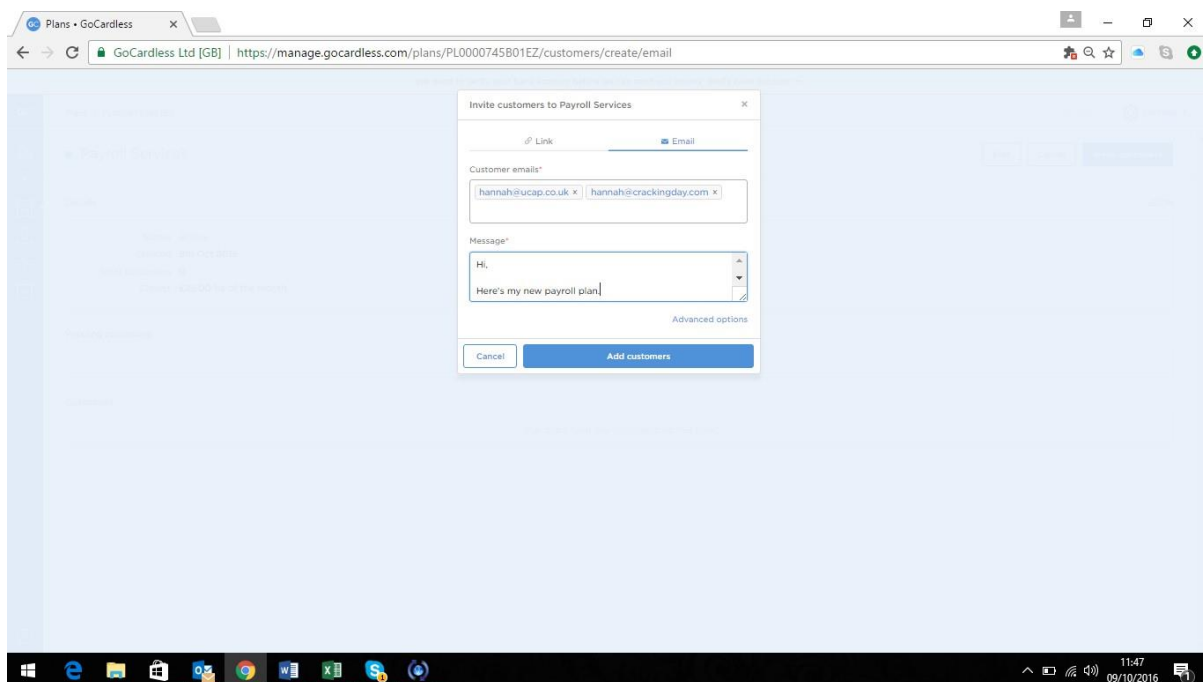
When the URL is clicked your customer will be taken to your personalised page and asked to set up the Direct Debit (see page 7).

Payouts

This is where you'll be able to see the money that has been paid to you. To receive payouts from GoCardless you have to ensure you have added at least one customer, taken at least one payment from them and added and verified your bank details. As my bank details hadn't been verified at the point when writing this review, I wasn't able to test this function.

Events

In this section users can see events that have been created. An event is created when something happens such as a payment being confirmed or a mandate successfully transferring.

Benefits & Strengths

☺ Cloud-based system, allowing access anywhere, anytime via any internet connected device.

☺ Automated payment collections reduced admin time for businesses, and further helps in reducing businesses costs.

☺ Helps businesses improve cash-flow by being paid on time, every time.

☺ It is free, easy and simple to set up an account.

☺ Users are able to set up multiple users per account but also able to customise their access rights and permission levels. Perfect for a bookkeeping team.

☺ Online dashboard, helping businesses to keep up-to-date on the status of all payments.

☺ Continual email communication from the system, meaning you don't have to log in all the time to check customer/payment statuses.

☺ System can be used for one-off or recurring payments.

☺ Comprehensive support guides available on-line for all aspects of the system.

Considerations & Weaknesses

☺ When viewing the "Customers" home page it would be beneficial to have the option to view *all* customers regardless as to whether they were, active, inactive or pending.

☺ When inviting customers to plans or one-off payments it would be good to see the option to be able to multi-select customers' email addresses that have already been entered into the system rather than having to re-type them.

☺ Direct Debit payments do not instantly clear like card transactions. When setting up a new mandate its takes around 4 working days for it to be in place before the money is taken. Therefore this system may not be an option to businesses who require funds to be instantly cleared.

☺ Once payments have been taken from customers' accounts the funds are held in a client account of GoCardless for 2 working days before being sent to your bank account, so again this system may not be an option to businesses who require funds to be instantly cleared and available.

Value for Money

GoCardless offers two price plans. With easy to understand transaction fees, capping and no hidden costs you always know where you stand. They never charge for set-up, implementation or chargebacks they don't even charge a fee when a Direct Debit has failed.

I feel that the price for this service is fantastic value for money. The majority of card merchant service providers charge anything upwards of 1.5% per transaction with the added cost of set-up, implementation and rentals charges if using a PDQ machine.

Testimonials

There are many favourable testimonials available to read via their website (https://gocardless.com/stories/). There are also many available from independent websites such as

https://uk.trustpilot.com/review/gocardless.com and http://www.reviewcentre.com/Online-Payment-Systems/Go-Cardless-www-gocardless-com-reviews_1740772.

Summary of Review

I have to say I am hugely excited after having seen this system. Not only in terms of how it can help me and my business but also that of many of my clients. At present I am paid by my clients via standing orders. These standing orders either have to be set up by the customer themselves in branch or via their online banking system or by me producing a standing order mandate. If I provide the standing order I have to post this out to the customer, wait for it to be signed, returned and then have to take the form down to my local branch of their bank. All of these options are very time consuming for myself and my customer. Using GoCardless puts the business owner in the driving seat of instigating these payments. Meaning no more customers saying, "I've put the mandate in the post" and it never arrives or "'I've just not had time to go to the bank to set up the standing order".

GoCardless is a system that is very easy to understand, implement and use. Whether you want to collect payments from one customer or 100s; it really is very simple.

The future looks very bright for GoCardless, the concept and software is great, very well priced for the service on offer, an all-round attractive product and one I am sure to be recommending to my clients.

I have been hugely impressed with this product and can see that GoCardless's presence in the UK market has every potential to grow as well as internationally.

Disclaimer

The Institute of Certified Bookkeepers having reviewed GoCardless software package cannot be held responsible in any way for the actions of the company or their software. This review is merely an unbiased overview of the software package as at October 2016. Any enquiries should be directed to GoCardless.