



# Xero

Sumo Logic delivers a scalable log analytics platform for Xero that supports the company's fast growth and rapid pace of innovation

## Overview

### Company

- Xero

### Industry

- Financial Services

### Headquarters

- Wellington, New Zealand

### Size

- 2,000+ Employees

### Use Case

- Operations
- Security

## Business Challenge

Xero is a fast growing, global, small business accounting platform with over 1.3 million subscribers in over 180 countries. To keep pace with its growth, Xero revamped its product architecture and migrated its infrastructure to Amazon Web Services (AWS). Shifting from its existing on-premise log management solution to Sumo Logic's cloud offering delivered predictable cost and performance for analytics within Xero, as well as a flexible ingestion platform for logs from new AWS services.

## Solution

Xero turned to Sumo Logic's born-in-the-cloud log management solution to dramatically speed up its ability to derive value from tremendous quantities of machine data. The migration to AWS resulted in a 5x increase in log volume and 3x increase in the number of log types – all within the first six months. Sumo Logic's platform could scale easily to handle this growth, providing

predictable performance and cost even with the ingestion of hundreds of GB of log per day.

Sumo Logic also proved itself to be a flexible platform that can easily ingest data from AWS services and other cloud sources. Ingesting logs from new sources no longer became a barrier to innovation for Xero's developers.

## Results

- A modernized log ingestion and processing environment that scales with Xero's rapid growth - typically 5-10 percent increase in log volume per month.
- Actionable intelligence - delivered in real-time – to users in the entire organization
- Xero's developers and operations can easily ingest new types of logs from AWS services, containerised applications and third parties

With more than 2,000 staff members distributed across 17 offices around the



world, [Xero](#) is a leading provider of cloud-based accounting software on a mission to rewire the small business economy. The company's customer base has continued to grow exponentially over the last decade. It has an ecosystem of 100,000 advisors and more than 600 certified apps that extend the product features through the Xero API. Xero encourages innovation via small, highly autonomous agile teams and is strongly focused on continued growth.

Xero's cloud accounting platform generates massive amounts of log data, and a reliable, responsive log search platform is essential to both developers and operations.

Xero had employed an on-premise Splunk log analytics solution for many years but the system was struggling to cope with exponential growth of logs from Xero's subscriber base and the number of internal search users. Longer data retention required for audit purposes added additional pressure on storage cost. In 2016, after a year of adding nodes and storage that could not keep pace with growth in demand, it was clear that scaling the existing system further required a complete rebuild with a fully clustered solution which would significantly increase cost.

At the same time, Xero was migrating its platform to Amazon Web Services (AWS) and introducing new technologies and microservices into their platform. It was key that the new system fostered innovation by making it easy to ingest new log types - as well as solve the challenge of expected log growth.

**"Over a 12 month period we tripled the size of our existing log analytics nodes and storage but our company's phenomenal growth meant that we were still at peak load for this platform. The overloaded system negatively impacted users: log ingestion times were unpredictable, and search performance was poor."**

Rick Jury, Team Leader, Tools and Automation, Xero

Xero chose to migrate to Sumo Logic because its cloud-native, multi-tenanted architecture provided the elastic scalability necessary to keep up with the company's projected growth. In addition Sumo Logic's cloud platform delivered a platform that made it easy to ingest

logs from new AWS services, serverless applications and other cloud providers. The migration went quickly: 90 percent of log migration was carried out in just 30 days.

Sumo Logic's immediate impact was to introduce a degree of predictability into what had devolved into a chaotic environment, delivering benefits such as:

- **Predictable search performance.** Prior to Sumo Logic, Xero's users were frustrated by slow search performance and insufficient search capacity. Sumo Logic delivered a massive increase in the resources for users' real time and ad-hoc searches and dashboards. Search concurrency is no longer an issue and users enjoy consistent search performance.
- **Predictable time to ingest logs.** Before the Sumo Logic deployment, ingestion lag had been variable - sometimes exceeding 10 minutes in peak times. This impacted search users as results could be incomplete, and troubleshooting delayed. Today, all logs – whether from .NET, AWS, or application sources – are available with a consistent ingestion time.
- **Predictable cost to scale infrastructure.** With a fast growing customer base and fast release cadence for new features, Xero's log analytics platform needs to scale by 5-10 percent every month - which more than doubles ingest volume per year. This rate of growth is challenging to manage in an on-premise system that must be provisioned for peak load - incurring significant hardware, software, and personnel costs. In addition, adding capacity often requires architectural changes. By switching to Sumo Logic's cloud solution, Xero is able to scale log analytics volume using a utility model and easily forecast the cost of future log growth.

Sumo Logic usage has continued to expand, with the number of search users growing from 300 in 2015 to over 800 in 2018. Xero has entrusted Sumo Logic to assist in numerous vital scenarios, including:

- **Innovation:** Xero's software developers and operations groups are now able to integrate and search dozens of new log types generated by the AWS services that underpin enhanced product features and microservices.
- **Problem resolution:** Sumo Logic is at the heart of issue detection and correction for a wide spectrum of users such as developers, platform support and site reliability engineers, security staff, and the customer experience team.
- **Scalability:** Thanks to its predictable performance and cost of log ingestion, Sumo Logic has provided the ability to run workloads at ever-increasing scale.



Sumo Logic has earned its position as a fundamental element of Xero's technology stack. Going forward, it will continue to carry out its critical responsibilities in support of the company's daily operations.

## About Sumo Logic

Sumo Logic is the leading cloud-native, machine data analytics platform that delivers continuous intelligence across the entire application lifecycle and stack. More than 1,600 customers around the globe rely on Sumo Logic for the analytics and insights to build, run and secure their modern applications and cloud infrastructures. With Sumo Logic, customers gain a service-model advantage to accelerate their shift to continuous innovation, increasing competitive advantage, business value and growth.

Founded in 2010, Sumo Logic is a privately held company based in Redwood City, CA and is backed by Accel Partners, DFJ, Greylock Partners, IVP, Sapphire Ventures, Sequoia Capital and Sutter Hill Ventures. For more information, visit [www.sumologic.com](http://www.sumologic.com).