

Case Study - IDC & Managed Hosting

The Client

Hyderabad based Zen Securities Limited (ZSL) is one of the leading financial services companies providing Financial and Investment related Services and Products.
Url: <http://www.zenmoney.com>

Industry

BFSI

Business Case

When its customers started demanding an online trading facility, Zen decided to start this initiative for an enhanced customer experience. However, providing an online trading facility meant that Zen needed a highly available IT infrastructure with a burstable bandwidth to accommodate the increase in traffic to for this activity. The company knew that providing such a facility to its customers will put additional burden on its IT department resources.

Zen wanted its internal IT team to focus on other core business issues rather than managing the IT infrastructure, hence, it decided to partner with a managed IT hosting service provider.

Solution

Netmagic's datacenter hosting services

“ We did not want to deal with any technical headaches. In addition, we plan to roll out new services like futures trading, currency deliverables and mobile trading. That is why we decided to go in for a reliable hosting partner and chose Netmagic. ”

Mr. Phani , Head of IT, Zen Securities Limited

Zen's online trading volume increases exponentially with dedicated hosting services from Netmagic

Zen Securities Limited (ZSL) is among the leading financial services companies in Hyderabad offering Financial and Investment related services and products. ZSL started operations in 1986 and today has a strong customer base of 50000 customers across India. Some of the services offered by ZSL include Investment advisory services; trading in cash market of NSE and BSE; trading in Futures and options on NSE and BSE; internet trading in Stocks, Futures and Options both in NSE and BSE; trading in commodities on MCX and NCDEX , portfolio management and other financial services . Once ZSL started catering to customers from the farthest corners of India, customers started requesting online trading facilities for easier trading. ZSL had to build the entire technology, right from the foundation. Were they successful? How did Netmagic fit into the scheme of things?

Business Scenario

Until early 2008, Zen Securities operated through its various branch offices in A.P., Maharashtra, Karnataka and West Bengal. Soon their customers sought an online trading facility for a smoother business experience. When more and more customers requested for this, ZSL decided to venture into this initiative in mid 2008.

However, sustaining a high volume of trading on the portal required a highly available IT environment with state-of-the-art infrastructure and bandwidth connectivity. As Zen wanted its internal IT team to focus on other core business issues rather than managing the IT infrastructure, hence, it decided to partner with a managed IT hosting service provider. There were other challenges as well:

- ZSL's connectivity servers are connected to the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). Therefore, the required bandwidth was high and could not be monitored on a 24X7 basis
- Online trading brings in regulatory and compliance issues such as maintaining back-ups of all trading data for three years. ZSL could not have met these mandates on time without an able hosting provider.
- ZSL's internal IT team had to focus on building its own back office application, and hence, managing and monitoring critical servers internally would have been a tough job

After a careful analysis of the underlying issues, ZSL chose to partner with Netmagic for their datacenter hosting services and opted for dedicated hosting of its nine servers at Netmagic's datacenters.



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Key Benefits

- Significant cost benefits as a result of low capital investment on IT infrastructure and hiring of resources to manage the same
- High availability of IT infrastructure and 99.99% uptime for their portal ensured a consistent customer experience
- Higher bandwidth connectivity led to increased performance levels of the online trading portal
- Quick turnaround time and improved responsiveness to queries
- Improved performance levels as a result of 24x7x365 end-to-end network management and monitoring

Value Proposition

To ensure a seamless migration to Netmagic's datacenter, ZSL immediately formed an IT team, headed by Mr.Phani. This team supervised the seamless migration to the new infrastructure and financial software. Netmagic's solutions for ZSL included:

- Dedicated hosting of nine servers at Netmagic's datacenter
- Server hosting and firewall protection
- Oracle database administration services
- Setting up of platform and purchase of licenses
- Back up and guaranteed uptime
- Bandwidth and 24X7 connectivity

Key Takeaways

ZSL's trading volumes have increased rapidly since the online trading facility was launched in June 2008. The bandwidth connectivity problem with the NSE has been successfully resolved by Netmagic. Netmagic has also been able to resolve the slow access to the ZSL site, (especially faced by BSNL customers,) through alternate routing.

Says Mr.Phani, Head-IT, ZSL, "Engaging with Netmagic was a good springboard to go forward with our company plans. A lot of technical issues were solved with their help. Their service level is good and they have delivered beyond our expectations. We will continue to partner with them for our future initiatives as well."

ZSL has measured tangible benefits through this partnership. These include:

- Significant cost benefits as a result of low capital investment on IT infrastructure and hiring of resources to manage the same
- High availability of IT infrastructure and 99.99% uptime for their portal ensured a consistent customer experience
- Higher bandwidth connectivity led to increased performance levels of the online trading portal
- Quick turnaround time and improved responsiveness to queries
- Improved performance levels as a result of 24x7x365 end-to-end network management and monitoring
- Cost savings on new ILD licenses since connections are automated to hosted datacenter

