

Getting the Fix on Trading Application Latency With NETSCOUT

Improved Visibility Returns Brokerage Performance to Reliable, SLA-Compliant Levels

OVERVIEW

The Challenge

- Microbursts causing latency in trading application and generating customer complaints & SLA compliance issues
- IT tools unable to visualize root cause

The Solution

- nGeniusONE® Service Assurance platform
- NETSCOUT® InfiniStreamNG® appliance
- nGenius® 5000 series packet flow switch supporting 100GbE deployment
- nGenius Visibility as a Service

The Results

- Improved trading performance for customers and SLA compliance
 - Sustained respect & confidence in their institutional brand integrity
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Customer Profile

This brokerage and securities company offers portfolio management, market data, and connectivity solutions to their customers.

In recent years, the company has grown both organically and through acquisition, further diversifying the financial services and technology solutions provided to individual clients, institutional investors, and business customers.

The Challenge

The company's brokerage business has well-established service level agreements (SLAs) that govern the trading solutions provided to investors, including the applications used to precisely execute split-second transactions free from performance latency.

Unfortunately for the information technology (IT) team managing this technology environment, several customers experienced just those types of trading application performance lags, which were especially challenging when executing pre-market or after-the-bell transactions. Further, certain customers encountered similar performance issues over and over.

In response, the IT team used their in-house vendors tools to identify these instances as "microbursts" occurring during top trading timeframes ranging from 8-to-8:10 a.m. and 4:50-to-5 p.m. In the capital markets world, these precise timeframes are very important to traders – if they try to buy or sell at a specific price and trading application latency causes them to execute a higher or lower price, this can cost a customer tens of thousands of dollars.

While these microburst instances impacted just a handful of customers, this was a months-long problem that eluded IT resolution, with legacy vendor toolsets unable to provide visibility needed for consistent monitoring, root cause analysis, or mean-time-to-repair (MTTR) activities.

With this issue eventually resonating at the executive level, this was a project that needed to be “done yesterday” for the responsible line of business (LOB).

Solution in Action

NETSCOUT provided the company's IT team with an answer to their trading application visibility, monitoring, and troubleshooting challenges, with this solution including the following:

- nGeniusONE Service Assurance platform, incorporating integrated service dashboards for real-time monitoring of the brokerage environment and specialized Trading Monitor and Market Data Feed Monitor analytics, was deployed to identify the root cause of microbursts and ensure the continuous delivery of company information and services satisfactory to all investors.
- A “Visibility Without Borders” approach that closed application, network, and data center operations blind spots with InfiniStreamNG (ISNG) and Packet Flow Switch (PFS) data sources installed at the primary data center to provide views into their 10GB network links, while offering capacity to support a planned move to 100GB speeds.
- nGenius Visibility as a Service (nVaaS) consulting resources that escalated NETSCOUT solution deployment in the company's environment, including executive-level dashboard views customized to provide relevant real-time views into trading application performance to ensure service delivery was meeting customer SLAs.

With this technical approach, the IT team was provided with the means to visualize trading application performance, including FIX, ITCH, and OUCH, as well as the root cause of latency that had been experienced by traders over the preceding months.

Beyond technology solutions, however, using nVaaS to operationalize the nGeniusONE solution across IT operations distinguished the NETSCOUT solution from other vendor approaches, one of which had recently been discarded by leadership due to its visibility and application monitoring limitations.

With nVaaS leading solution deployment, the company's executive leadership and IT resources had easier access to relevant views and analytics and quicker returns on investment, including:

- Coordinating an nGeniusONE solution design in advance of rollout that factored the company's network footprint and cost containment goals, which in turn resulted in an implementation that satisfied the LOB's concerns to get the solution deployed in an efficient manner.
- Immediately designed views and reports into trading application environment that could be shared with “C-level” company executives, something the IT team had previously been unable to generate with legacy vendor toolsets.
- Designed proactive monitoring of company's trading network environment, with proactive alerts used to highlight emerging situations (e.g., latency instances, application performance issues) possibly requiring IT's attention.

The Results

When such microbursts occur over large-scale transactions, they can be financially injurious to thousands of investors, as well as the public perception of brokerage business and the company's balance sheet as a whole.

The company's decisive action on selecting nGeniusONE and the consultative nVaaS deployment approach enabled IT to identify root cause of its trading application latency and restore broker services to reliable levels. Further, the NETSCOUT solution helped the IT team avoid SLA penalties, while enhancing respect and confidence in the company's brand across the capital markets industry.

LEARN MORE

For more information about NETSCOUT's Trading Service Performance Assurance for Capital Markets solutions, visit:

<https://www.netscout.com/solutions/trading-service-capital-markets>



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