



# **SNS COLLEGE OF ENGINEERING**

Kurumbapalayam (Po), Coimbatore – 641 107

**An Autonomous Institution**

Accredited by NBA – AICTE and Accredited by NAAC – UGC with ‘A’ Grade  
Approved by AICTE, New Delhi & Affiliated to Anna University, Chennai

**DEPARTMENT OF COMPUTER SCIENCE AND ENGINEERING(IoT and  
Cybersecurity Including BCT)**

**COURSE NAME : cloud service management**

**IV YEAR / VII SEMESTER**

**Unit II-**

**Topic : Pay Per Reservation**



## What is pay per use in cloud computing?

Pay-as-you-use (or pay-per-use) is a payment model in cloud computing that charges based on resource usage. The practice is similar to the utility bills (e.g. electricity), where only actually consumed resources are charged.

Pay Per Reservation" is a pricing model used in cloud computing services where users can commit to using a certain amount of resources (such as virtual machines, storage, or other services) for a specified duration in exchange for discounted rates compared to on-demand pricing.

Here's how it generally works:

### **Reservation**

**Commitment:** Users commit to a specific amount of resources (like instances or storage) for a fixed term (often in hours, days, months, etc.).

**Discounted Rates:** In return for this commitment, cloud service providers offer discounted rates compared to their regular on-demand pricing.

**Flexibility:** Users gain the benefit of reserved capacity while having some flexibility in how they utilize the resources within the reservation period.



## Pay Per Use within Reservation



**Billing:** Users are charged based on the resources they consume within the reserved capacity during the reservation period.

**Advantages:** This model allows for better cost predictability and cost savings compared to pure on-demand pricing for the same resources.

### Considerations

**Commitment Level:** Users need to accurately assess their resource needs to make the most out of the reservation and avoid overcommitting.

**Unused Reservations:** If users overestimate their needs or don't fully utilize the reserved resources, they might end up paying for unused capacity.

- This model is beneficial for businesses with predictable workloads or steady resource usage patterns. It allows them to save costs by committing to resources in advance while retaining some flexibility in usage within the reservation.
- Different cloud service providers might have variations in their reservation models and offerings. It's essential for users to carefully evaluate their usage patterns and compare pricing structures before committing to any reservation.