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

Pay Per Reservation:

Concept:

Definition: Pay Per Reservation involves committing to a specific amount of resources (like instances, storage, etc.) for a fixed term in exchange for discounted rates.

Usage: Users commit to a set quantity of resources for a defined period, paying based on the reserved capacity rather than actual usage.

Characteristic: The cost is determined by the capacity reserved, offering cost predictability and potential discounts compared to on-demand pricing.

Applicability:

Use Cases: Ideal for predictable workloads where resource needs are relatively consistent and can be forecasted accurately.

Benefits: Offers cost savings for businesses that can commit to a certain level of resource utilization over a defined period.

Pay per User:

Concept:

Definition: Pay per User is a pricing model where the cost of using a service or software is based on the number of users accessing it.
Usage: The pricing scales with the number of users actively using the service or software.
Characteristic: Each additional user incurs additional costs, and the total expense depends on the number of users availing the service.

Applicability:

Use Cases: Commonly applied in Software as a Service (SaaS) or subscription-based models where users pay for the number of individuals accessing the service.
Benefits: Offers scalability in pricing based on the number of users without necessarily relating to the resources used within the cloud infrastructure.

Key Differences:

Basis of Cost Calculation:

Pay Per Reservation: Cost is based on the reserved capacity, irrespective of actual usage within the reservation.

Pay per User: Cost is determined by the number of users actively utilizing the service or software.

Usage Focus:

Pay Per Reservation: Focuses on resource commitment and reservation for a defined period.

Pay per User: Focuses on the accessibility and usage of a service by individual users.

- While these models can operate independently, they can also intersect. For instance, a business might reserve a set amount of cloud resources (Pay Per Reservation) and then pay additionally based on the number of users accessing applications or services running on those reserved resources (Pay per User).
- Understanding the nature of resource utilization and user access helps businesses choose the most suitable pricing model or a combination thereof to optimize costs within cloud computing environments.