



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 : Cloud service Charging



In cloud computing, charging, or more commonly known as billing or pricing, is a crucial aspect of the service. Cloud service providers offer various pricing models to accommodate different user needs and usage patterns. Here are some common charging mechanisms:

Pay-As-You-Go (PAYG): This model charges users based on their actual usage of resources like computing power, storage, and bandwidth. It's flexible and beneficial for businesses with fluctuating workloads as they only pay for what they use.

Reserved Instances: Some cloud providers offer discounted pricing if users commit to using a certain amount of resources for a specified duration, usually in the form of reserved instances or commitments. This model can provide cost savings for predictable workloads.

Spot Instances: These are unused computing resources that providers offer at a significantly reduced rate. However, they can be terminated by the provider if the resources are needed elsewhere. It's a cost-effective option for non-time-sensitive tasks.

Subscription-based Pricing: Some services are offered on a subscription basis, where users pay a regular fee (monthly or annually) for access to certain features or a set amount of resources.



Tiered Pricing: Providers often offer different tiers of service with varying levels of features and resources at different price points, allowing users to choose a plan that best suits their needs.

Metered Billing: Charges are calculated based on usage metrics, such as the amount of data stored, the number of API requests, or the duration of resource usage.

Free Tier and Trials: Cloud providers often offer a free tier or trial period to attract users. This allows users to explore and test the services before committing to a paid plan.

Understanding the charging model is crucial for businesses to optimize costs and resource utilization in the cloud. Many providers also offer cost management tools and analytics to help users monitor and control their spending.

