

Amazon case study 2

Business



AmazonCase Study 1. What technology services does Amazon provide? What are the business advantages to Amazon and to subscribers of these services? What are the disadvantages to each? What kinds of businesses are likely to benefit from these services? Amazon provides cloud utility computing, also known as on-demand computing when they introduced their services Simple Storage Service (S3) and Elastic Compute Cloud (EC2). With these two services, Amazon provides a pay-as-you-go model of computing capacity to businesses that want to pay only for what they use. Amazon can generate more revenue from other businesses by offering excess capacity to those that need it. Amazon, like most companies, uses only a small portion of its total computing capacity at any one time. Its infrastructure is considered to be among the most robust in the world.

Those who subscribe to Simple Storage Service, have full control of their spending by only paying for what they use and not having to purchase their own hardware and software. This saves a lot of money to small and medium-sized businesses because they do not have to invest in building their own infrastructure. Amazon's services also eliminates the risk that building an infrastructure will take longer than expected which would cause delays to operations. Amazon's Elastic Compute Cloud service allows businesses to utilize Amazon's servers to compute tasks without having overhead costs. Both of Amazon's services are reliable and provide minimal risks to subscribers.

There are not many disadvantages of using Amazon's S3 and EC2 services. Companies may want to choose more established names in computing like IBM, Sun Microsystems and Hewlett-Packard. Amazon does not provide

service level agreements for their services in which they claim to their subscribers of providing 99.9% availability. Businesses may want a peace of mind of having a service level agreement which guarantees the availability of services.

All types of businesses, large, medium and small can benefit from using Amazon's services due to its robust infrastructure, reliability and low cost. 2. How do the concepts of capacity planning, scalability and TCO apply to this case? Apply these concepts both to Amazon and to subscribers of its services. Amazon needs to provide hardware capacity planning and scalability for its own needs and account for the needs of all its subscribers. Estimating scalability for large number of users without downtime to its infrastructure requires a lot of planning and maintenance to an IT infrastructure.

Amazon must ensure to bear the total TCO of its services and maintain its infrastructure with minimal downtime. Subscribers to Amazon's services do not have to plan and build their own physical IT infrastructure, saving upfront cash expenditures. Thus, they are not burdened of TCO issues. 3. Search the Internet for companies that supply utility computing.

Select two or three such companies, and compare them to Amazon. What services do these companies provide? What promises do they make about availability? What is their payment model? Who is their target client? If you were launching a Web startup business, would you choose one of these companies over Amazon for Web services? Why or Why not? Would your answer change if you were working for a larger company and had to make a

recommendation to CTO? Hewlett-Packard provides cloud utility computing with its advertised Hybrid delivery cloud enabling commercial enterprises and service providers to improve overall service to the business and customers. Browsing through the site (<http://www8.hp.com/ca/en/solutions/solutions-detail.html?compURI=tcm:223-300983;contentView=business>), HP targets large

companies but has a cloud solution for every sized business. There is no price published for their cloud utility computing services on the website but HP offers a SLA with guaranteed uptime of 99.9%. Their cloud infrastructure services are perated from its own state-of-the-art HP data centers in Tulsa, Okla. , and Wynyard, England.

Microsoftprovides cloud utility computing services with Private Cloud, Office 365, Windows Azure and Dynamics CRM Online. Their services target every type of business from small, medium to large and deliver infrastructure, platform, and productivity capabilities, along with the option to choose public cloud, private cloud, or both. Microsoft's SLA for their Windows Azure Storage service is at 99.9%.

Microsoft does not provide the pricing for its cloud computing services readily on the website (<http://www.microsoft.com/en-ca/cloud/default.aspx>). If I were to launch a Web startup business, I would not choose HP or Microsoft for my cloud utility computing needs. Amazon's services seem more tailored to small and medium sized businesses.

My personal experience with large corporations like HP and Microsoft, have shown that they are more concerned with volume rather than quality. Also, <https://assignbuster.com/amazon-case-study-2/>

Amazon's cloud utility computing services are more mature than others in its class. 4. Name three examples of IT infrastructure hardware components and software components that are relevant to this case. Describe how these components fit into or are used by Amazon's Web services and/or the customers that subscribe to these services.

Hardware components of Amazon's IT infrastructure providing cloud services

1. Grid computing - Allows Amazon to provide their subscribers faster processing. 2. SAN - Data storage 3. Virtualization - Allows access to

Amazon's servers from any computer in the world Software components of

Amazon's IT infrastructure providing cloud services 1. Operating systems (Windows, Linux and Unix) 2.

HTML - Programming language which makes Amazon's website possible 3.

Java - Allows for an interactive programming environment 5. Think of an idea

for a Web-based startup business. Explain how this business could utilize

Amazon's S3 and EC2 services. A Web-based Data Backup and Specialized

Recovery business can save a lot of money by utilizing Amazon's S3 and EC2

services. S3 and EC2 can be used to storing customer backed up data in

which they can access at anytime from any location all over the world.

6. What are the legal, ethical and privacy issues for Canadian businesses

that might want to use the AWS and S3 services offered by Amazon? How

would that affect the potential for these services in Canada? Is there a

solution to this problem? Amazon has the responsibility in protecting and

keeping its subscribers data secure and private. It has earned the Federal

Information Security Management Act (FISMA) Moderate Authorization and

Accreditation which requires AWS to implement and operate an extensive set of security configurations and controls. The controls include documenting the management, operational, and technical processes used to secure the physical and virtual infrastructure as well as conducting third party audits. With its robust and secure IT infrastructure, Amazon has NASA's Jet Propulsion Laboratory and U. S.

Department of the Treasury utilizing their cloud computing services. There are certain Canadian businesses, particularly in the banking sector, would have the most legal issues if they were to use Amazon's cloud computing services due to Canadian banking regulations which differ from the U. S. However, Amazon can tailor a contract to the needs of exceptional businesses that require higher security of data.