

Reviewer: Cloud Computing

Lesson 6

Cloud Computing

The Problem Cloud Computing Solves: The “Old Way” vs. The “New Way”

- **The “Old Way” (On-Premises):** The company had to buy powerful **physical servers, storage disks**, and **networking equipment**. This required a huge **upfront investment**, known as **Capital Expenditure (CapEx)**. They had to **guess their peak traffic needs**, often buying far more capacity than they used day-to-day, leading to **wasted resources**. If they needed a new server, the process of ordering, installing, and configuring it could take **weeks or even months**.
- **The “New Way” (Cloud Computing):** The cloud changes this model entirely. Instead of buying hardware, you **rent computing power** from a **cloud provider** (like **AWS, Google, or Microsoft**). This shifts the cost from a large upfront investment to a manageable **monthly bill**, known as an **Operational Expenditure (OpEx)**. This model **eliminates guesswork, long waiting times**, and **wasted resources**.

What is Cloud Computing?

Cloud Computing is a technology that allows you to **store and access data and applications over the internet** instead of using your computer’s **hard drive** or a **local server**.

On-Demand Services

Cloud computing delivers essential computing services—including **servers, storage, databases, networking, and software**—all over the Internet. It’s about **accessing resources as you need them**, rather than owning and maintaining them.

Shared & Scalable

This model enables **on-demand access** to a pool of **shared, scalable resources**. Organizations can **rapidly provision and de-provision** computing power, ensuring they always have the right amount of capacity without the **upfront investment in physical infrastructure**.

“You don’t generate your own electricity. Why generate your own computing?” – Jeff Bezos, Founder of Amazon.

Cloud Deployment Models

1. **Public Cloud:** Services are offered by **third-party providers** over the **public internet**, open to anyone who wants to use them. Examples include **Amazon Web Services (AWS)** and **Google Cloud Platform**.

2. **Private Cloud**: Dedicated to a **single organization**, a private cloud can be hosted **on-premises** or by a **third-party**, offering **enhanced security and control** tailored to specific business needs.
3. **Hybrid Cloud**: A mix of **public and private clouds**, this model allows **data and applications to move** between the two environments, providing greater **flexibility** and **optimized resource allocation**.

Nearly **90% of companies** now leverage **multicloud strategies**. This approach **enhances resilience, prevents vendor lock-in**, and **optimizes performance**.

Cloud Service Models Explained

1. **IaaS (Infrastructure as a Service)**: Provides fundamental computing resources like **virtual machines, storage, and networking** over the internet. You manage your **operating systems, applications, and data**, while the provider handles the **underlying infrastructure**. Example: **Amazon EC2**.
2. **PaaS (Platform as a Service)**: Delivers a **platform** allowing developers to **build, run, and manage applications** without the complexity of building and maintaining the infrastructure. Example: **Google App Engine**.
3. **SaaS (Software as a Service)**: Provides **ready-to-use software applications** over the internet on a **subscription basis**. Users access the software via a **web browser or mobile app**. Examples: **Microsoft 365** and **Salesforce**.

Why Businesses Choose Cloud Computing

- **Cost Efficiency**: Reduces operational costs by eliminating expensive **hardware investments** and maintenance. Businesses **pay only for resources consumed**.
- **Scalability & Flexibility**: Enables **instant scaling** of resources to meet fluctuating demand spikes without **over-provisioning**.
- **Global Accessibility**: Data and applications are accessible **anytime, anywhere**, from any device with an internet connection.
- **Business Continuity**: Offers robust **automated backup solutions, disaster recovery**, and **high availability**.

Real-World Cloud Computing

- **Gmail and Outlook**: Leverage cloud infrastructure to **store and synchronize** communications across devices.
- **Netflix**: Streams high-definition video content worldwide, relying on cloud servers to handle **massive data volumes** and **personalized viewing experiences**.
- **Zoom**: Enables over **300 million daily meeting participants** to connect via cloud infrastructure providing bandwidth and global reach.

Challenges & Considerations

- **Data Security and Privacy:** Concerns about *data breaches* and *compliance* with privacy regulations.
- **Vendor Lock-in Risks:** Migrating data/apps can be *complex and costly* due to proprietary services.
- **Potential Data Loss and Downtime:** Outages or cyberattacks can lead to temporary *data inaccessibility*.
- **Need for Skilled Cloud Engineers:** Designing and maintaining systems requires *specialized expertise*.

Data Stream

What is Data Stream: A *data stream* is an existing, *continuous, ordered* (implicitly by entrance time or explicitly by timestamp) *chain of items*. It is unfeasible to control the order in which units arrive or to locally capture the stream in its *entirety*.

Characteristics of Data Stream

1. Large volumes of *continuous data*, possibly infinite.
2. *Steady changing* and requires a *fast, real-time response*.
3. *Random access is expensive* and requires a *single scan algorithm*.
4. Store only the *summary of the data* seen so far.

Types of Data Stream

- **Transactional data stream:** Credit card purchases; *Telecommunications* (phone calls); *Web* (accesses by clients).

Advantages and Disadvantages of Data Streams

Advantages: Helpful in *upgrading sales*, recognizing the *fallacy, minimizing costs*, and reacting swiftly to *risk*.

Disadvantages: *Lack of security* in the cloud, *vendor subordination*, and potential for *disconnection*.