Introduction to E-Commerce (CS 519)

(Homework 2)

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Homework 2 – Rackspace vs. Amazon – put together and upload a summary of major differences between the 2 vendors and pros/cons for one vs. the other for a full ecommerce cloud hosting solution. Clearly state assumptions you're making in terms of your ecommerce system.

Companies Overview

Amazon	Rackspace
Amazon is an American ecommerce and cloud computing company. It is also the largest internet-based retailer in the world in terms of total sales and market capitalization. Amazon also produces customer electronics and it is the world's largest provider of cloud infrastructure service (IaaS and PaaS).	Rackspace is the US based managed cloud computing company. It is the largest provider which provides services across the world's leading clouds. Rackspace provides fanatic support to their customers in managing web and email hosting, ecommerce solutions, security services, and databases.

Relationship between Amazon and Rackspace

Rackspace provides fanatical support for the Amazon Web Services (AWS). Rackspace also delivers ongoing architecture, security, and operations backed by AWS certified engineers and architects.

Differences between Amazon and Rackspace

Amazon

1. Amazon is the world's largest internet-based retailer and provides largest cloud infrastructure and ecommerce services.

2. Amazon employs a multi-level ecommerce strategy. CRM and IM support its business strategy.

3. Their subsidiary, AWS (Amazon Web Services) offers cloud computing services like IaaS and PaaS.

4. AWS certifies individuals having technical skills and expertise to design and operate applications on AWS infrastructure.

5. AWS provides a huge platform for computing, networking, content delivery, storage and delivery, database, deployment, management, application services, analytics, and miscellaneous tasks.

6. AWS provides great flexibility to their customers to choose from its private, public, and hybrid cloud services as per their demand.

7. EC2 (Elastic Compute Cloud) is the best known service by AWS. EC2 is an IaaS which provides virtual server operate on XEN and forms the central part of Amazon's cloud computing platform.

8. The core technology on which Amazon works is Linux. It has three world's largest databases.

Rackspace

1. Rackspace is the largest managed cloud provider. It provides services mainly in cloud servers and dedicated servers.

2. Rackspace has four agendas which make it a perfect choice are: expertise (experts), innovation (technology and tools), services (24*7*365 fanatical support), and choices (options for services).

3. Rackspace provides fanatic support across all largest clouds and solutions for ecommerce platform.

4. It provides a professional certification "CloudU" to individuals those have demonstrated knowledge, skills, and abilities of cloud computing.

5. Rackspace helps in designing, building, and operating cloud for their customers. It manages various clouds and environments. It provides great support to manage AWS.

6. Rackspace have technology, tools, and certified experts to manage all types of clouds but AWS private cloud.

7. OpenStack was developed by Rackspace in a joint project with NASA. It is capable of managing metal applications across private, public, and hybrid cloud using a standard set of APIs.

8. The core technology on which Rackspace works is Python.

Pros of Amazon and Rackspace

Amazon

1. Amazon invests a huge amount on the server capacity for a website to manage excessive traffic especially during sales and holidays. Amazon has created separate domains for every country to distribute and handle large amount of traffic load.

2. Amazon Web Services is the largest cloud computing service in the world in the terms of capitalization.

3. AWS provides a greater flexibility in prices to their customers. Customers have to pay individually for stack components and based on their usage.

4. Amazon has the largest number of data centers across the world that marks its dominance in the market for its services.

5. In the market, there are large amount of developers and applications available for AWS because it has provided the vast tools like Python, .Net to developers as compared to other providers.

6. Amazon is also the most trusted service as for an example, it supports the US state and federal government on issues such as sales tax, privacy, and data protection.

Rackspace

1. Rackspace is the largest managed cloud provider. It totally focuses on customer service and satisfaction. Moreover, it provides assistance to every size of business and enterprise for their demands.

2. OpenStack which was developed by Rackspace in a joint project with NASA. It has given a new open source platform for defining cloud based services. They also stated that customers in this will not run dangerously if getting locked into vendor stack.

3. Rackspace provides top ecommerce web hosting like Magento, SAP Hybris, Oracle Commerce, etc.

4. Rackspace provides mid-size better storage and payment options for mid-size businesses. They only have to purchase of the only things they are using and don't have to pay for unused storage.

Cons of Amazon and Rackspace

Amazon

1. Amazon being one of the largest brands of the world has sometimes defamed its name by employees. Both former and current employees had reported many complaints regarding poor working conditions. In a year 2011, Amazon's Pennsylvania warehouse has witnessed that their workers had to work in extreme heat conditions, as these are some of the consequences of having big data centers.

2. Since the year 2011, Amazon has faced almost three major high profile outrages which have questioned the sustainability of AWS. So, these types of disturbances have given a second thought for their quality and services.

3. Customers have been charged for input and output activities along with the storage usage even they haven't utilized the services.

4. The speed of Amazon doesn't match up with the increase in the demands of the services. It's not that bad, but it isn't good either. One study mentioned in yutoaaki.com blog says that Rackspace works 2.3 times faster than EC2 services.

Rackspace

1. Rackspace has very less number of data centers as compared to Amazon. This limits users to expose with many other options and services which might available in other organizations.

2. Rackspace is a very small company as compared to Amazon and have very less number of developers. So, Rackspace has a comparatively very small threshold to manage and provide services.

3. Rackspace mainly focuses on management of clouds and does not have its own cloud infrastructure. Rackspace and its product totally depend on other company's infrastructure. So that makes it incapable to synchronize latest updates and infrastructural change of cloud.

4. It's a bit expensive for high end and individual customers as they have fixed bundled services with fixed prices and don't fit into the pockets for lower end customers and seems worthless to many big companies as there are fixed service bundles whereas AWS provides a platform where one can choose, mix and match components according to their need.