Yes this is very true. One normal days amazon might be able to predict how much resources will be used. This means they can buy server if they project user growth. However, on special days like cyber Monday the demand might be exceptionally high (even 2x or 3x of the usual demand) the problem is you can’t buy new hardware just to meet this temporary demand it would be too expensive and the servers will likely remain unused on all other days. Thus problem is faced by several business and the solution to this problem is cloud computing has 5 salient features

1. Multitenancy:- ability of multi users to use same machine
2. Pay as you go
3. Scalability:- add more resources on demand
4. Elasticity:- Ability to automatically provision resources
5. Self provision of resources