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The presentation that I liked from the second session was “When Should Prices Stay Fixed? On the Chances and Limitations of Spot Pricing in Larger Markets” from professor Ludwig Dierks. His presentation was very interesting because of the idea of reselling a computation resource from well known cloud providers like AWS, Azure Cloud, Google Cloud Platform etc, to a secondary market. He noted that between 20% and 40% of resources stay idle on average in cloud systems which is very costly. A better way to utilize it is to sell idle capacity at a dynamic discounted rate. Potential issues involve market cannibalization: Users may move from primary to secondary market and increased running costs: Preemptions increase run times. However an increased price yields higher revenue and more customers yield higher revenue as well.

Users also inherently dislike auction models, since they mostly have fixed budgets, the complexity of obtaining resources, uncertainty of availability and evaluation, and lack of trust. If users have unbiased opinion about the spot pricing of these resources, auction based pricing can be optimal in competitive environments.