**1.2 PURPOSE**

  Cloud Computing comprises three different service models, namely Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS), and Software-as-a-Service (SaaS). The three service models or layer are completed by an end user layer that encapsulates the end user perspective on cloud services. The model is shown in figure below. If a cloud user accesses services on the infrastructure layer, for instance, she can run her own applications on the resources of a cloud infrastructure and remain responsible for the support, maintenance, and security of these applications herself. If she accesses a service on the application layer, these tasks are normally taken care of by the cloud service provider.

**Benefits of cloud computing:**

1. **Achieve economies of scale** – increase volume output or productivity with fewer people. Your cost per unit, project or product plummets.
2. **Reduce spending on technology infrastructure.** Maintain easy access to your information with minimal upfront spending. Pay as you go (weekly, quarterly or yearly), based on demand.
3. **Globalize your workforce on the cheap.** People worldwide can access the cloud, provided they have an Internet connection.
4. **Streamline processes.** Get more work done in less time with less people.
5. **Reduce capital costs.** There’s no need to spend big money on hardware, software or licensing fees.
6. **Improve accessibility.** You have access anytime, anywhere, making your life so much easier!
7. **Monitor projects more effectively.** Stay within budget and ahead of completion cycle times.
8. **Less personnel training is needed.** It takes fewer people to do more work on a cloud, with a minimal learning curve on hardware and software issues.
9. **Minimize licensing new software.** Stretch and grow without the need to buy expensive software licenses or programs.
10. **Improve flexibility.** You can change direction without serious “people” or “financial” issues at stake.

**Advantages:**

1. **Price:** Pay for only the resources used.
2. **Security**: Cloud instances are isolated in the network from other instances for improved security.
3. **Performance:** Instances can be added instantly for improved performance. Clients have access to the total resources of the Cloud’s core hardware.
4. **Scalability:** Auto-deploy cloud instances when needed.
5. **Uptime:** Uses multiple servers for maximum redundancies. In case of server failure, instances can be automatically created on another server.
6. **Control:** Able to login from any location. Server snapshot and a software library lets you deploy custom instances.