# Dynatrace Licensing Overview

## 1. Dynatrace Platform Subscription (DPS)

The Dynatrace Platform Subscription (DPS) is a flexible, usage-based model introduced in April 2023. You commit to an annual spend (1–3 years) and can then consume any platform capability (hosts, logs, security, automation, etc.) on-demand at the same rate—without overage penalties. It includes real-time usage visibility and hourly granularity to help you track, budget, and forecast consumption. After exhausting your committed spend, usage continues at the same transparent rate.

✅ DPS is best for:

- Organizations needing a single flexible contract with access to all Dynatrace capabilities.  
- Teams with dynamic environments (e.g., scaling hosts, changing log volumes).

## 2. Classic Licensing Model

In the classic model, modules are licensed separately by consumption units. Key units include Host Units, Davis Data Units (DDU), DEM Units, and Application Security Units (ASU).

Key License Units:

- Host/Application Monitoring: Host Units (based on RAM).  
- Custom metrics, logs, traces: Davis Data Units (DDU).  
- Real User & Synthetic Monitoring: DEM Units.  
- Application Security: ASU (App Security Units).

Host Units are charged per GB of RAM monitored over time. DDUs are prepaid in blocks and cover logs, traces, and custom metrics. Free trial environments include an annual 200,000-DDU allowance.

✅ Classic is best for:

- Organizations with predictable workloads preferring fixed unit-based contracts.  
- Environments with tighter cost control over specific monitoring areas.

## 3. Transition & Migration

Legacy customers are transitioning from the classic model to DPS, either automatically or via consultation. DPS simplifies billing and scaling, while the classic model remains available for specific needs.

## 4. Summary Comparison

Feature | DPS (Modern) | Classic (Legacy)  
-----------------------------|--------------------------------------|-----------------------------  
Contract term | Annual commitment (1–3 yrs) | Prepaid unit bundles   
Billing granularity | Hourly usage | Unit-based   
Overages | Allowed at same rate | Requires extra units   
Transparency | Hourly/daily tracking | Consumption dashboards   
Best suited for | Dynamic scaling environments | Stable, predictable usage

## 5. Recommendation

✅ Choose DPS if you need full platform access, scalability, and clear usage insights.  
✅ Stick with Classic if your workloads are stable and you want explicit cost control by unit.