

INNOVATION, CLOUD-POWERED

Danilo Poccia | Technical Evangelist



Massive Mismatches: It Is Out of Control

Massir	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX		
	Enterprise	Internet	
	Years	Hours	
Project Cycles Project Life		Months	
Project Life	Decades		
Snans Project Frequencies	10 ¹ -10 ²	10 ⁶	
	Mythical Person Months	Impulse	
Investment Decision Cycles			
	Enterprise	Global	
Implementation Scale	Orderly Centralized	Chaotic Individualized	
Decision Process		Chaolic marvisis	
		Gartner.	

Hotels

Music

Magazines

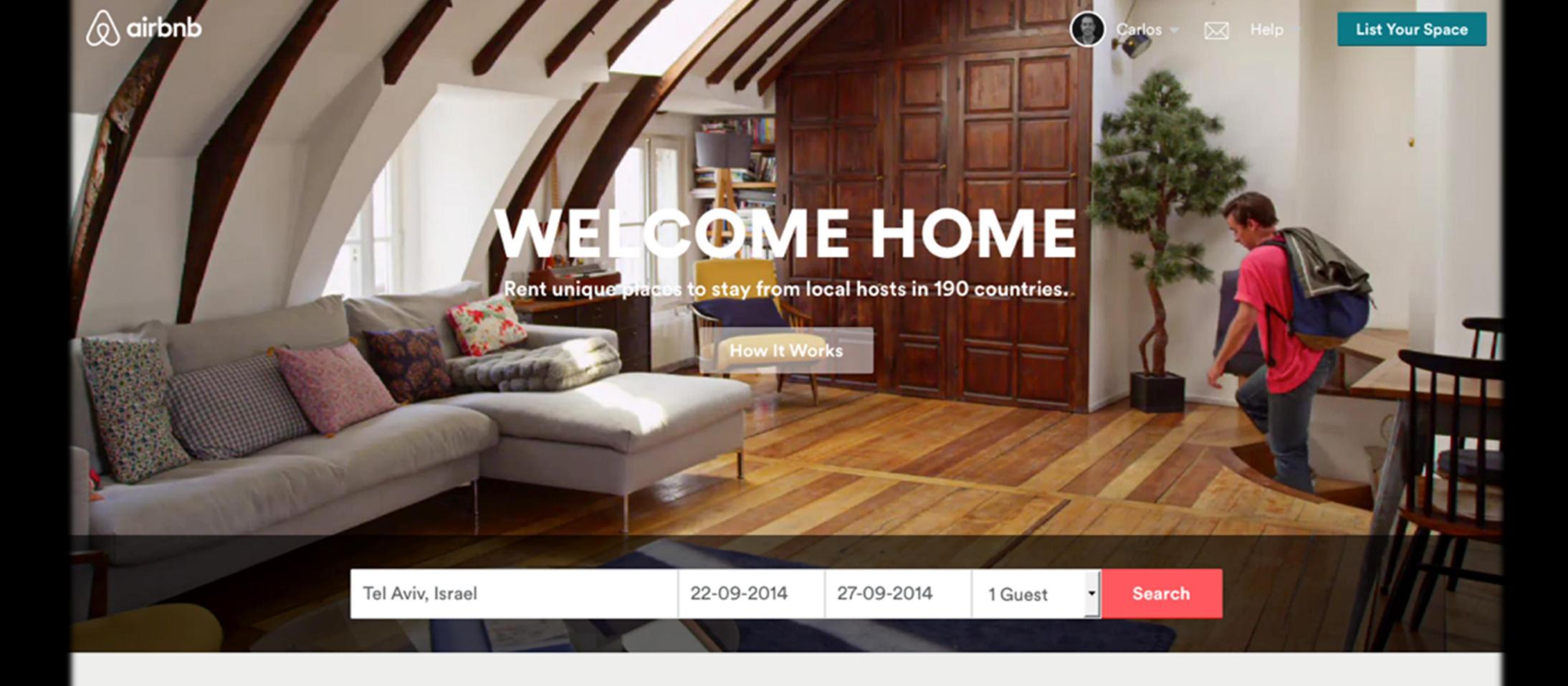
Storage







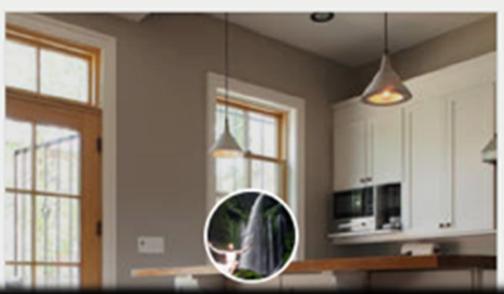




Start Your Adventure

Discover destinations that travellers love.







150,000 people are hosted on any given night

Wairbnb Total Number of Guests

15M	/	
12M	/ · · · · · · · · · · · · · · · · · · ·	
9M	/	•••••••••••••••••••••••••••••••••••••••
6M	/ · · · · · · · · · · · · · · · · · · ·	January 2013
3M		4 Million

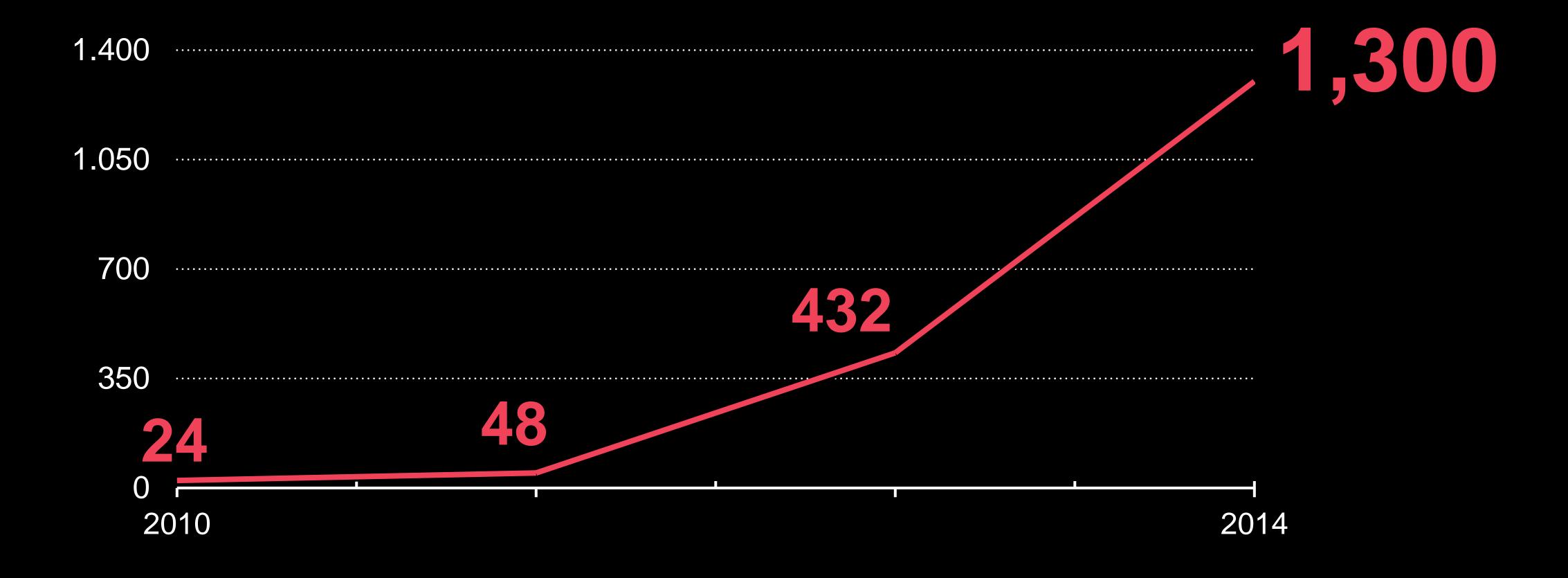


@ airbnb Total Number of Guests

Up By Over 10 Million In One Year

15M ······	June 2014 15 Million
12M ····································	
3M ····	

(a) airbnb Total Number of EC2 instances



WHY AWS?



We have a 5 person operations team.

AWS allows us to devote our resources and mindshare to the core business.

IS AWS ONLY FOR NEW DIGITAL NATIVE COMPANIES?

LET'S GO BACK IN TIME...

TWO BROTHERS ACCIDENTALLY FLAKED WHEAT BERRY

TWO BROTHERS ACCIDENTALLY FLAKED WHEAT BERRY



"Margins are very tight in our industry"



Analyzing large volumes of data Running complex simulations Predict which promotional activities will be most the most effective



REQUIREMENTS

TB OF DATA SCALING BUDGET

"Speed, performance, and agility without a significant investment in physical hardware"

Relational Database



SOLUTION

SAP

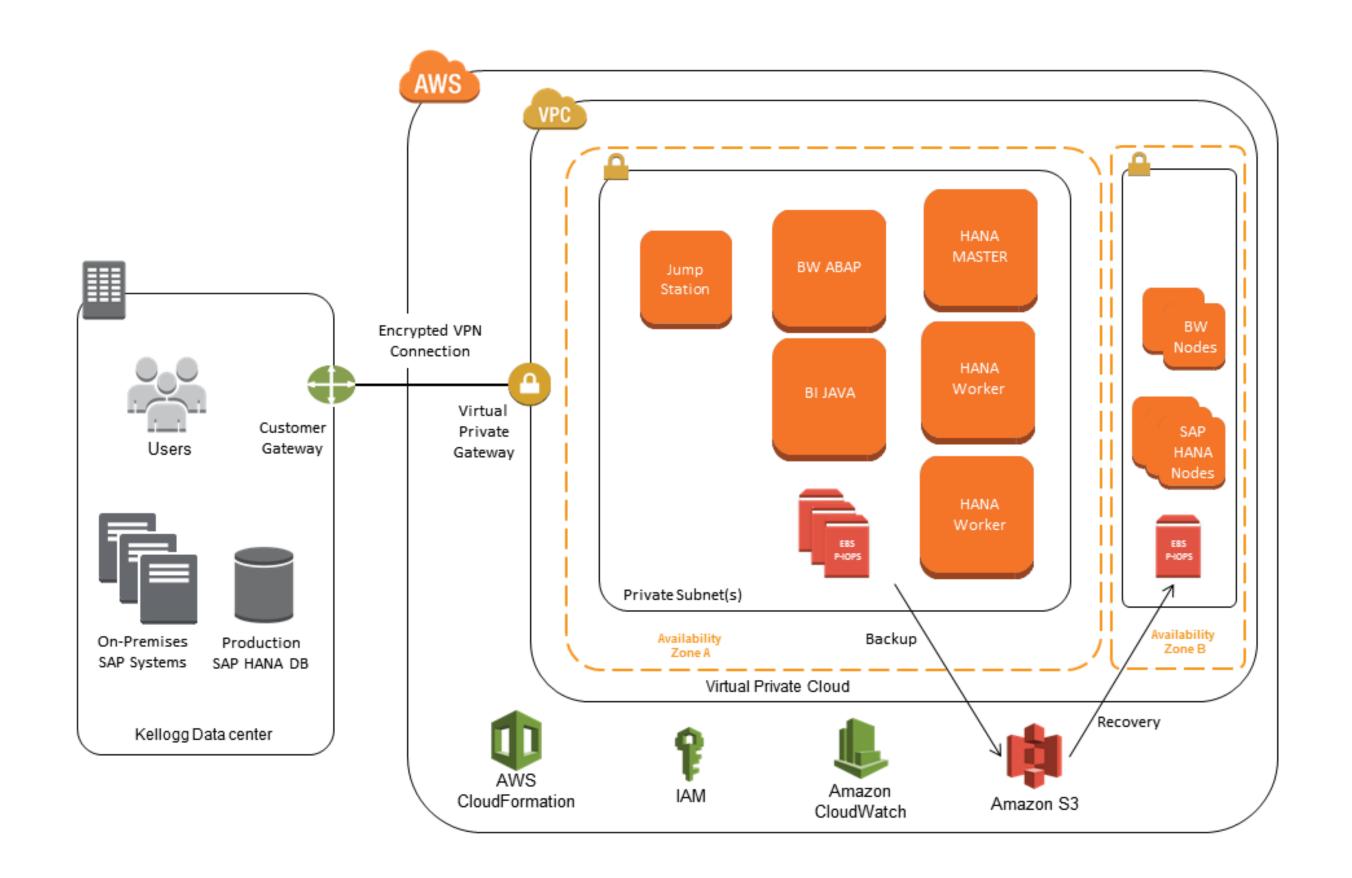
AWS

Accelerated
Trade Promotion
Planning

Powered by SAP HANA

QUICKLY START TEST + DEV

PRODUCTION FOR US OPERATIONS



WORLDWIDE IN 2014

FROM 16 TB TO 50 TB



COST

"Using AWS saves us more than \$900,000"



"The speed and agility that using AWS gives us lets us develop and deliver business services much more quickly than before" (dozens of data simulations a day)





HOWTO MEASURE?

HOWTO MEASURE?

COMPLEXITY

HOWTO MEASURE?

COMPLEXITY

HOWTO MEASURE?

ORDER

DISORDER

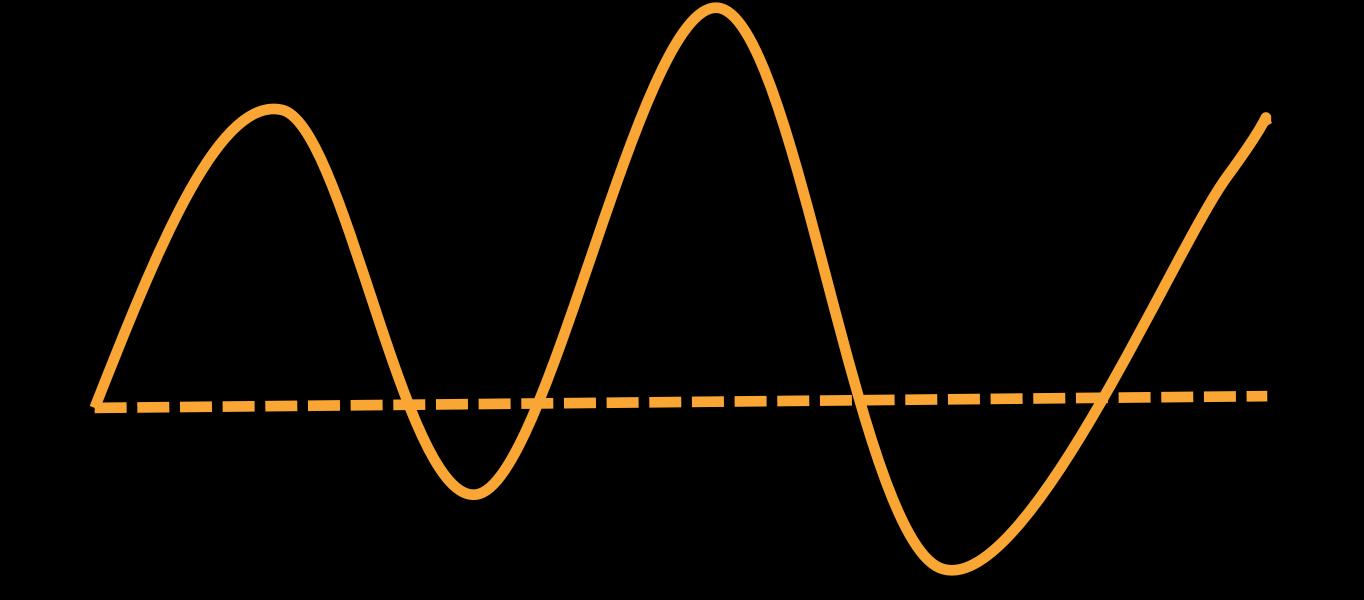
COMPLEXITY

HOWTO MEASURE?

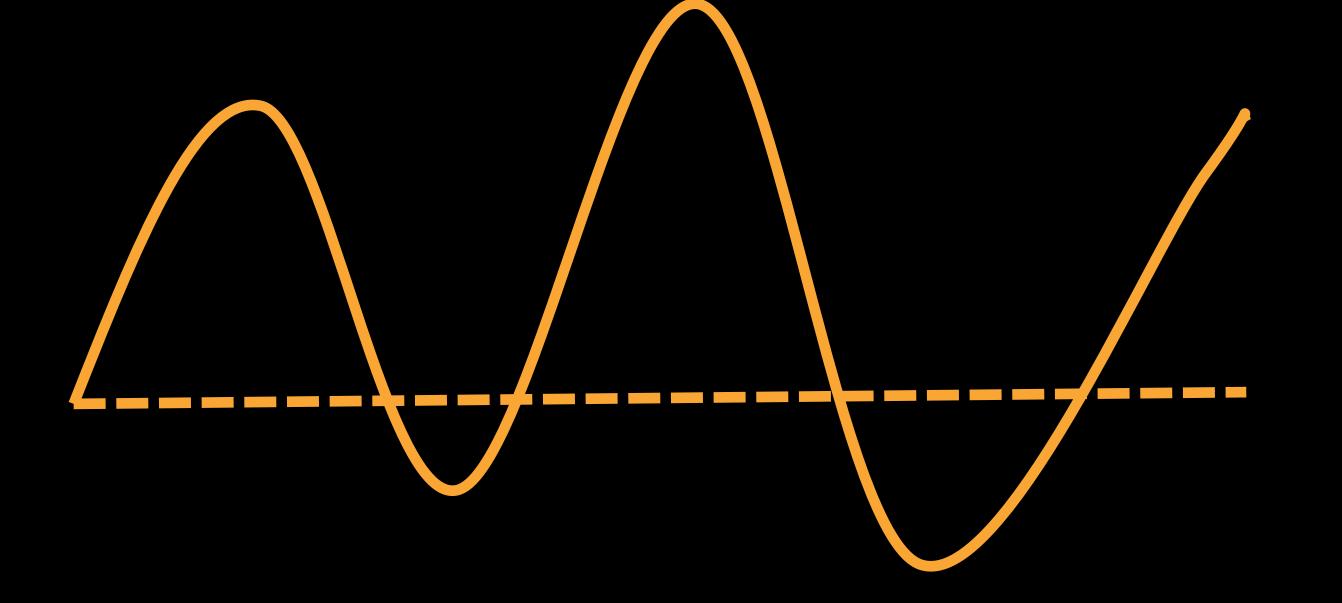
ORDER

DISORDER

ENTROPY

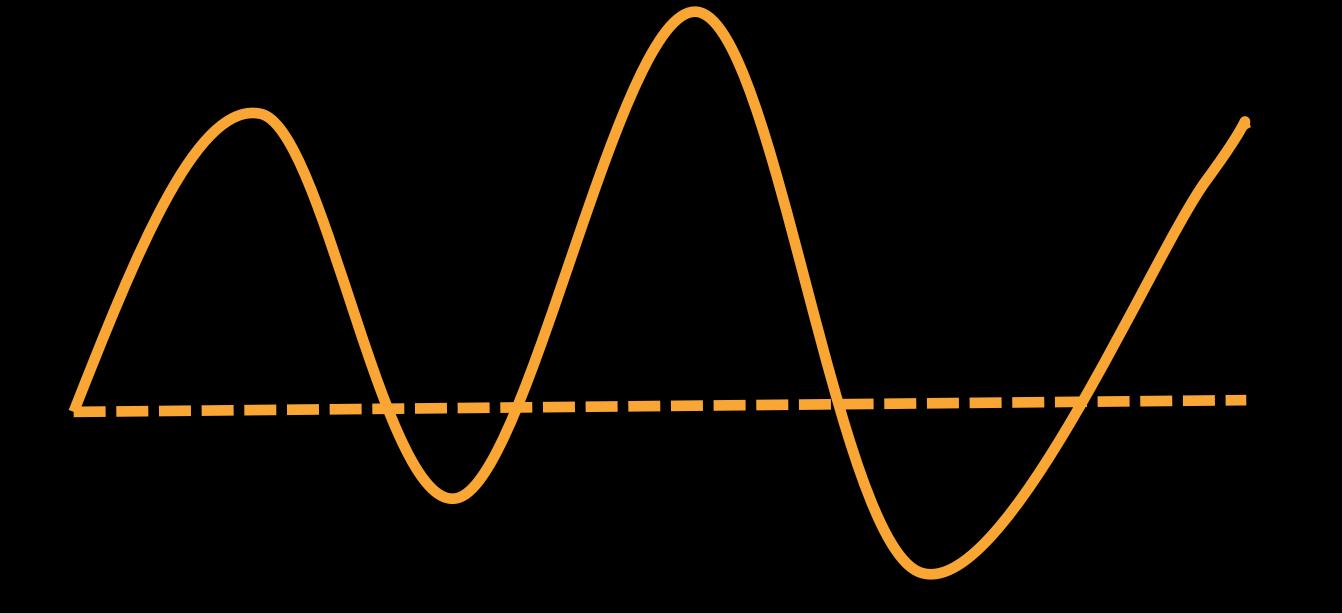


SW ENTROPY



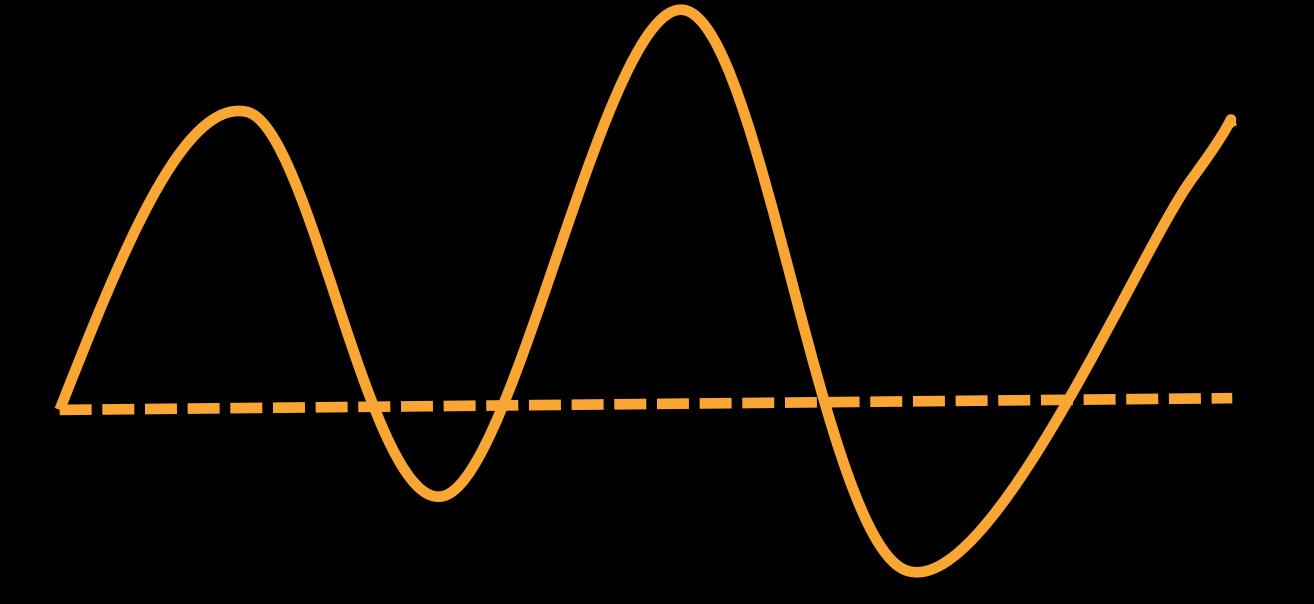
A NEW FEATURES

SW ENTROPY



A NEW FEATURES

SW ENTROPY





TO NEW FEATURES



NOT JUST DEVELOPMENT



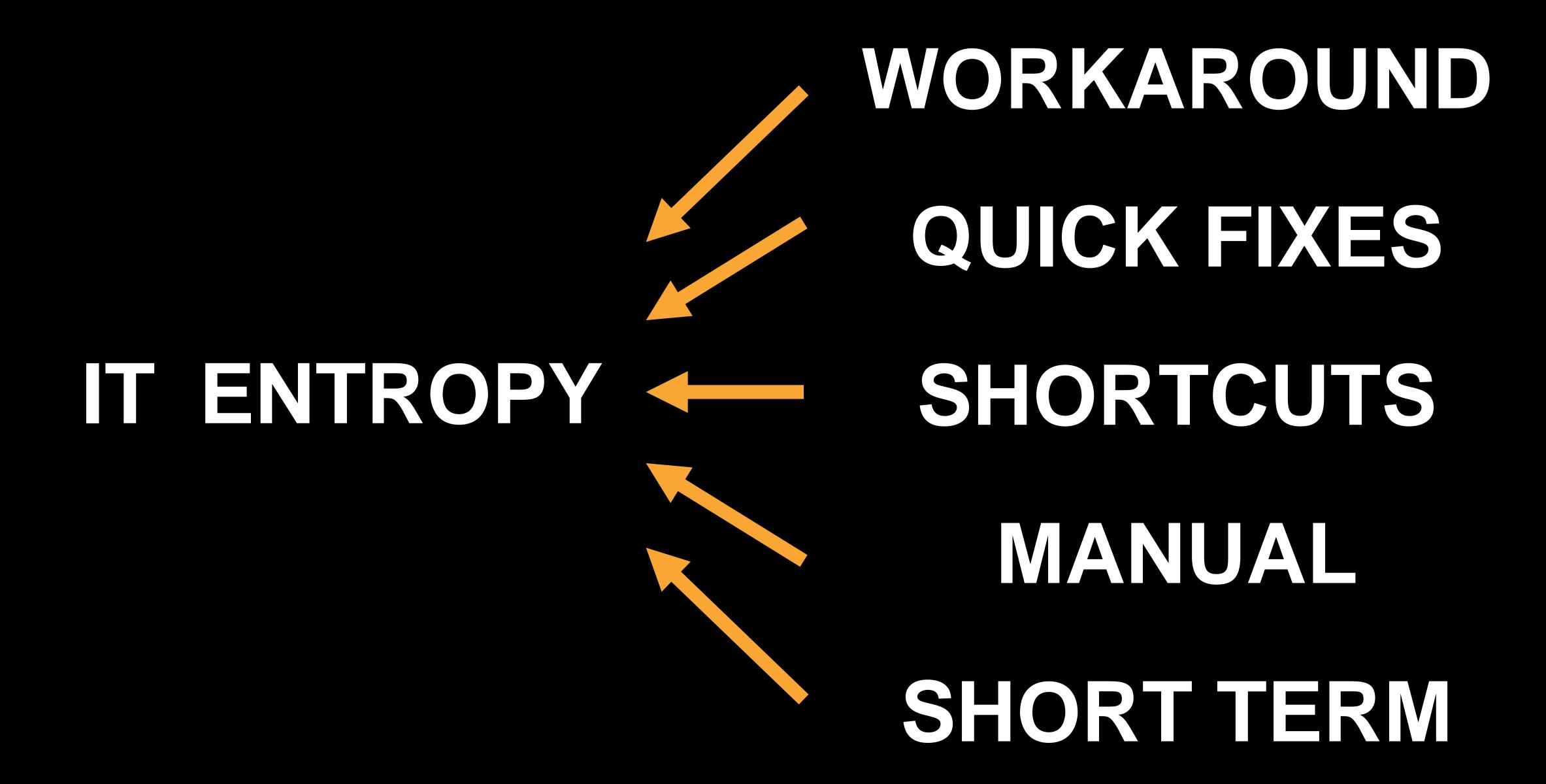
DEVELOPMENT TEST

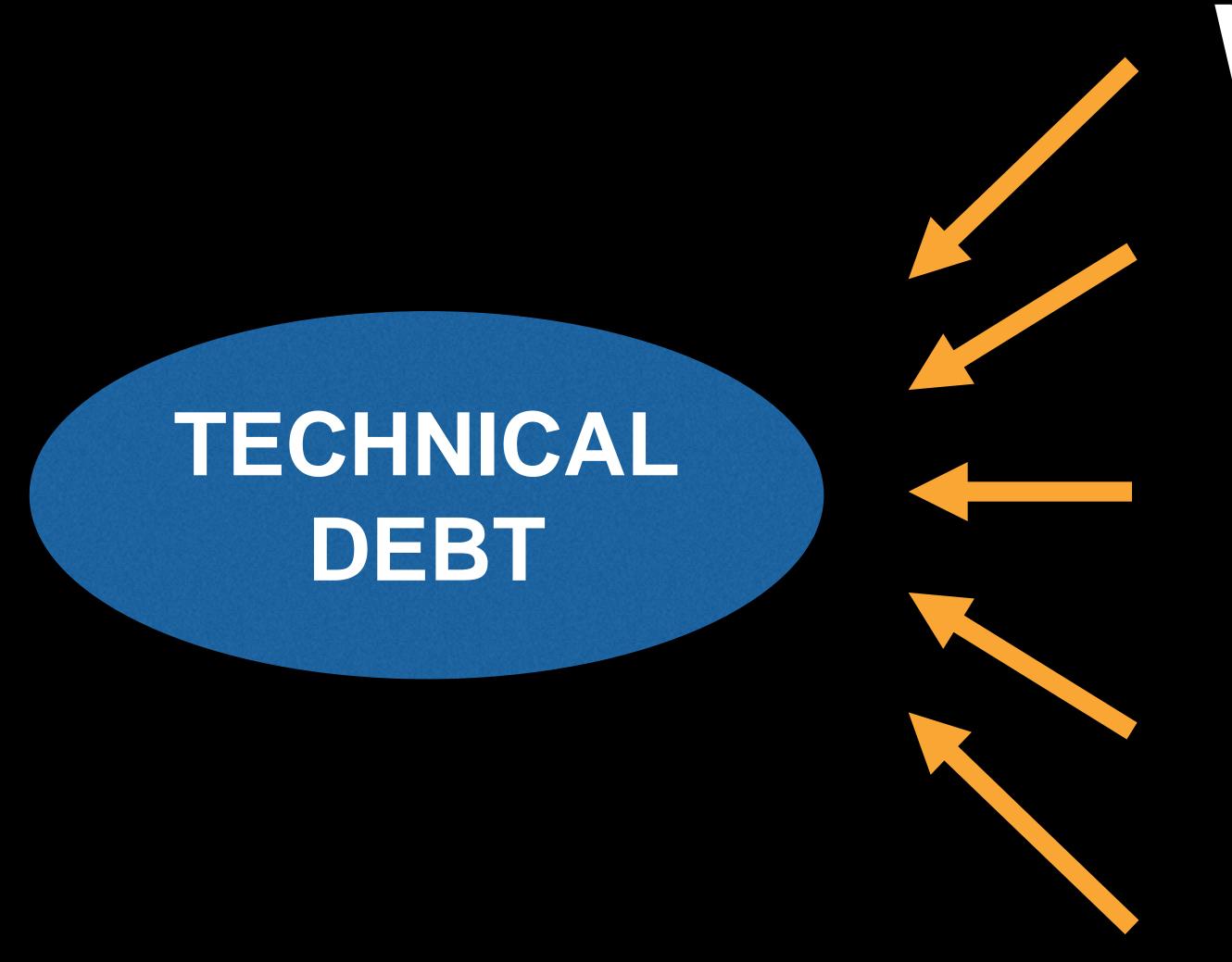
PRODUCTION

DEPLOYMENT

GOVERNANCE

ENTROPY





WORKAROUND

QUICK FIXES

SHORTCUTS

MANUAL

SHORITERM

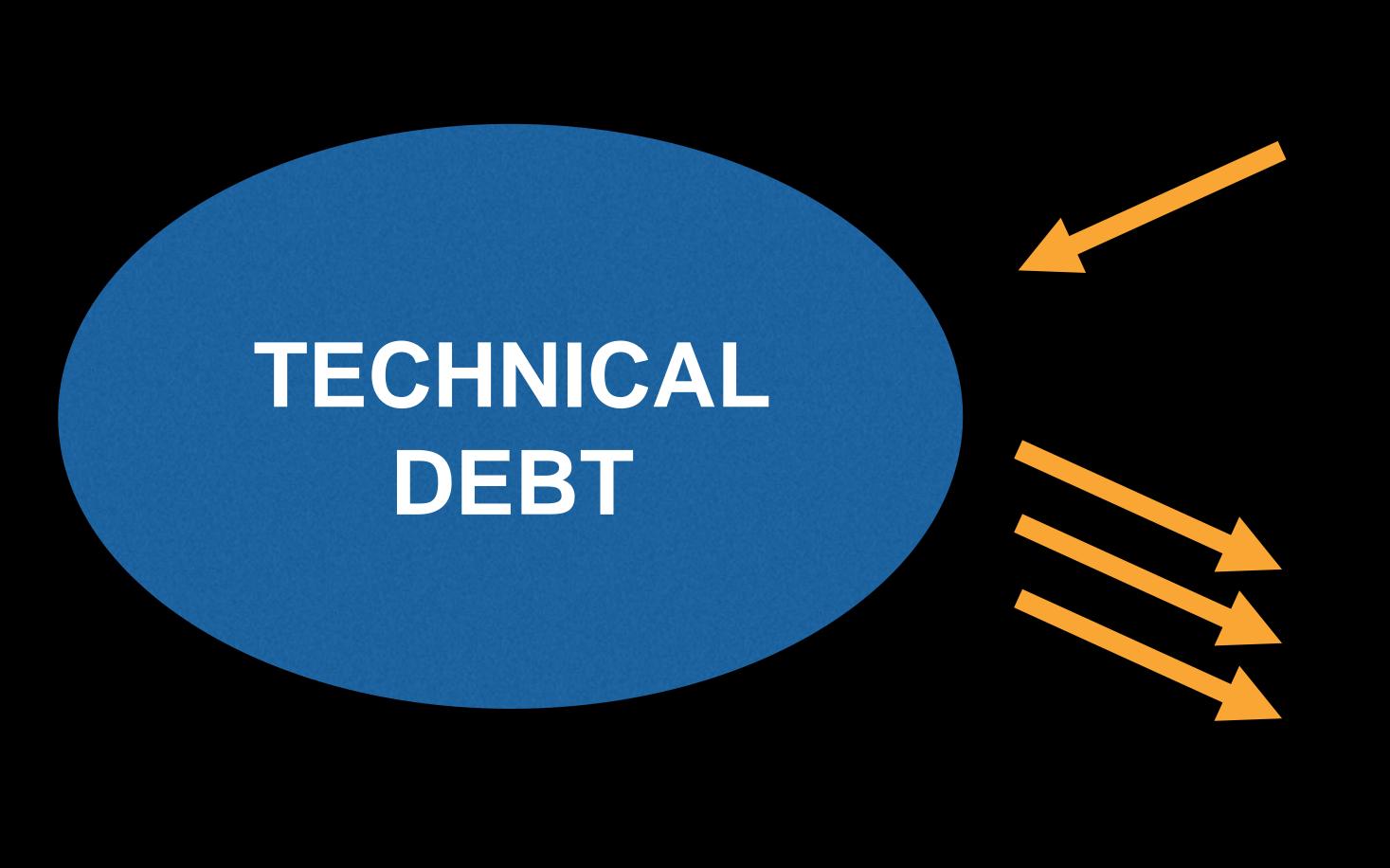
TECHNICAL DEBT

UNPLANNED WORK





UNPLANNED WORK



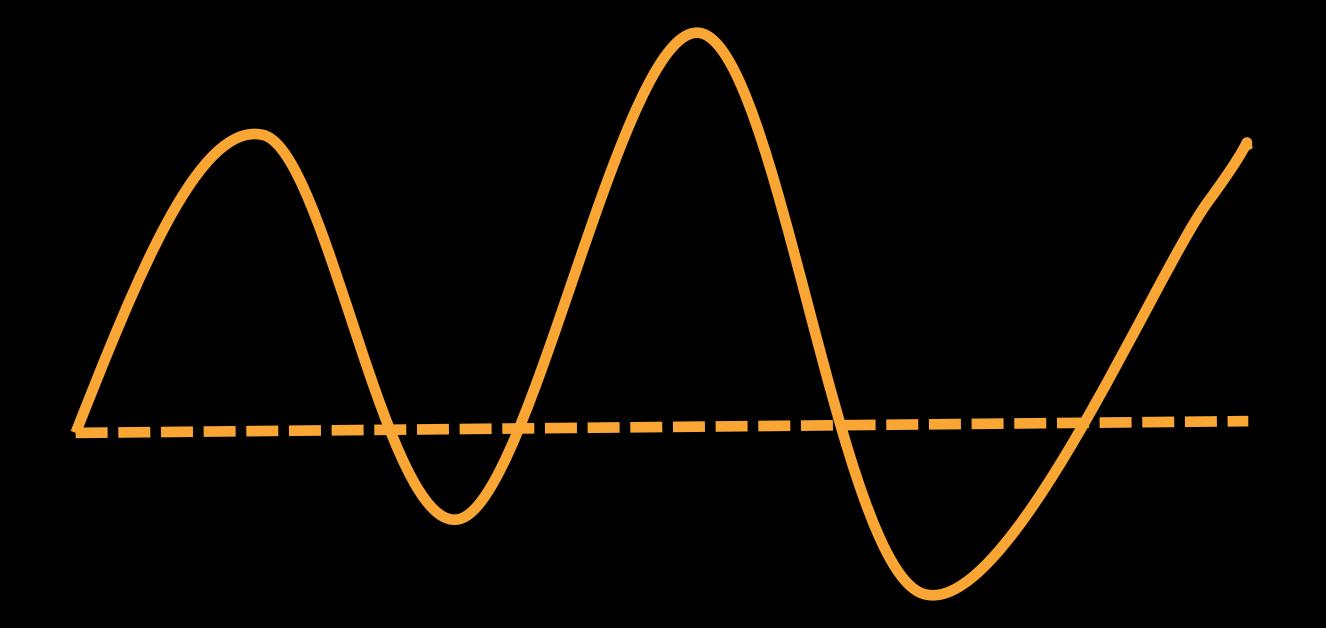
COMPOUND INTEREST

MORE
UNPLANNED
WORK



INNOVATION

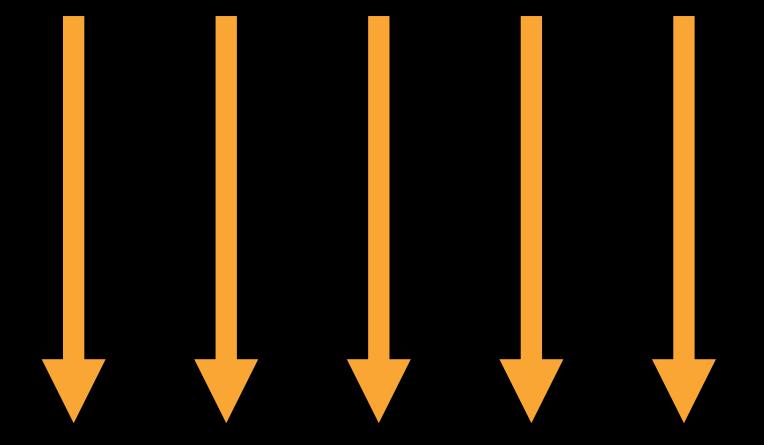
IT ENTROPY PARADOX





INNOVATION





SIMPLIFICATION

REMOVE WASTE

Waste is anything that does not lead to direct value for the customer

ON-PREMISES INFRASTRUCTURE

30%

Your Business 70%

Managing All of the "Undifferentiated Heavy Lifting"

ON-PREMISES INFRASTRUCTURE

Your

Business

30%

70%

Managing All of the "Undifferentiated Heavy Lifting"

AWS
CLOUD-BASED
INFRASTRUCTURE

More time and resources to focus on your business

Configuring cloud assets

70%

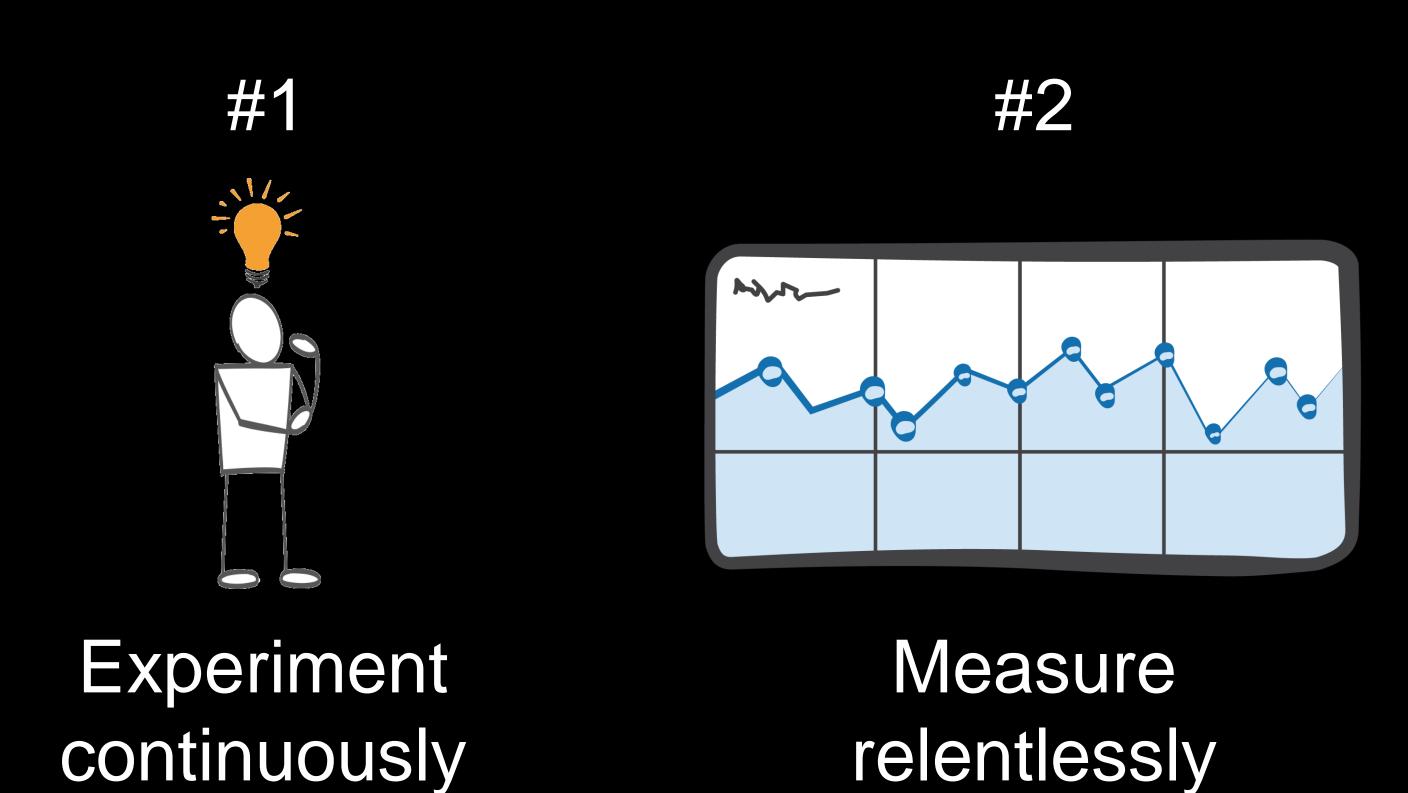
30%

Three Steps to Agility

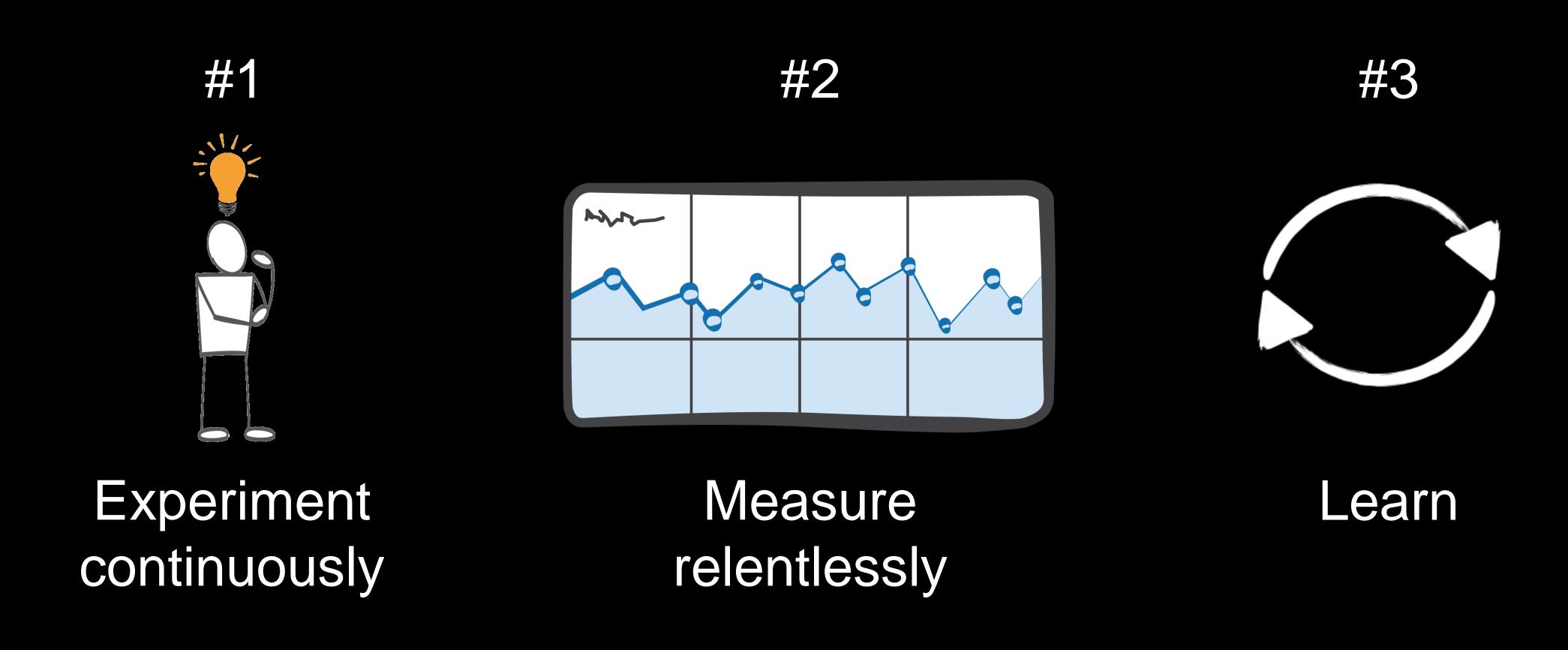


Experiment continuously

Three Steps to Agility



Three Steps to Agility



Breadth and Depth of Services

Foundation Services



Compute



Storage



Security & Access



Networking & Content Delivery

Infrastructure



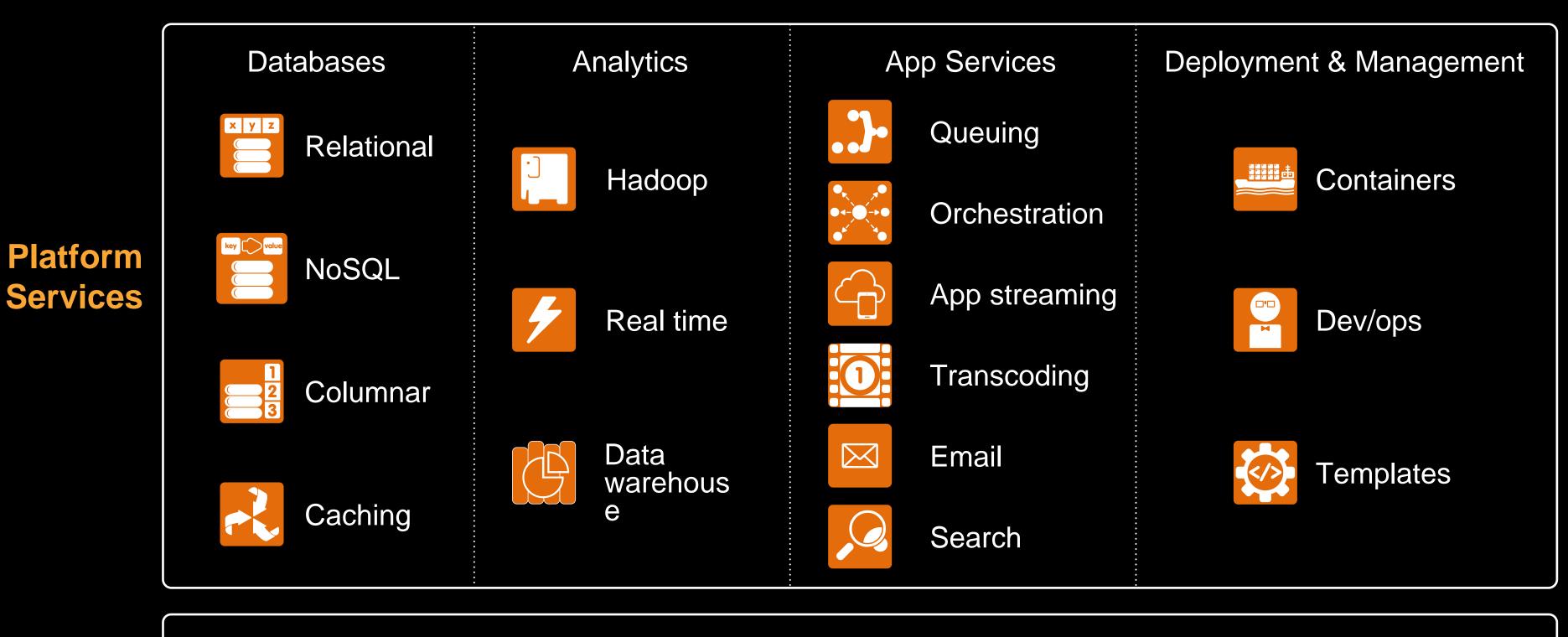
Regions



Availability Zones



Edge POPs







Compute



Storage



Security & Access



Networking & Content Delivery

Infrastructure



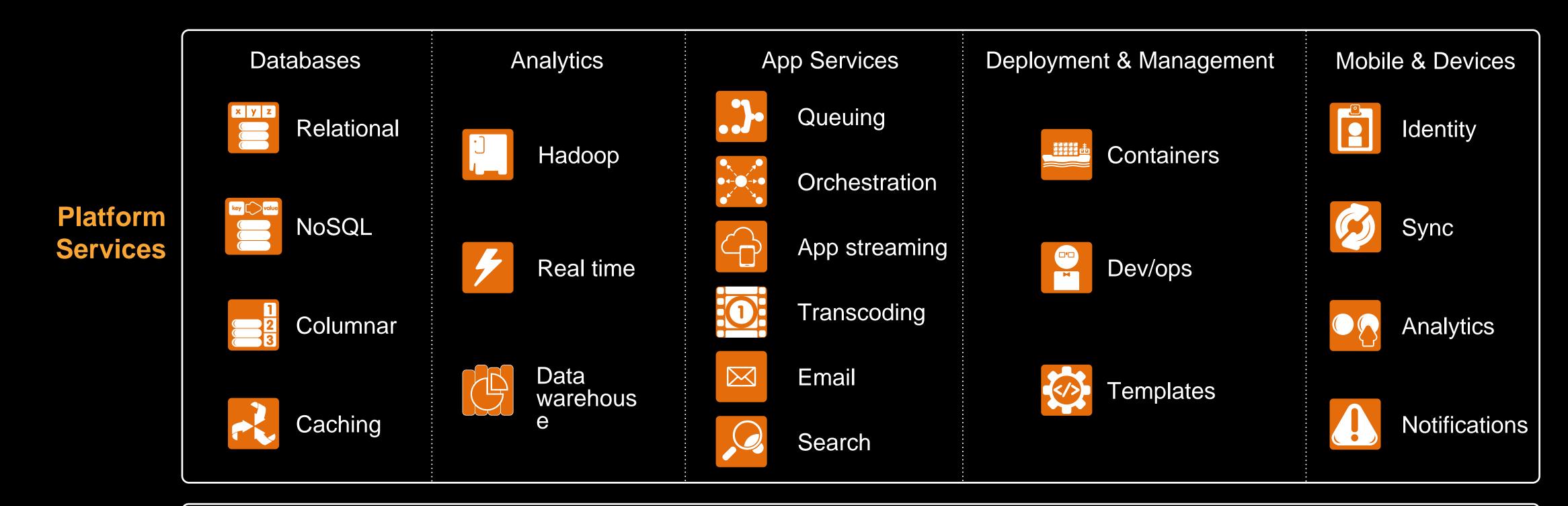
Regions



Availability Zones



Edge POPs







Compute



Storage



Security & Access



Networking & Content Delivery

Infrastructure



Regions



Availability Zones



Edge POPs

Applications



Virtual Desktops



Collaboration and Sharing

Platform Services Databases

NoSQL

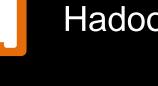
Columnar

Caching

Relational



Hadoop



Analytics

Real-time

warehous

Workflows

Data

Data



Orchestration

App Services

Queuing



App streaming



Transcoding



Email



Search

Deployment & Management



Containers



Dev/ops Tools



Resource Templates



Usage Tracking



Monitoring and Logs

Mobile & Devices



Identity



Sync



Mobile Analytic S



Notifications

Foundation Services



Compute (VMs, Auto-scaling and Load Balancing)



Storage (Object, Block and Archive)



Security & Access Control



Networking

Infrastructure



Regions



Availability Zones

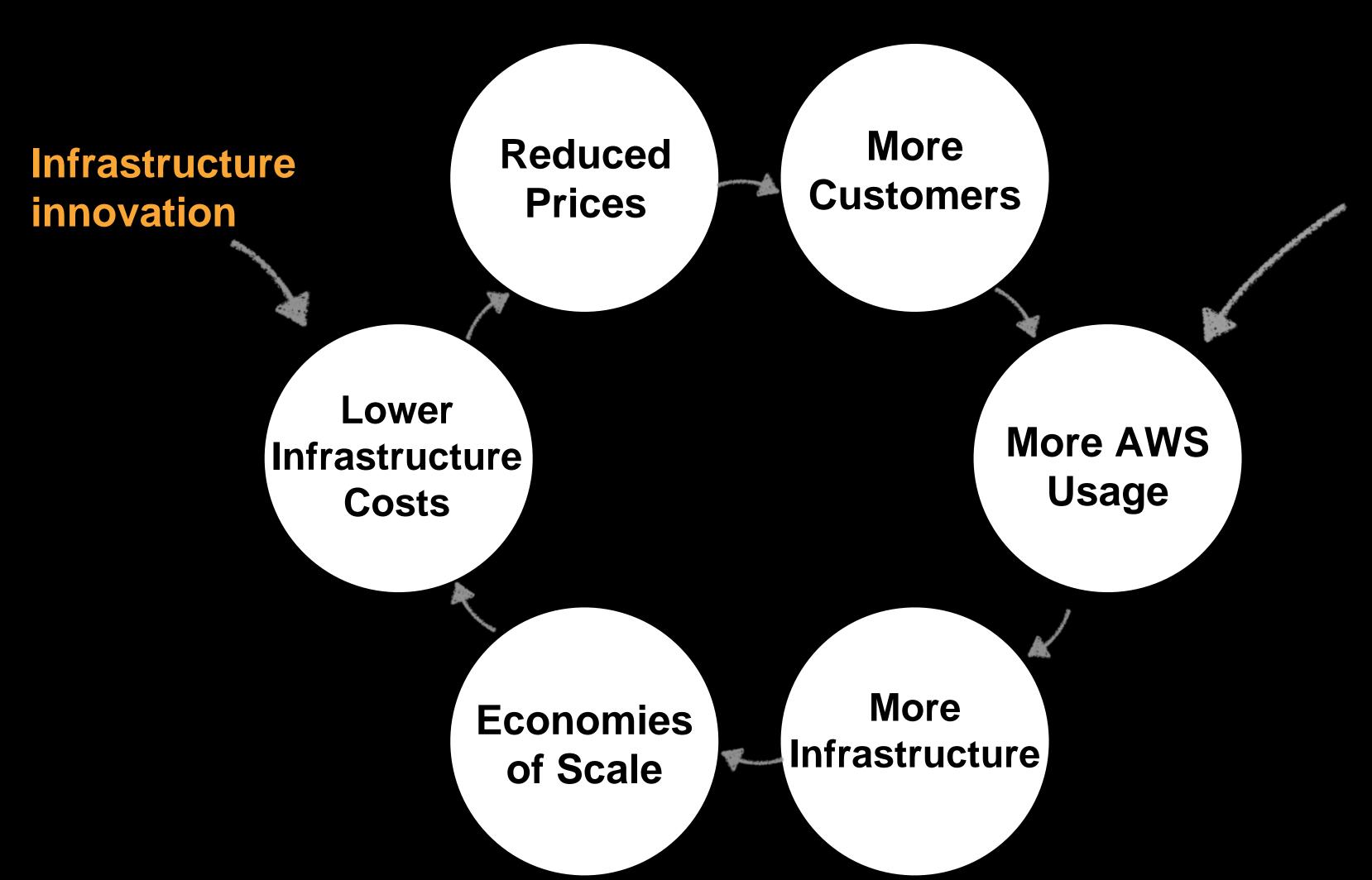


CDN Points of Presence

Breadth and Depth of Services

Breadth and Depth of Services Relentless Focus on Cost Reduction

The AWS Price Reduction Philosophy



Ecosystem
Global Footprint
New Features
New Services

45 PRICE
REDUCTIONS
SINCE 2006

Breadth and Depth of Services Relentless Focus on Cost Reduction

Breadth and Depth of Services Relentless Focus on Cost Reduction Customer Driven Innovation

Small, "Two Pizza" Teams

Small, autonomous teams
Roadmap ownership
Decoupled launch schedules

Get Core Functionality in the Hands of Customers, Quickly

Operational stability
High scale
Limited initial feature set

Iterate Based on Customer Feedback

+345

A RAPID PACE OF INNOVATION

+48

Elastic Load

Balancing

Auto Scaling

Amazon VPC

Amazon RDS

2009

+159

AWS Storage

Gateway

Amazon

Dynamo DB

Amazon

CloudSearch

Amazon SWF

Amazon Glacier

Amazon Redshift

AWS Data

Pipeline

2012

AWS OpsWorks

Amazon **CloudHSM**

Amazon

Amazon WorkSpaces

Amazon Kinesis

Amazon Elastic Transcoder

2013

+280

AppStream

Amazon CloudTrail

Amazon Cognito

Amazon Mobile Analytics

Amazon Zocalo

2014

+82

+61

Amazon SNS

AWS Identity & Access

Management **Amazon Route 53** 2010

Beanstalk **AWS** CloudFormation Amazon **ElastiCache**

Amazon SES

AWS Elastic

AWS Direct Connect

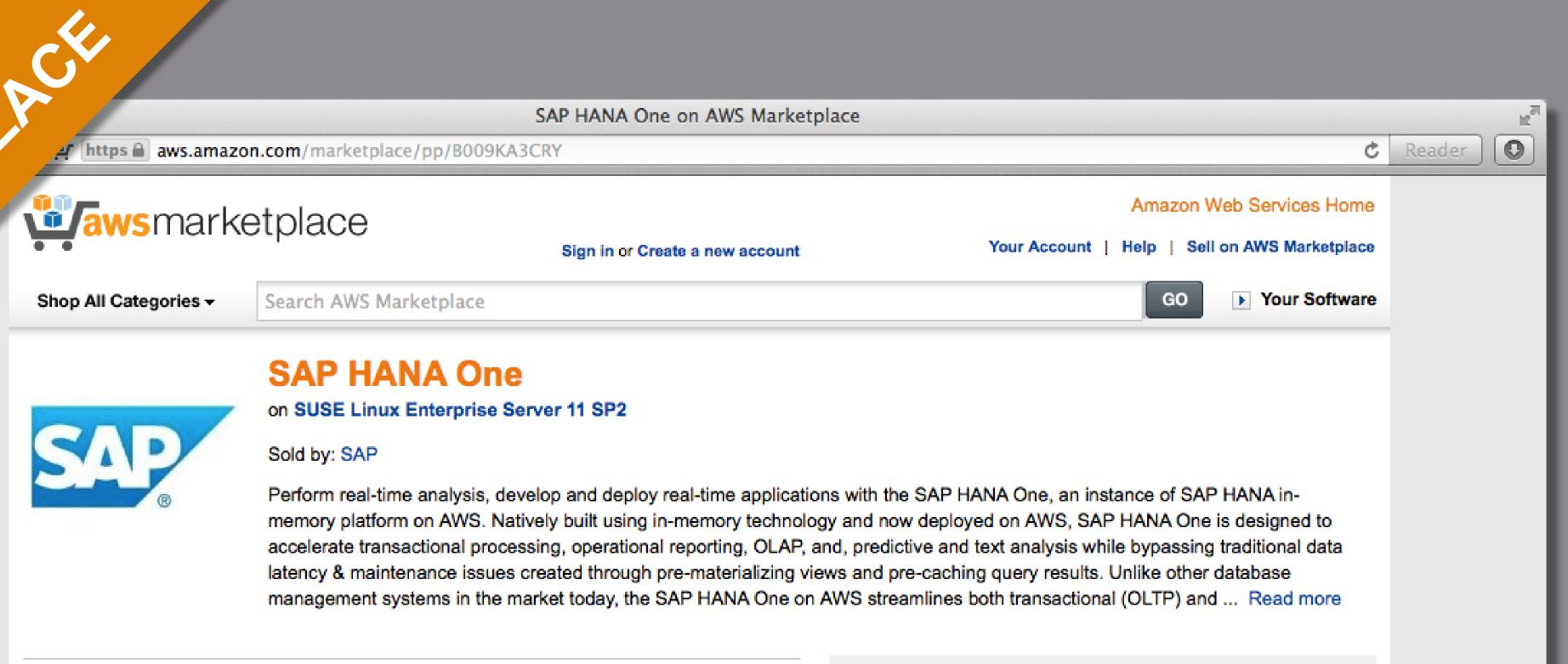
GovCloud

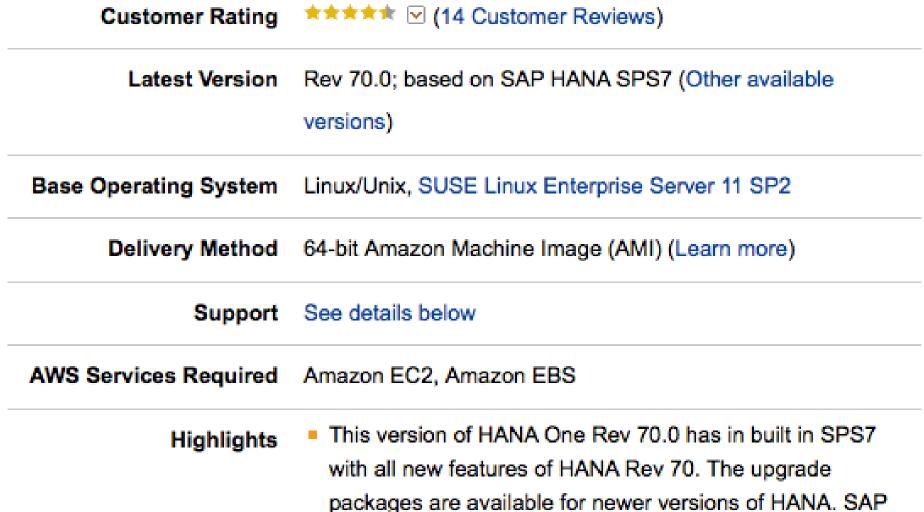
2011

Amazon EBS Amazon

+24

CloudFront 2008



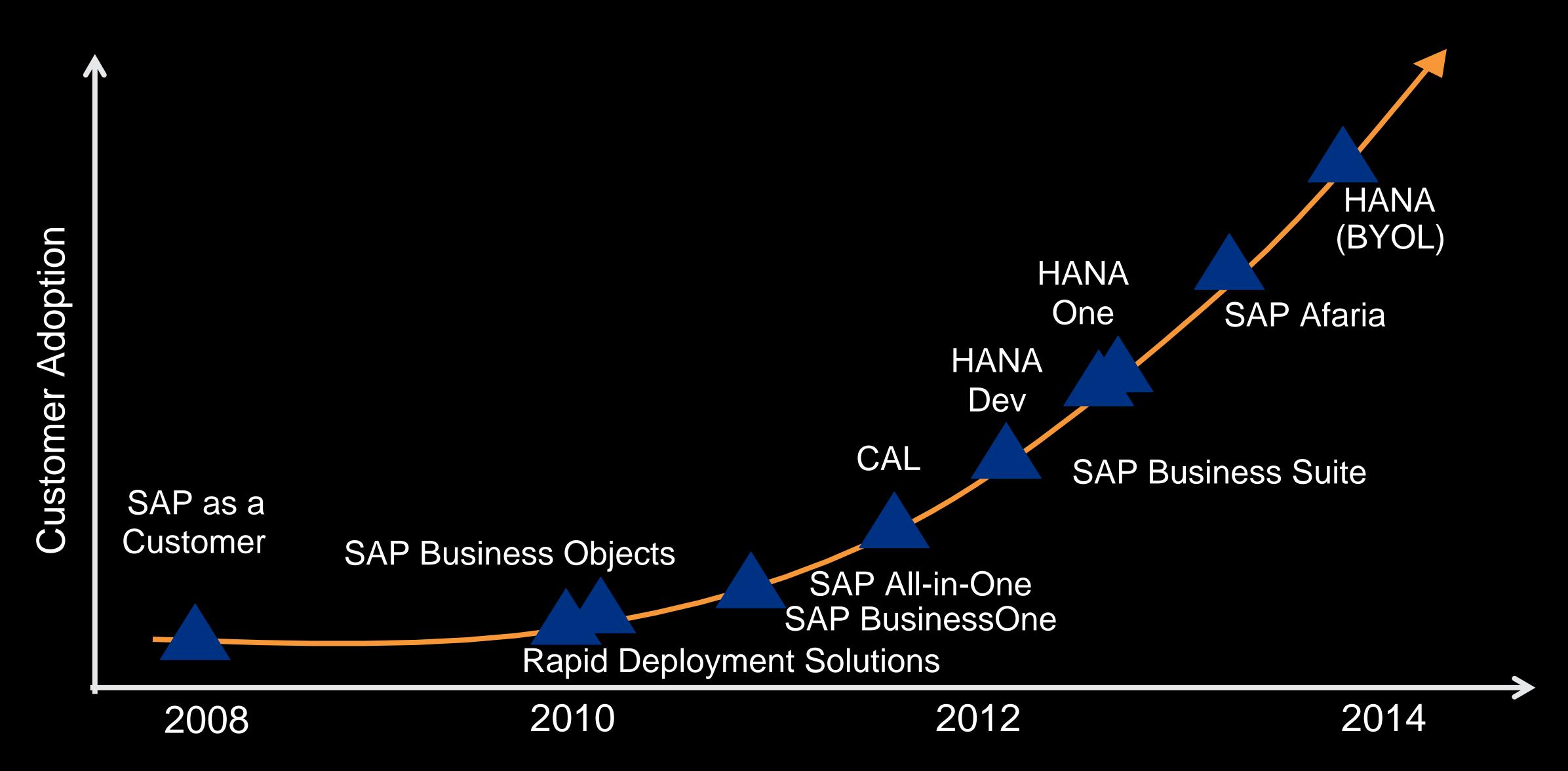


Continue

You will have an opportunity to review your order before launching or being charged.

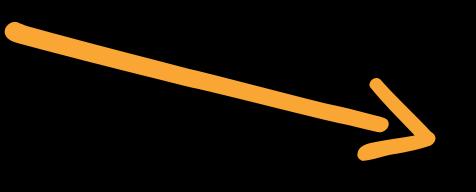
Pricing Details For region US East (Virginia) Hourly Fees (includes SUSE Linux Enterprise Server 11 SP2) Total hourly fees will vary by instance type and EC2 region. **EC2 Instance Type** EC2 Usage Software Total cc2.8xlarge \$3.09/hr \$2.10/hr \$0.99/hr \$2.77/hr c3.8xlarge \$1.78/hr \$0.99/hr

SAP & AWS Relationship – Key Milestones

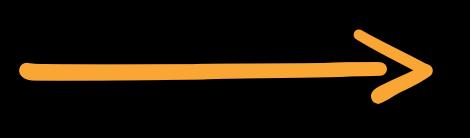


How Customers Use SAP on AWS

Production Support Systems (Development & QAS)



Non-Production Systems (Training, PoC, prototypes)



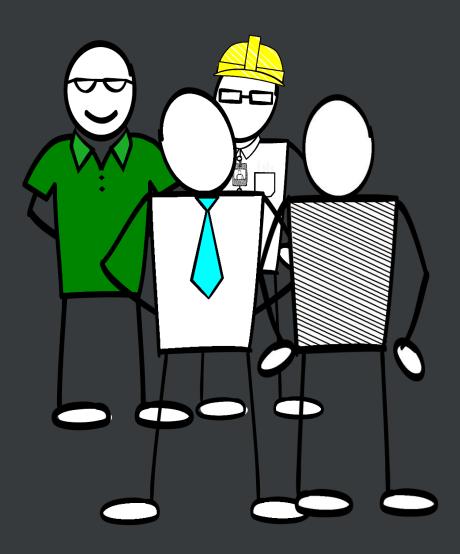


Production Systems and Disaster Recovery (DR)









EPIC COLLABORATION

If you want to increase innovation, you have to lower the cost of failure.

Joi Ito
Director, MIT Media Lab



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