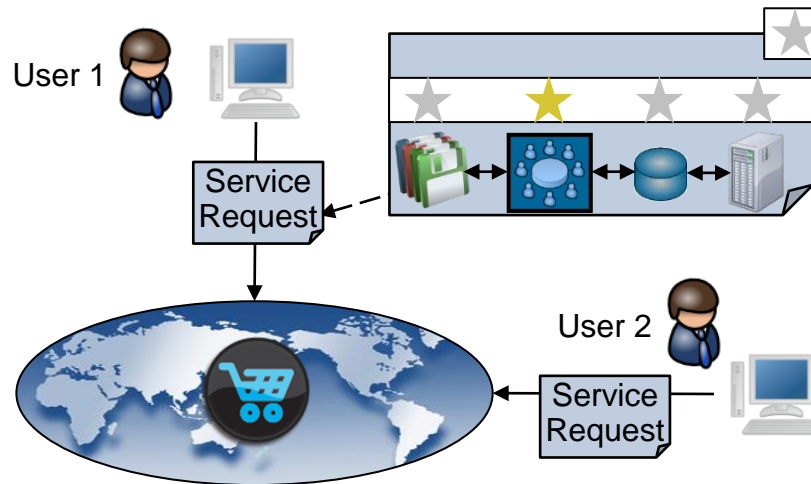


# Complex Service Provisioning in Collaborative Cloud Markets



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- Poznan, Poland -



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# Outline

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## Introduction

Motivation

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Collaboration Partner Selection

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## Conclusion and Outlook

# Motivation

## Cloud Computing [NIS10]

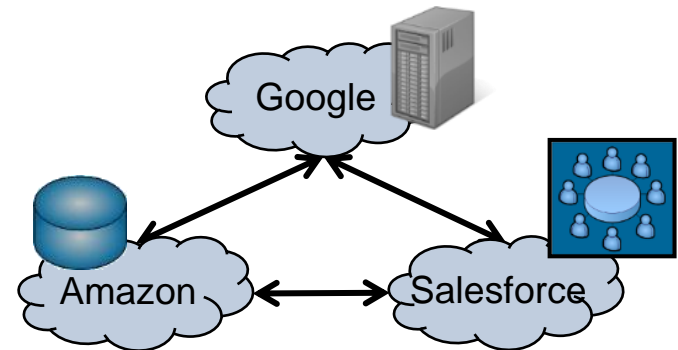
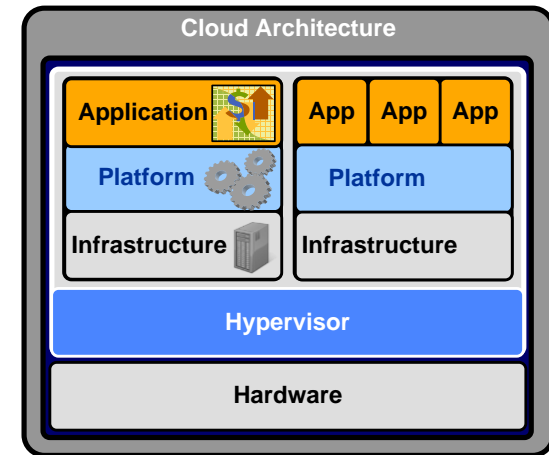
- “On-demand network access”
  - “Shared pool of configurable resources”
  - “Rapidly provisioned and released”
  - “Minimal management effort”
- High level of flexibility

## But...

- No market-based trading of services
- No quality guarantees according to individual business constraints

## Obstacles [BYV+09, BRC10]

- No open standards and interfaces
- Limited support for dynamic negotiations
- No collaboration support



# Cloud Computing... What's Next?

## Cloud Federation

- Collaboration of multiple clouds
- Vendor specific

## InterCloud (Cisco) [Rub10]

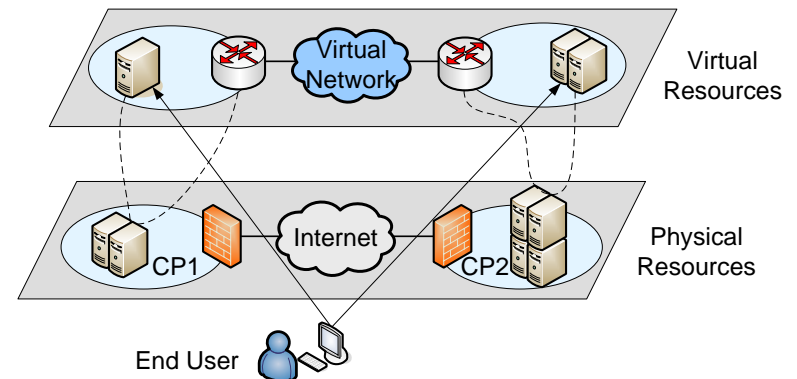
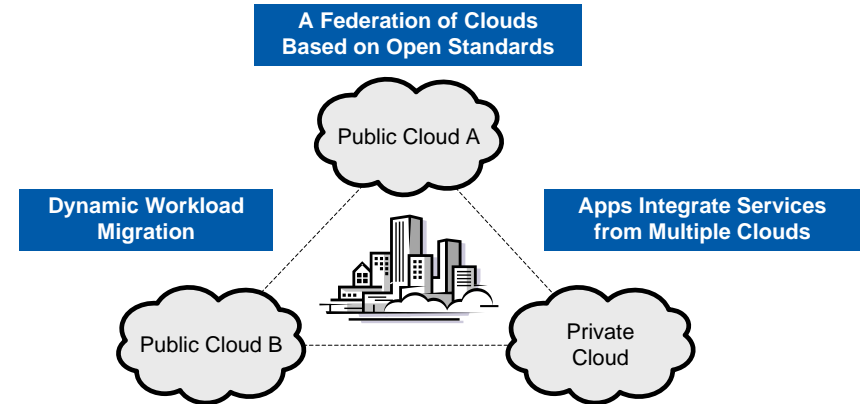
- Federation based on open standards
- Focus on transparent interoperability

## Sky Computing [KTMF09]

- Multiple resources from different clouds
- Connectivity using network virtualization

## Network Virtualization [KTMF09]

- Overcome connectivity limitations of VMs
- Pro: Single logical network (transparency)
- Con: Enhanced effort in network administration

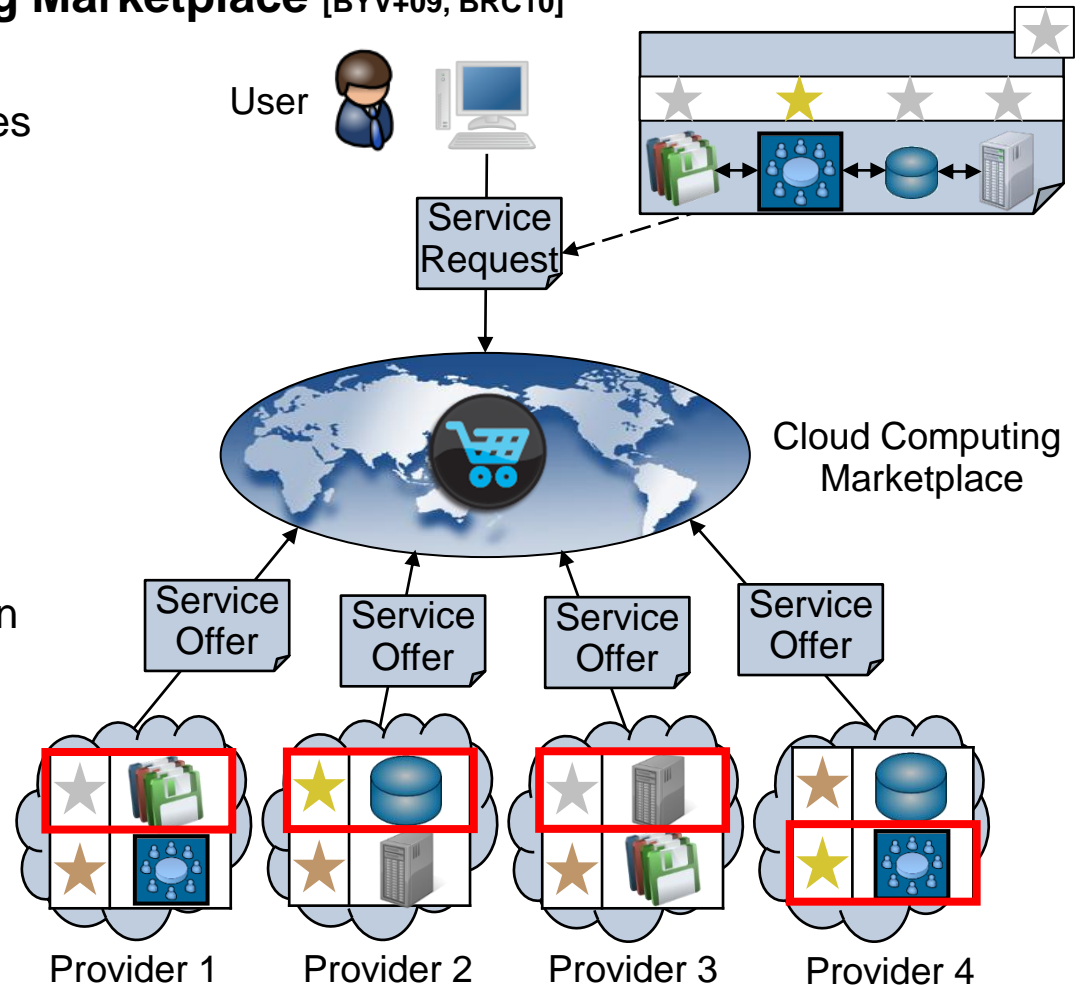


# Scenario

## Vision: Global Cloud Computing Marketplace [BYV+09, BRC10]

- Users want
  - Combination of multiple resources
  - Individual quality guarantees
- Providers have
  - Not all requested resource types
  - Different quality strengths
  - Limited resource capacities

→ Requires negotiation & collaboration



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# Market Model: Structure

## Service Provisioning

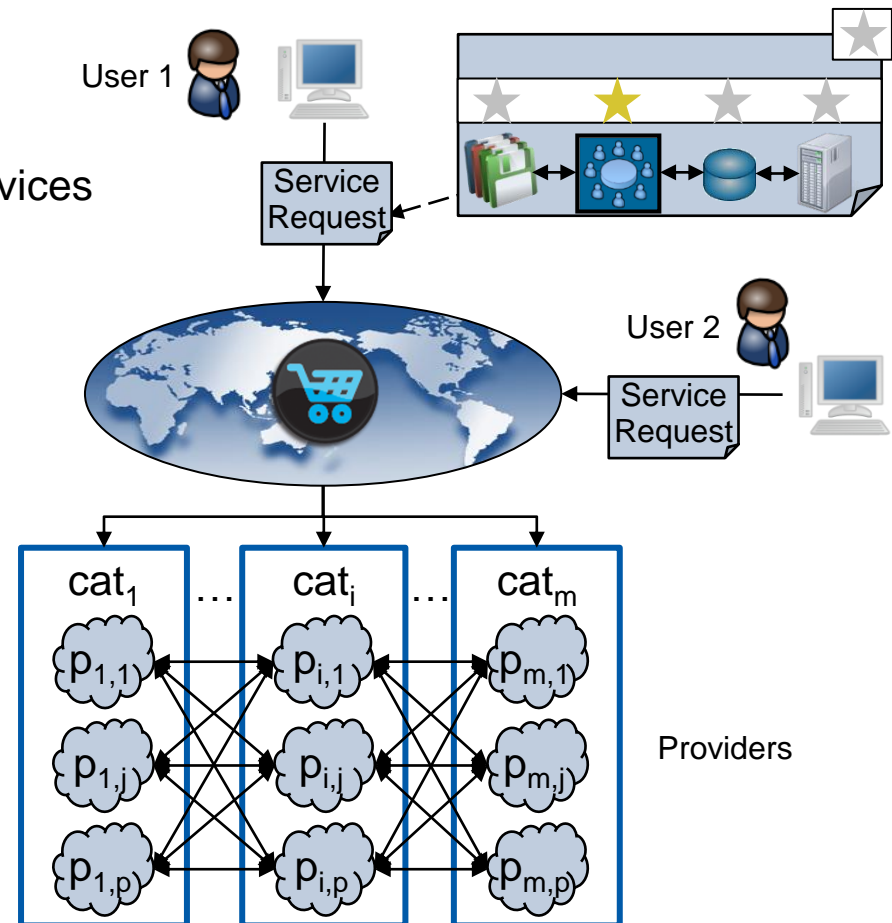
- Users submit requests to marketplace
- Providers offer different service types
- Brokers act on behalf of users to acquire services

## Service Request

- Set of  $m$  different functional cloud services
- Parameters for each service and bundle

## Service Selection

- Brokers in the marketplace
- Conduct negotiation with providers
- Select collaboration partners
- Collaboration partner must be selected from each of the  $m$  categories



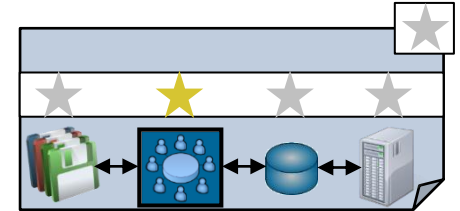
# Market Model: Actors

## Users

- Private utility functions

$$UCat_i(S_{i,j}) = wCatPr_i * Pr_{i,j} + wCatQ1_i * \sqrt{Q1_{i,j}} + wCatQ2_i * \sqrt{Q2_{i,j}}$$

- Thresholds on service and bundle level



## Providers

- Service  $s_{i,j}$  with parameters price ( $Pr_{i,j}$ ) and two quality parameters ( $Q1_{i,j}$  and  $Q2_{i,j}$ )
- Can vary quality levels based on individual cost functions

$$UCP_{i,j}(S_{i,j}) = Pr_{i,j} + CFQ1_{i,j} * Q1_{i,j} + CFQ2_{i,j} * Q2_{i,j}$$

- Connections between providers have an influence on bundle quality

Parameter	Provider Utility	User Utility	Aggregation
$Pr_{i,j}$	Positive	Negative	Additive
$Q1_{i,j}$	Negative	Positive	Additive
$Q2_{i,j}$	Negative	Positive	Min-Operator

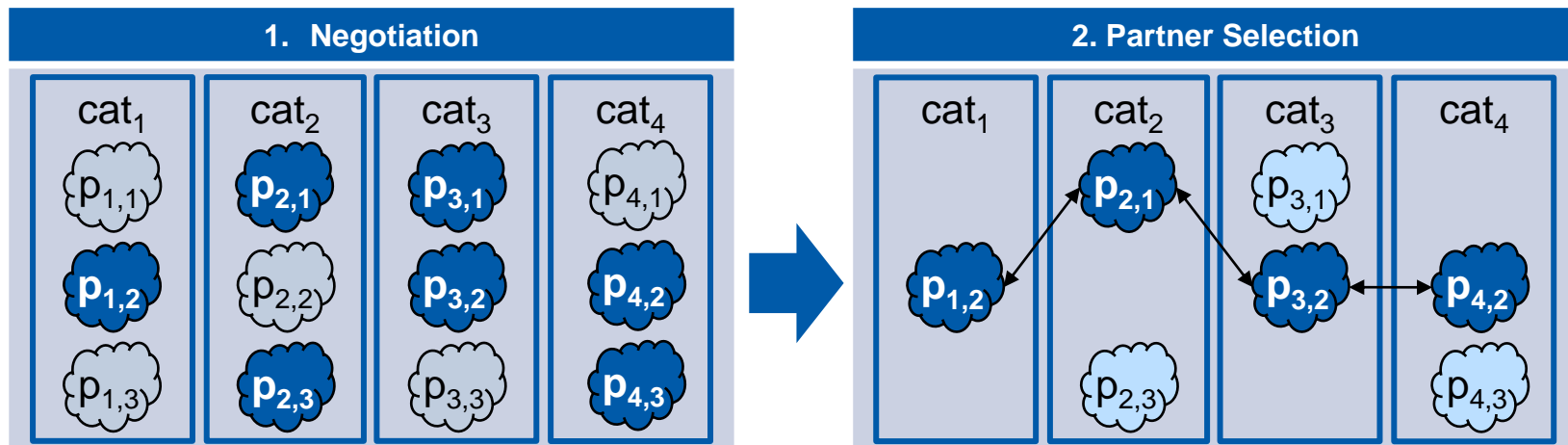
# Market Model: Objectives

## Goal

→ Maximize user's utility under price and quality constraints

## Two-Step-Approach

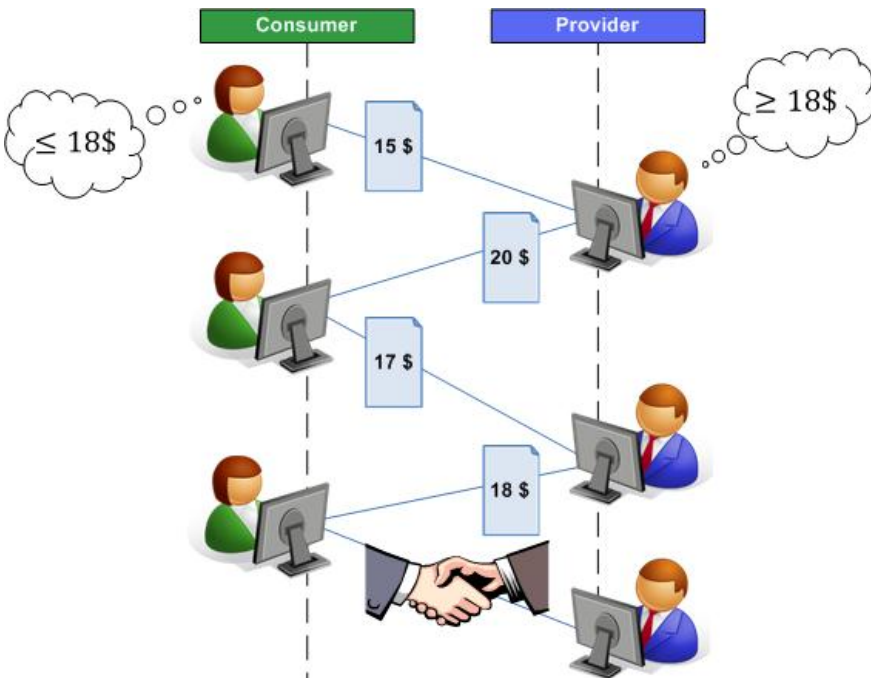
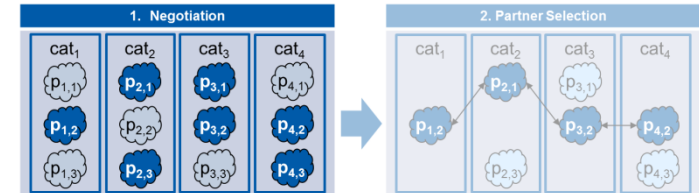
1. Conduct negotiations with providers in each category
2. Select collaboration partners to provide the service composition



# Negotiations

## Negotiation Characteristics

- Multiple parties with conflicting interests
- Agreement should be reached
- Each party may apply a different strategy
- Rules for interaction required



## Negotiation Requirements

- Multiple-issues support
- Multi-provider support
- Automated negotiation

## Selected Negotiation Approaches

- Contract net protocol
- English auction

# Negotiations: Approaches

## Contract Net Protocol (CNP) [Smi80]

- Initially proposed by Smith (1980)
- Originally used for task distribution

## Procedure

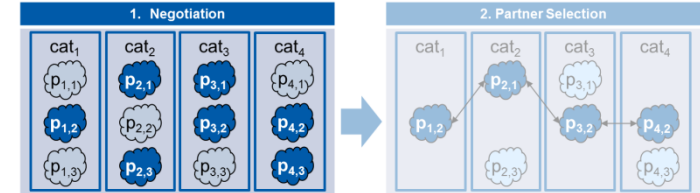
- (1) Providers receive parameter thresholds
- (2) Providers use thresholds to determine best price and prepare their offer
- (3) Marketplace/broker selects best offer based on user's utility function

## Provider Strategy

→ Minimize own utility to minimize price

## Providers' Price Calculation

$$Pr_{i,j}^{CNP} = -CFQ_{1,i,j} * ThCatQ_{1_i} - CFQ_{2,i,j} * ThCatQ_{2_i}$$



## Pros

- Simple implementation
- Decision after one round

## Cons

- Optimization on provider side only focuses on price

# Negotiations: Approaches (cont.)

## English Auction (EA) [PRAK11]

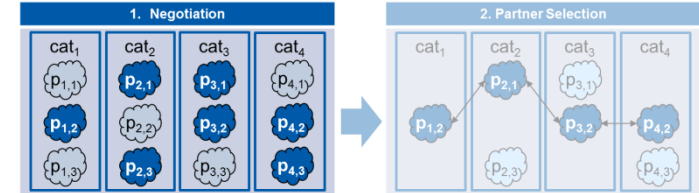
- Bidders bid for a good over several rounds
- Bids must exceed the currently highest bid
- Highest bid wins the auction

## Procedure

- (1) Providers receive parameter thresholds and utility function of user
- (2) Providers make a minimal increase of their offer or leave the negotiation
- (3) Publication of best offer at end of each round → goto (2)
- (4) Closing and service selection when no more offers are made

## Provider Strategy

→ Minimal increase or adjust to thresholds



## Pros

- Optimization on provider side considers user's utility function

## Cons

- Implementation more complex
- Decision after multiple rounds

## Providers' Price Calculation [DASK02]

$$Pr_{i,j}^{EA} = \frac{\frac{wCatQ1_i^2}{|wCatPr_i|} + \frac{wCatQ2_i^2}{|wCatPr_i|}}{2*|CFQ1_i| + 2*|CFQ2_i|} - UCat_i(S_i^{BestOffer}) - DiffOfff - wCatPr_i$$

# Collaboration Partner Selection

Objective Function (Maximize):

$$\sum_{i=1}^m \sum_{j \in S_i^{Val}} x_{i,j} (wBuPr * Pr_{i,j} + wBuQ1 * Q1_{i,j} + wBuQ2 * Q2_{i,j}) + \sum_{i=1}^{m-1} \sum_{j \in S_i^{Val}} \sum_{k \in S_{i+1}^{Val}} y_{i,j,i+1,k} (wBuPr * CPr_{i,j,i+1,k} + wBuQ1 * CQ1_{i,j,i+1,k} + wBuQ2 * CQ2_{i,j,i+1,k}) \quad (1)$$

Constraints:

$$ThBuPr \geq \sum_{i=1}^m \sum_{j \in S_i^{Val}} x_{i,j} * Pr_{i,j} + \sum_{i=1}^{m-1} \sum_{j \in S_i^{Val}} \sum_{k \in S_{i+1}^{Val}} y_{i,j,i+1,k} * CPr_{i,j,i+1,k} \quad (2)$$

$$ThBuQ1 \leq \sum_{i=1}^m \sum_{j \in S_i^{Val}} x_{i,j} * Q1_{i,j} + \sum_{i=1}^{m-1} \sum_{j \in S_i^{Val}} \sum_{k \in S_{i+1}^{Val}} y_{i,j,i+1,k} * CQ1_{i,j,i+1,k} \quad (3)$$

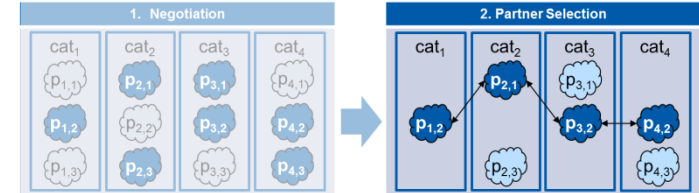
$$ThBuQ2 \leq \sum_{i=1}^m \sum_{j \in S_i^{Val}} x_{i,j} * Q2_{i,j} \quad (4)$$

$$ThBuQ2 \leq \sum_{i=1}^{m-1} \sum_{j \in S_i^{Val}} \sum_{k \in S_{i+1}^{Val}} y_{i,j,i+1,k} * CQ2_{i,j,i+1,k} \quad (5)$$

$$\sum_{j \in S_i^{Val}} x_{i,j} = 1 \forall i \in (1, \dots, m) \quad (6)$$

$$\sum_{j \in S_i^{Val}} \sum_{k \in S_{i+1}^{Val}} y_{i,j,i+1,k} = 1 \forall i \in (1, \dots, m-1) \quad (7)$$

$$x_{i,j} + x_{i+1,k} - y_{i,j,i+1,k} \leq 1 \forall i \in (1, \dots, m-1) \wedge \forall j \in S_i^{Val} \wedge \forall k \in S_{i+1}^{Val} \quad (8)$$



## Approach

- Select one service from each category
- Selection based on properties of services and connections between services
- Composition must maximize user utility

→ Can be modeled as optimization problem

→ Can be solved optimally using techniques from the field of Operations Research (e.g., branch-and-bound) [HL05]

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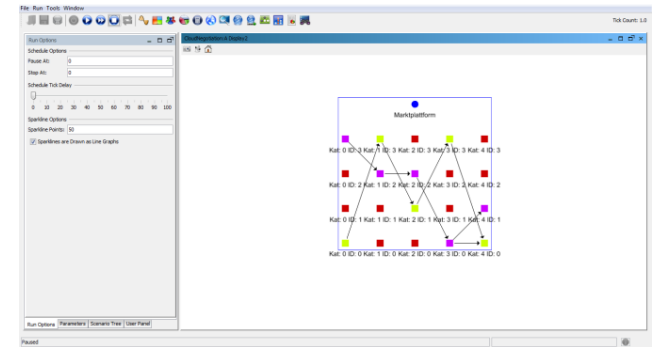
## Evaluation

## Conclusion and Outlook

# Evaluation: Setup

## Scenarios

- Five functional categories
  - Static weights for user's utility function
  - Thresholds and cost parameters determined by random
  - 2, 4, 6, 8, and 10 providers in each category
  - Minimal increase of bids is 0.5 units
- 20 test cases for each scenario

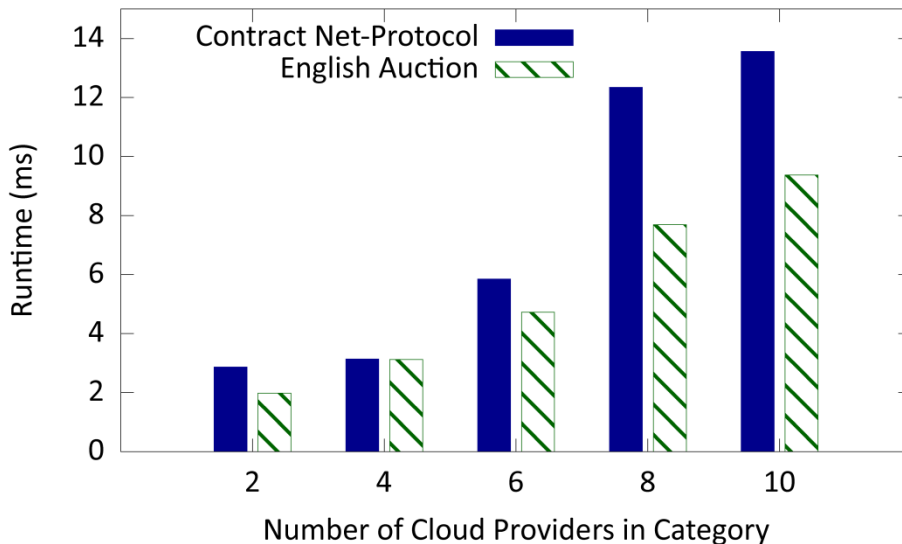


Category		Bundle	
Parameter	Values	Parameter	Values
$CFQ1_{i,j}, CFQ2_{i,j}$	[0;1]		
$wCatPr_i$	-1	$wBuPr$	-1
$wCatQ1_i, wCatQ2_i$	2	$wBuQ1, wBuQ2$	0.5
$ThCatPr_i$	[15;20]	$ThBuPr$	[15;20] * $m$
$ThCatQ1_i$	[0;5]	$ThBuQ1$	[0;3] * $m$
$ThCatQ2_i$	[0;5]	$ThBuQ2$	[0;1]

## Evaluations

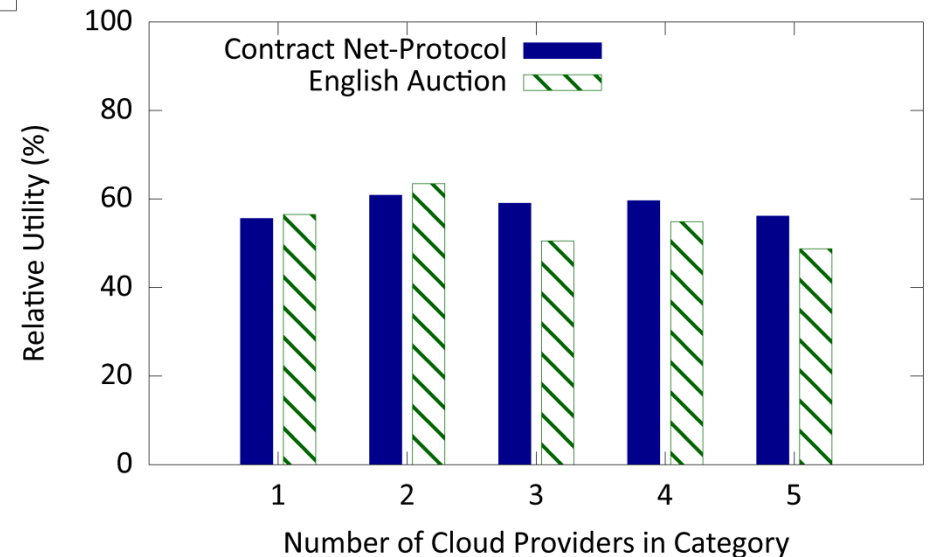
- Runtime
- Relative user utility
- Best user utility

# Evaluation: Runtime & Relative Utility

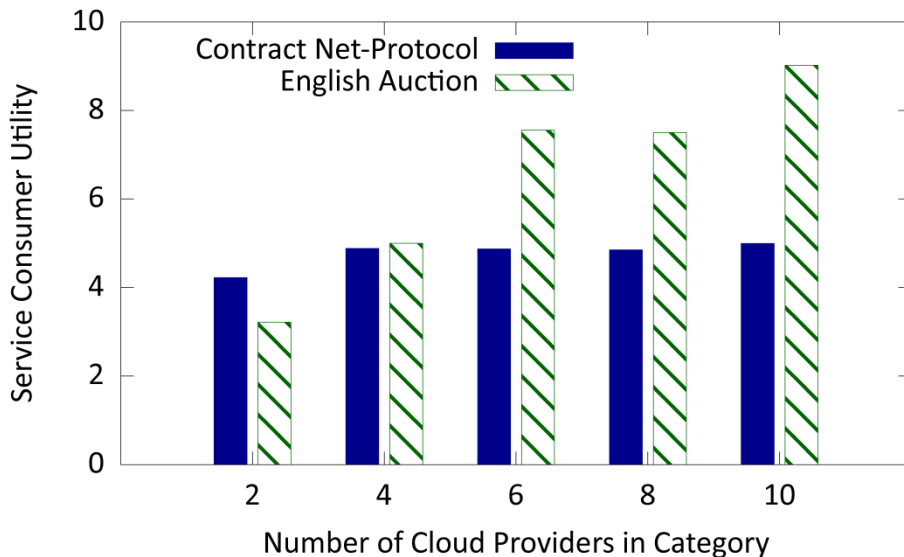


- Runtime between 1.9 and 13.6 ms  
→ Dynamic collaboration support
- CNP with higher runtime  
→ CNP with more valid solutions

- Although the price is in the focus, CNP shows good median values
- EA values slightly decrease with an increasing number of providers



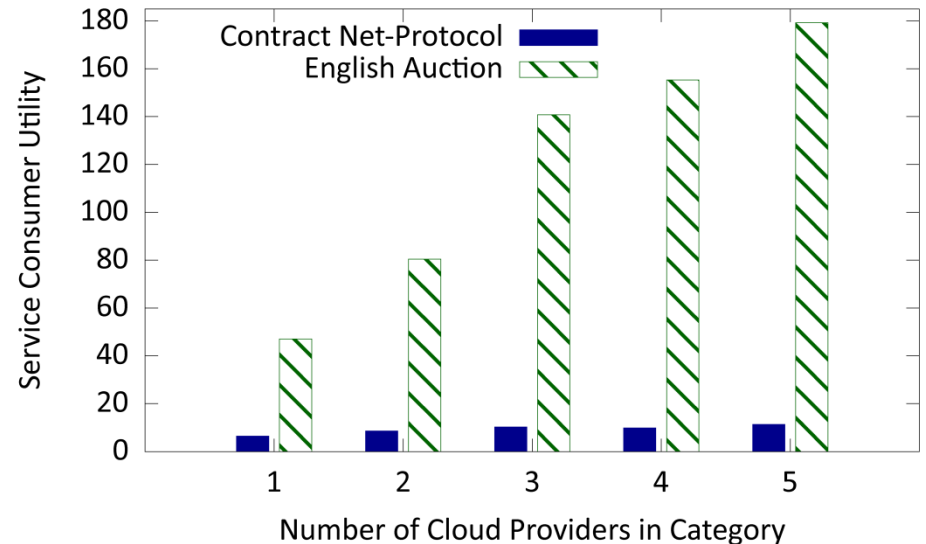
# Evaluation: Best Utility (Category vs. Bundle)



- CNP utility nearly constant for all scenarios and decreases for bundle
- EA leads to highest utility and has similar distribution in both cases
- EA utility increases with competition

## Summary

- CNP: minimal requirements and price most important
- EA: many providers and high utility desired



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## Contributions

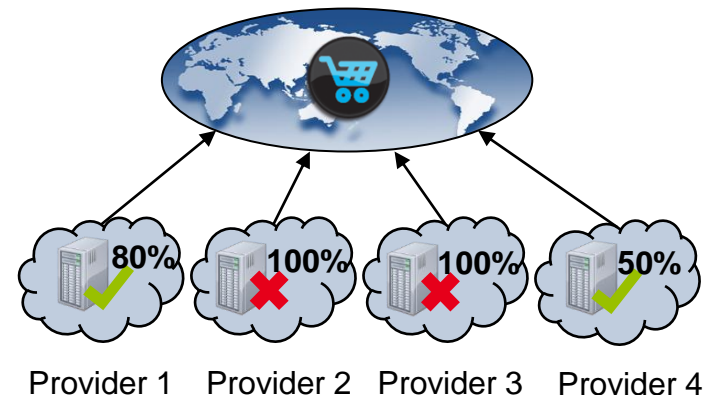
- Generic cloud market model for negotiation and collaboration
- Adaptation, implementation and evaluation of selected negotiation mechanisms

## Conclusion

- Both negotiation mechanisms applicable in a dynamic collaborative setting
- No single negotiation mechanism preferable in all settings

## Outlook

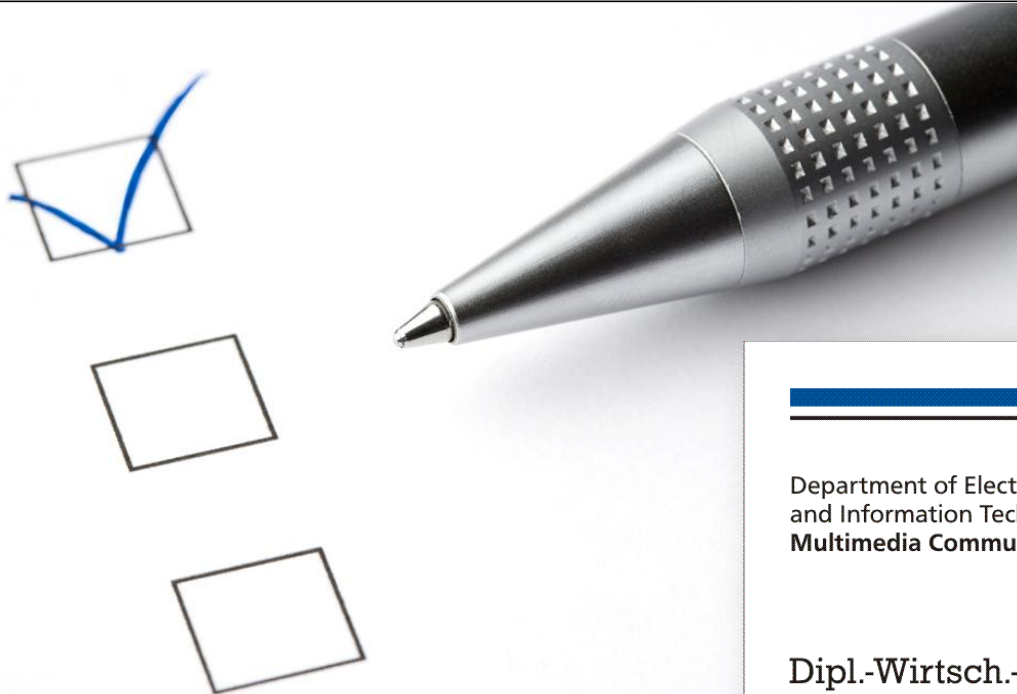
- Enhancement of model by considering resource constraints of providers
- Concurrent negotiation and collaboration partner selection
- Evaluation of further negotiation mechanisms



# Further Questions?



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