

## E-Trading

### 5. Alternative Architectures

**Roger Clarke**

Xamax Consultancy, Canberra

Visiting Professor, A.N.U. and U.N.S.W.

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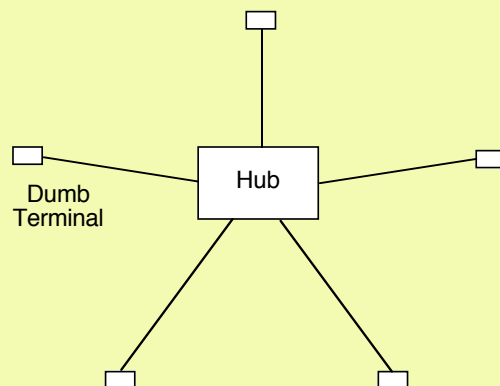
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## Alternative Architectures

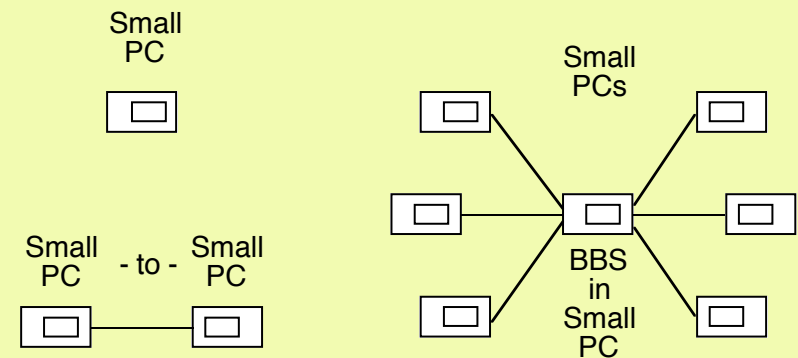
### Agenda

1. Master-Slave Architecture
2. Client-Server Architecture
3. Peer-to-Peer (P2P) Architecture
4. eSharing Digital Objects using P2P
5. eTrading Digital Objects using P2P
6. 'The Cloud'

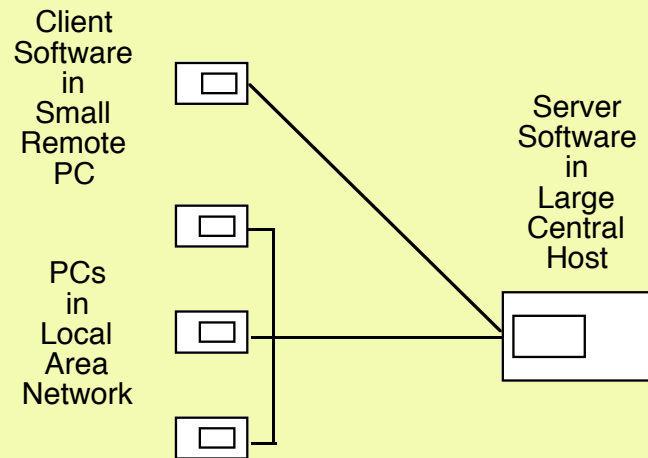
### 1. Master-Slave Architecture Star Topology



### Multi-Personal Client-Server The 'PC' Era – Mid-Late 1970s Onwards



## 2. Client-Server Architecture Mid-1980s Onwards

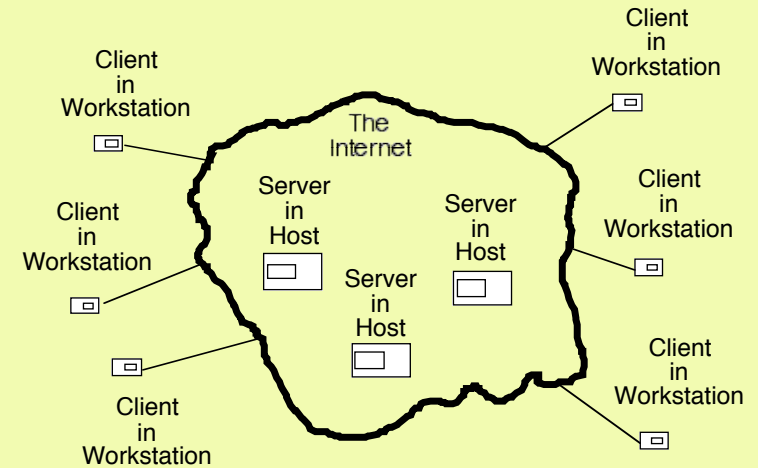


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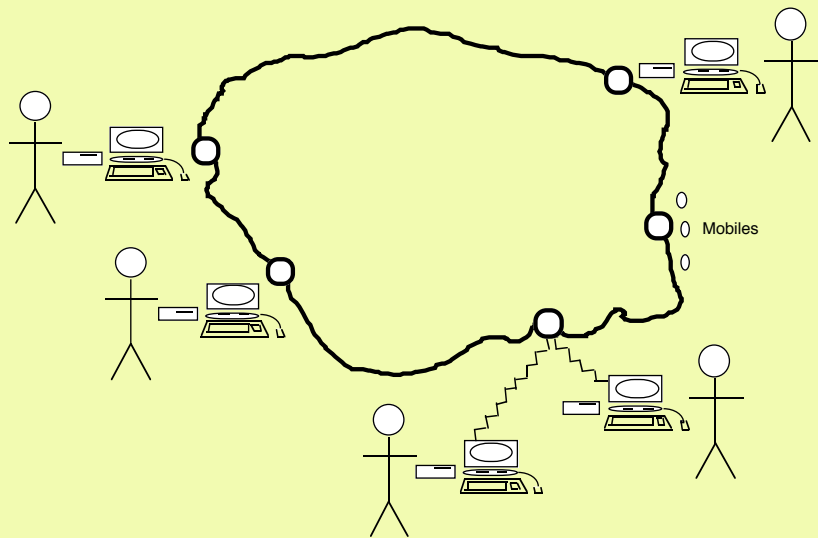
## Client-Server Architecture – Internet-Mediated Mid-1990s Onwards



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**Computing Power 'at the Edge'**

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## Key Developments Since the Mid-1990s

- **Workstation Capacity** (now rivals Hosts)
- **Workstation Diversity** (vast, expanding)  
desktops, laptops, handhelds, smartcards, ...  
phones ==> smartphones, PDAs ==> tablets, cameras,  
... carburettors, fridges, ... RFID tags, ...
- **Broadband Connectivity** (widespread)  
This enables dispersion and replication  
of devices capable of providing services
- **Wireless Connectivity** (increasingly widespread)  
This enables Mobility  
which means Devices change networks  
which means their IP-addresses change

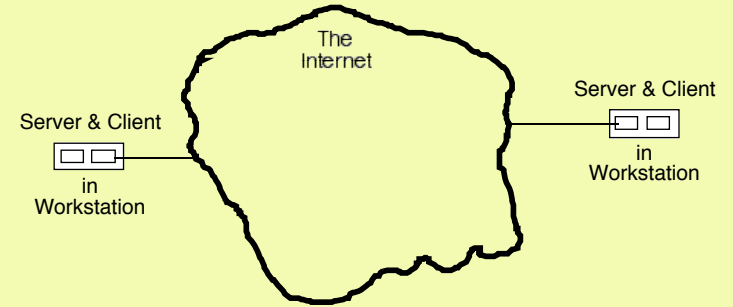
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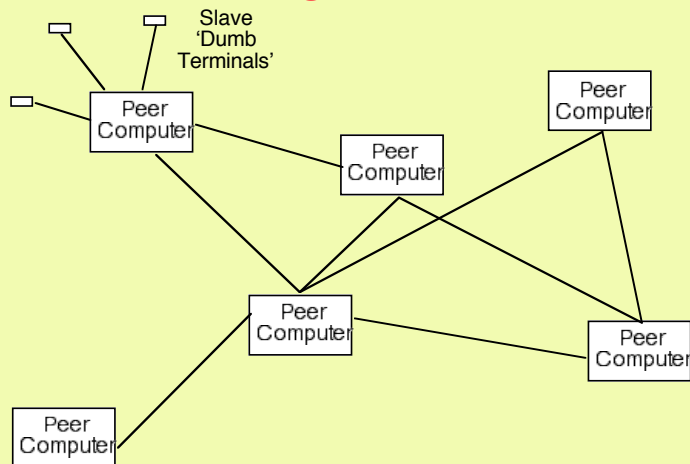
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### 3. Peer-to-Peer (P2P) Architecture

### P2P Architecture Cooperative Use of Resources at the Edge



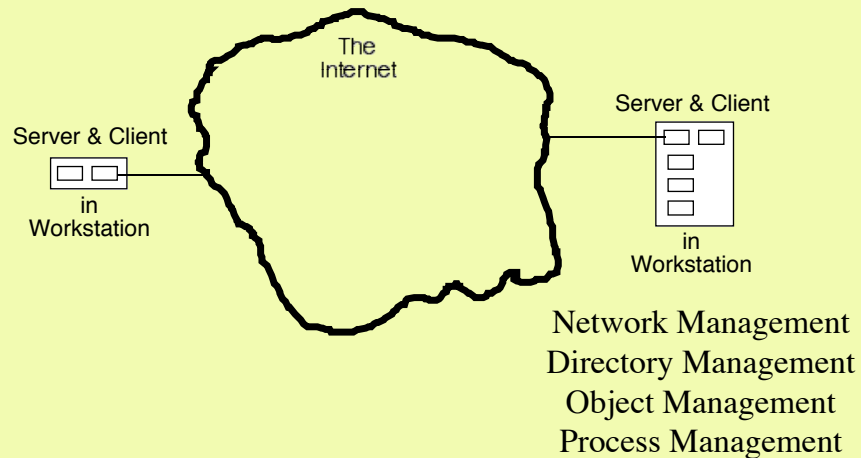
### The ARPANet's Peer-to-Peer Topology 1969 Onwards Multi-Organisational



### P2P – The Motivation

- Take advantage of resources that are available at the edges of the Internet
- **To do so, make each participating program both a Client and a Server**  
so each workstation acts as a host as well, e.g.
  - a music playstation can be a mixer too
  - your PC can host part of a music repository
  - your PDA can host part of a music catalogue

## The P2P Server-Component's Multiple Functions



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## P2P – Towards a Technical Definition

P2P is a network architecture  
in which each node  
is capable of performing  
each of the functions  
necessary to support the network  
and in practice many nodes do  
perform many of the functions

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## Important Characteristics of P2P

- Collaboration is inherent
- Clients can find Servers
- **Enough Devices with Enough Resources act as Servers for discovery, and as Servers for services**
- 'Single Points-of-Failure' / Bottlenecks / Chokepoints are avoided by means of networking dynamics
- 'Free-Riding' / 'Over-Grazing' of the 'Commons' is restrained through software and psych. features

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## The Scale of the Undertaking

- The DNS grew to c. 30 million names in 18 years from its establishment in 1984 to 2002
- Napster achieved that many in 2 years
- The top 3 distributed-catalogue services combined quickly exceeded Napster at its peak
- AOL Instant Messaging is also very large
- **By 2005, the total of all P2P names probably exceeded the number in the DNS by a factor of 10**

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## Why P2P Is Attractive

- **Much-Reduced Dependence** on individual devices and sub-networks (no central servers)
- **Robustness not Fragility** (no single point-of-failure)
- **Resilience / Quick Recovery** (inbuilt redundancy)
- **Resistance to Denial of Service (D)DOS Attacks** (no central servers)
- **Much-Improved Scalability** (proportionality)
- **Improved Servicing of Highly-Peaked Demand** (more devices on the demand-side implies there are also more server-resources)

## Technical Concerns about P2P

- **Address Volatility:** old addresses may not work (hence trust based on repetitive dealings is difficult)
- **Absence of Central Control** (hence risk of anarchy)
- **Inadequate Server Participation** (over-grazing)
- **Security Challenges:**
  - Malware, embedded or infiltrated
  - Surreptitious Enlistment (at least potential)
  - Vulnerability to Masquerade
  - Vulnerability to Pollution Attacks (decoys)

## P2P Applications for Access to Digital Objects

- **Software:**
  - Fixes/Patches
  - Releases
- **Virus Signatures**
- **Announcements**, e.g. of technical info, business info, entertainment 'info', sports results, promotional messages, advertisements
- **News Reports**, by news organisations, and by members of the public
- **Emergency Services Data**
- **Backup and Recovery Data**
- **Games Data**, e.g. scenes and battle configurations
- **Archived Messages**, for conferencing/chat/IM, and cooperative publishing
- **Learning Materials**, in various formats
- **Entertainment Materials**, in various formats

## 4. eSharing Files using Peer-to-Peer (P2P)

- MP3
  - CD-quality digital sound in files sized 1 MB/minute
- Napster
  - a central catalogue of a distributed database, to facilitate sharing of MP3 files
- Gnutella, KaZaA, et al.
  - a distributed catalogue of a distributed database, to facilitate sharing of (MP3?) files

## 5. The Scope for eTrading in Music

- Identify price resistance-points in the various customer-segments i.e. 'what the market will bear'
- Set prices accordingly (and hence sustain payment morality)
- Make backlists and new releases available via for-fee P2P channels
- Discourage and prosecute breaches where the purpose is commercial
- Take no action over breaches by consumers (esp. time-shifting, format-change, even sharing?)

### The Evidence

- Since 2003, Apple iTunes charges USD 0.99 / track!?
- Copyright-Owners get USD 0.70
- In 2005-06, they asked for more
- And argued with Jobs about variable track-pricing

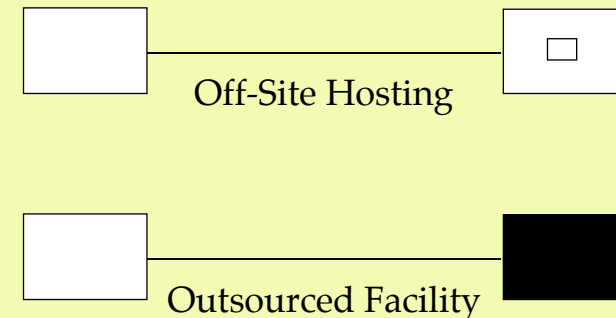
## eBusiness Era Revenue Sources

- **Direct and Immediate Reciprocity**
  - Low prices for volume sales
  - Higher prices for services that are value-added / differentiated / customised
- **Indirect and/or Deferred Reciprocity**
  - Donations, sponsorship, advertising
  - The-artist-pays / vanity press
  - 'Shareware' – use now, maybe pay later
- **'The After-Market'**
  - Accessories
  - Upgrades
  - Enhancements
  - Extensions

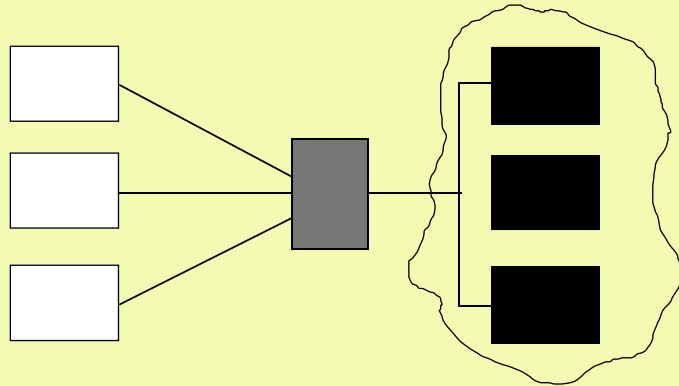
## 6. 'The Cloud'

- Outsourcing
  - of IT Infrastructure
  - of IT platform, i.e. software environment
  - of Applications
- 'Server Virtualisation'
- Cloudsourcing

## From Insourcing to Outsourcing



## From Outsourcing to Cloudsourcing



CloudSourced Facilities

## Cloud Computing is a Form of Outsourcing How is it different from earlier forms?

- Scalability ('there when it's needed')
- Flexible Contractual Arrangements ('pay per use')
- Opaqueness ('let someone else worry about details')
  - which means less user control:
    - of the application, through commoditisation
    - of service levels, through SLA dependence (assuming there's an SLA, and it's negotiable)
    - of host location, through resource-virtualisation

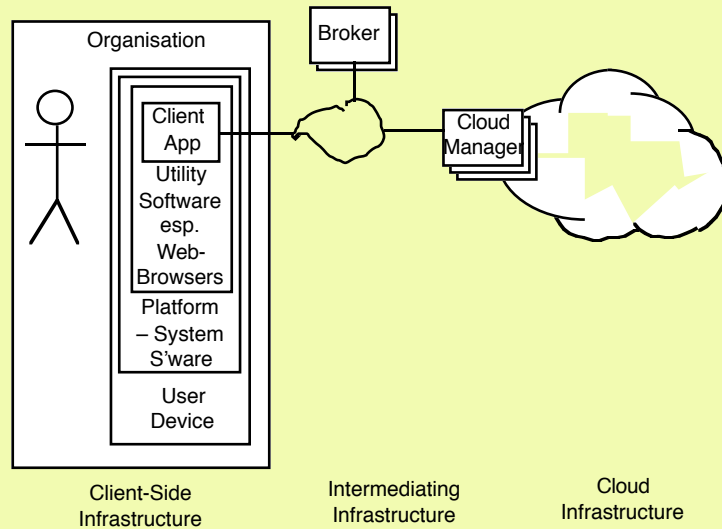
## Levels of Cloudsourcing

- **Infrastructure as a Service (IaaS)**  
Amazon EC2, Rackspace, ...
- **Platform as a Service (PaaS)**  
MS Azure, Sware Dev Environments, ...
- **Software as a Service (SAAS)**  
Google Gmail, Google Docs / Apps  
MS Office 365  
Dropbox  
Salesforce  
MYOB LiveAccounts, Intuit Online

## Levels of Cloudsourcing and What is and isn't Outsourced

	SaaS			PaaS	IaaS
	Generic App	Customised Generic App	Own App		
Service Delivery and Management	CP	CP	CP	<b>Org</b>	<b>Org</b>
Application	CP	CP + <b>Org</b>	<b>Org</b>	<b>Org</b>	<b>Org</b>
Platform	CP	CP	CP	CP	<b>Org</b>
Infrastructure	CP	CP	CP	CP	CP

## CC Architecture – The User Organisation Perspective



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## Reliability – The First Few Years Inferences from Media Reports

- (1) Outages are not Uncommon
- (2) Outages Arise from Multiple Causes
- (3) Providers' Safeguards are Sometimes Ineffective
- (4) Failure Cascades are Prevalent
- (5) Providers have had to be Forced to be Responsive
- (6) Providers have often been Uninformative
- (7) Outages may Affect Important Ancillary Services
- (8) The Direct Impacts have sometimes been Significant
- (9) Indirect Impacts have often been Even More Significant
- (10) Few Customers are Recompensed

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## COMP 3410 – I.T. in Electronic Commerce

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