You've probably heard that moving to the cloud offers cost savings. But, your actual savings depend on what platforms you're using, the complexity of your use cases and the pricing model in place. And with enterprises expecting most of their data to eventually reside in the cloud, it is critical to select a solution that can scale as needed to accommodate evolving business requirements without locking in costs. That's where consumption-based pricing can help.

What Is Consumption-Based Pricing?
A consumption-based pricing model enables companies to optimize costs by dynamically scaling usage across various services. This model gives companies the ability to experiment, and it helps meet a growing demand for agile innovation. It offers all the resilience, scalability and flexibility of cloud. For example, you might have a cloud data warehouse migration initiative that initially requires mass ingestion and data integration services. After the initial data load, you might want to focus on real-time application integration or govern the cloud data depending on your data strategy. A consumption-based pricing model lets you quickly and easily onboard new capabilities as you need them.

What Is the Informatica Processing Unit (IPU)?
The Informatica Processing Unit is a flexible, predictable, consumption-based pricing model that enables you to pre-pay for usage on an annual basis.

According to McKinsey, by 2024, most enterprises aspire to have $8 out of every $10 for IT hosting go toward the cloud.¹

And according to a survey by Ventana Research, most organizations (86%) expect the majority of data to eventually be in the cloud and nearly all (99%) of those surveyed plan to do analytics in the cloud.²


This model grants you access to all the supported services, connectors and processing engines within Informatica’s Intelligent Data Management Cloud™ (IDMC) in the same way. This allows you to use only what you need based on your business requirements at any given time. As your requirements change, you can use new functionality as needed. You have the flexibility to shift usage across cloud services as needed and the ability to optimize for both predictable and volatile needs. The IPU model is consistent with the approach taken by major cloud providers in licensing their technologies. Thus, it aligns with our customers’ demands and the industry standard alike.

What Is Volume Tier Pricing?
Volume Tier Pricing ensures our customers benefit from leveraging the breadth of IDMC services as they scale to support additional use cases. This pricing strategy makes scaling more cost-effective by guaranteeing expansion at the same or lower per unit list price. Volume Tier pricing is now available as part of the IPU model. You can pre-commit to a usage level that best meets your workloads and needs, scaling as your demand increases.

A Pricing Model Aligned to Your Needs
The IPU model offers tremendous value and benefits by granting access to a wide range of services and measuring their use on a consumption basis.

Figure 1. Key benefits you can expect from the IPU model
Additionally, the IPU model will allow you to:

- **Control your costs:** Offers a flexible pricing model that meets your seasonal, cyclical or volatile usage patterns. Optimizes costs with flexible processing engine options (secure agent, serverless or elastic) as data volumes and performance requirements evolve. Choose the IPU model suitable for your needs, with options for both predictable and volatile workloads. Pick between an IPU consumption model, where unused IPUs expire at the end of the contract month, or a Flex IPU consumption model, where unused IPUs expire at the end of the contract anniversary year.

- **Track and manage your consumption:** Supports viewing and downloading summary data and drill-down detailed data for current and historical usage, individual service consumption, sandbox and sub-org consumption.

- **Plan your usage up front:** Estimates your usage upfront so you can plan wisely and stay in control of your spending.

- **Support your cloud ecosystems:** Can be purchased for ecosystem hosts, such as Microsoft Azure, Amazon Web Services (AWS), Google Cloud Platform (GCP), etc.
• **Experience volume-based pricing:** Volume tier pricing offers significant savings on the cost per IPU as your consumption increases.

• **Access new capabilities:** Affords access to new cloud capabilities as they are introduced by Informatica.

• **Identify departmental chargebacks:** Supports tracking of all IPU consumption at the department level and satisfies chargeback requirements.

• **Use dashboard tracking:** Tracks your usage via a usage dashboard so you can plan ahead. And you can always reach out to us to estimate your initial needs.

Figure 2. An example of what the IPU dashboard looks like
Getting Started With IPU

Informatica offers the industry’s first, most comprehensive and most at-scale cloud focused only on data management. Informatica’s IDMC is powered by the CLAIRE® AI engine. It enables end-to-end data management solutions and a connected data strategy with a fully integrated, complete data lifecycle essential for enabling numerous business use cases, all in a single platform.

The IPU model provides you with access to all major data management services within a single platform, in contrast to licensing and maintaining multiple point solutions. This model offers an IPU consumption plan, where unused IPUs expire at the end of each contract month, or a Flex IPU consumption plan, where IPUs expire at the end of the contract anniversary year. You can start small and then expand as your business and data management requirements evolve. And you can avoid investments in multiple products with overlapping capabilities.

IPU model and Volume Tier pricing are available for all data integration, mass ingestion, API and app integration, data quality, data governance & catalog and data masking services. In addition, Volume Tier pricing is available for MDM SaaS services. You can get started with convenient IPU or Flex IPU consumption plans. For more information, check out our IPU pricing page.