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AWS Private Pricing Agreement 101

How To Save More With Custom Contracts

Who doesn't love a good deal? With an Amazon Web Services (AWS) Private Pricing Agreement (PPA), you can save tons of cash by committing to services you already use. This infographic will go over what PPA is, the benefits it has to offer, and how to decide if it's right for your organization.

What Is an AWS Private Pricing Agreement?

An AWS Private Pricing Agreement is a volume-based discount program that high-spending AWS customers can access through private negotiations. By committing to a multi-year contract with Amazon Web Services – typically between 1-5 years – users can lock in a lower price for that term.

"Private Pricing Agreement" is the official name, but you might also know it as Enterprise Discount Pricing (EDP) or the Committed Spend program. Whatever you call it, it's a win-win: AWS gets to secure your business for a few years, and you get a better price.

Why Use an AWS Private Pricing Agreement?

Even when it's saving you dough, entering into a multi-year contract is a big investment that should not be taken lightly. Luckily, a little dedication to AWS reaps a lot of rewards.



Significant Cost Savings

Let's start with the best benefit: **discount pricing**. Committing to a certain volume of use also means you're committing to saving a dedicated amount of money on it. And the more you store, the more you save. That means growing storage costs won't get in your way as you grow and expand.



Enterprise-Level Support & Benefits

You'll unlock VIP perks when you opt for a PPA. This includes enhanced access to AWS account managers, solution architects, and support teams. Depending on your negotiations, you might also get credits for migration, extra training, or support for Proof of Concept (PoC) work.

Plus, PPA also comes with other ways to save. You can combine your contract with other savings mechanisms like Savings Plans and Reserved Instances for maximum cost savings – it all comes down to your negotiation strategy.



Predictable Cloud Spend

When you enter a PPA with AWS, you're eliminating monetary guesswork from your to-do list. You've earmarked a minimum volume of storage to use, so budgeting is simplified. The result? Smaller, simpler bills that set you up for successful financial planning and reporting.



Customized Agreements

Ditch generic plans for one where you get a say. Each AWS PPA is as unique as the customer. The terms and pricing are tailored to your organization's specific usage, workloads, and growth plans. You're free to negotiate for the price plan and contract term that makes sense for your business.



Plus, opting for a Private Pricing Agreement places you in a strategic partnership with AWS. This could lead to benefits such as early access to new features or beta programs, giving you an edge on the competition.



Commitment Incentives

Since it's negotiated on an individual basis, every PPA is unique. That means you can strike a deal that specifically includes upfront or periodic AWS promotional credits. AWS may even offer onboarding or architectural support depending on your agreement.

Another incentive to keep in mind: your PPA will typically cover a wide range of services depending on your negotiation. The earmarked cash could pay for CDNs, analytics tools, data services, and more to help you centralize your operations.



Improved Negotiation Leverage

As part of a PPA, you may get better leverage when negotiating pricing for thirdparty services on the AWS Marketplace. For example: let's say you're interested in Storyblok, a modern headless CMS that's as easy to use as it is powerful. Because it's on the AWS marketplace, your position as an PPA customer could help you reach a more favorable price, putting more money back in your wallet.

Is AWS Enterprise Discount Pricing Right for You?



If the following applies to you...

- You spend \$500,000 or more annually with AWS
- You can predict your cloud usage volume
- You're happy to enter negotiations and lock in AWS as your provider for 1-5 years

...then yes, entering negotiations for an AWS Private Pricing Agreement is right for you. With better value for services you already use, it's just a smarter way to spend. And the deal only gets better with more commitment.

The bottom line? If you're an enterprise looking for the most efficient way to operate, an AWS PPA is your new best friend. With a little preparation and negotiation, it's your ticket to enterprise-level savings.

