

How to start a web hosting company

Start your own business and make money online series

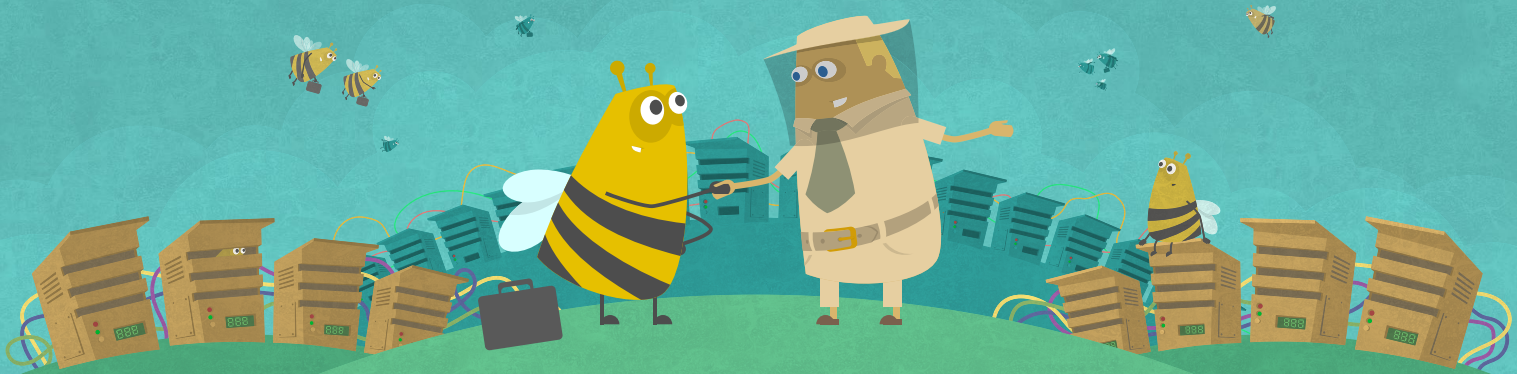


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Introduction

Hey there! I'm here to walk you through the ins-and-outs of starting a web hosting business, step by step. If you're already familiar with the skills and workload required to operate a successful hosting company, then by all means, jump to the next section! This introduction aims to familiarize you, the reader, with what it takes to jumpstart your very own hosting company.

First, a definition:

Web hosting is the business of providing storage space and easy access for websites. It is situated in a fiercely competitive industry, yet it can be massively profitable when done right. A hosting business will rent a certain amount of bandwidth and storage space, for a set amount of time, for a fee. The money that you as a business owner make comes from the difference between the costs of operating your servers and customer service (or reseller costs), and the amount you charge your customers.

Ultimately your decision to start your own hosting business should depend on your motivations, technical knowhow, and the amount of workload you can handle.

For example, people have many motivations for starting a business. Some want financial freedom, others want a source for passive income, and yet others do it for the challenge of meeting a problem head-on. Your motivations for starting a hosting business must be focused and clear. It's very difficult to operate a hosting business as a source of passive income, due to the large workload involved in running a service based business online.

At the bare minimum, extensive knowledge of web design is required to operate a hosting business. You should have working knowledge of HTML, CSS, and PHP – enough to build a visually stunning and SEO optimized website to take payments and allow for customer logins. For the more ambitious reader looking to operate their own servers, you would need lots of object oriented programming experience.

Starting a hosting business also requires significant time commitment. To start up you will spend many hours designing, testing, and marketing your website. You will also spend time on a daily basis maintaining your website, providing customer support, and processing payments. You should be willing to spend a couple hours a day working on your business at first. Eventually, if everything goes right, your business will grow to become a full time job with great pay.

Best Reseller Web Hosting Companies

Rank		User Feedbacks
1	InMotionHosting Best Value and Reliable	★★★★★
2	GreenGeeks Green Reseller Hosting	★★★★★
3	HostGator Best Reseller Hosting	★★★★
4	BlueHost Reliable Reseller Hosting	★★★★
5	HostPapa Canadian Reseller Hosting	★★★★★
6	JustHost Reliable Reseller Hosting	★★★★
7	CoolHandle Trusted Reseller Hosting	★★★★
8	LunarPages Affordable Reseller Hosting	★★★★
9	Site5 Cloud Reseller Hosting	★★★★
10	MochaHost Cheap Reseller Hosting	★★★

[Read more here](#)



A word of advice: The backend of any hosting server has immense amounts of programming and time involved. For the less experienced reader, **this guide recommends starting your business as a reseller host** – where you pay a fee to use someone else's server and then re-sell the service. Focus on fantastic customer service and customer acquisition, and familiarize yourself with the facets of the business.

Knowing the market

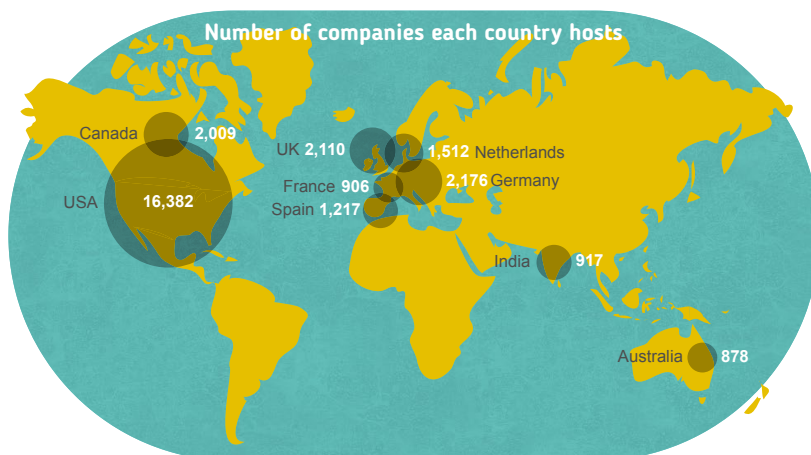
Web hosting has traditionally been a wide-ranging and very competitive industry. Niche markets in the industry are few and widespread, and we have found that the vast majority of companies compete on price and customer service.

Some of the largest web hosting companies have revenues in the millions of dollars. You might be familiar with a few of them, such as Hostgator, GoDaddy, Bluehost, InMotion Hosting, Webhostinghub etc. All of these companies have tens of thousands of servers, dedicated 24/7 support staff, and years of business experience. A small startup like your future business will find it extremely difficult to compete with these goliaths.

Then comes the huge set of small to medium sized hosting companies. Here the word small is used with caution, because the average company in this category may have hundreds of servers and dedicated support staff. It is more difficult for these companies to stand-out, mainly because of the number of competitors in this category. To stand out as a small-to-medium sized webhost, you would usually need something unique, whether it be a name (like "A Small Orange"), or cheap prices, or over-the-top customer service.

The last category will inevitably be the category you find your future business in. This is the micro/startup hosting company category. As a generalization, companies in this category are usually reseller hosting companies trying to make a small dent in the 16 billion USD¹ domestic web hosting market. Many of these businesses will fail to attract any customers at all and even more will stagnate after a few customers try their services.

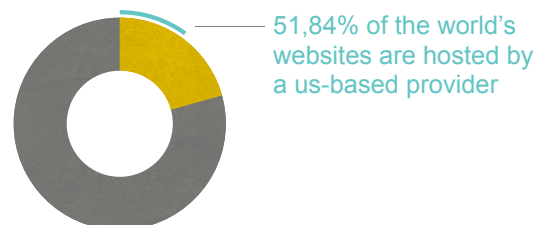
1 <http://www.ibisworld.com/industry/internet-hosting-services.html>



Examples of niches you could target:

- Geographic area (ie. local server)
- Linux/Windows hosting
- Small-businesses hosting
- Blog hosting
- Hosting for music content
- Hosting for photography/photographers
- Green hosting
- Weddings
- Non-profit organizations
- Restaurants

The top ten hosting companies dominate 20,7% of the market



The rule of thumb here is to have a business that offers something unique to your customers and couple it with extensive marketing so that potential customers know about your name. The perfect example here is the niche market. By positioning yourself as being directly associated with a niche you are able to position yourself as an expert in that field in a way no mass market company ever could and this is incredibly appealing to customers within that niche. You are also able to focus your customer service on that niche's needs, cutting support costs but increasing the quality at the same time.

Example niches that a host could target:

- Geographic area (ie. Local server)
- Linux/ Windows hosting
- Small businesses hosting
- Blog hosting
- Hosting for music content
- Hosting for photography/photographers
- Green hosting
- Weddings
- Non-Profit Organizations
- Restaurants

There are many benefits for choosing a niche market:

1. You can cut costs in things not related to the niche
2. You can focus your marketing efforts only on customers in the niche
3. You can sell affiliate products, such as Wordpress plugins and website themes in your niche
4. Being a niche market host removes the nuances in a mature market. For example, niche sales grow faster than general hosting sales, and there is no need for constant investments into branding and extra features.
5. You have a higher chance of success when competing with relatively few competitors inside a niche market

There are also a few downsides to the niche market, such as a naturally smaller revenue pool and limited room for growth. In general

Top 10 Largest Most Popular Web Hosting Companies in the World

	Hosting Company	Country	Total Websites use this company IPs, sites
1	 GoDaddy.com	USA	339,797
2	 amazon web services	USA	223,324
3	 Host Gator	USA	206,031
4	 CLOUDFLARE	USA	201,316
5	 HETZNER ONLINE	Germany	152,380
6	 bluehost	USA	149,882
7	 OVH	France	143,698
8	 rackspace HOSTING	USA	74,930
9	 Confluence-Networks	Virgin Islands, British	70,118
10	 ROOK MEDIA NET	Switzerland	66,544

[Read more here](#)

Bit of Trivia: The blogging niche has seen consistent growth. Bluehost was and remains very WordPress centric, and a majority of their customer base comes from WordPress users and bloggers. (<http://www.bluehost.com/wordpress>)

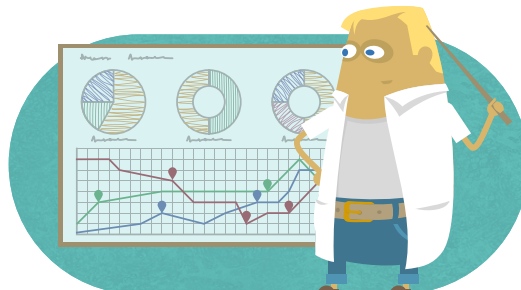
however, in a large and mature industry like web hosting, it's better to start off in a niche market and focus on providing quality service.

Take a few days to think about your ideal hosting niche, do lots of research. Once you're ready, let's start!

Steps you need to take to get started

Step 1: Pre-Startup Research

Once you have your intended niche, it's time to do some research. You'll need to know the top 5 competitors in your hosting niche, the services they offer, and the amount of money they charge. A spreadsheet is recommended for this purpose – you can use the one below as a quick guide.



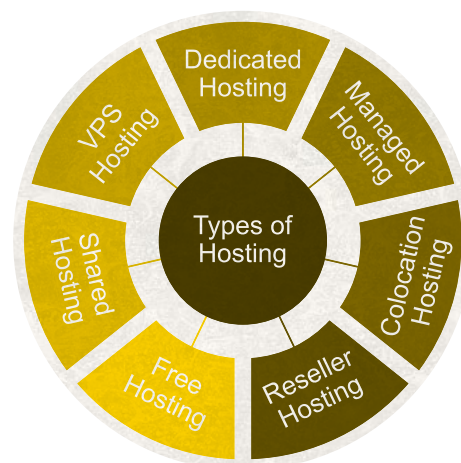
Competitor	Stats	Services Offered	Cost for the customer	Marketing Methods	Estimated cost per acquisition
ABC Inc.	ARPU (Average Revenue per unit)~ \$100 % customer lost after the money back guarantee~25%	- Green Hosting -Shared hosting -Dedicated servers -VPS	\$15/month Shared Unlimited bandwidth, 3 domains	Facebook, Twitter, has their own blog, advertises on Google, affiliate marketing	Up to \$350/customer, from Google AdWords estimator

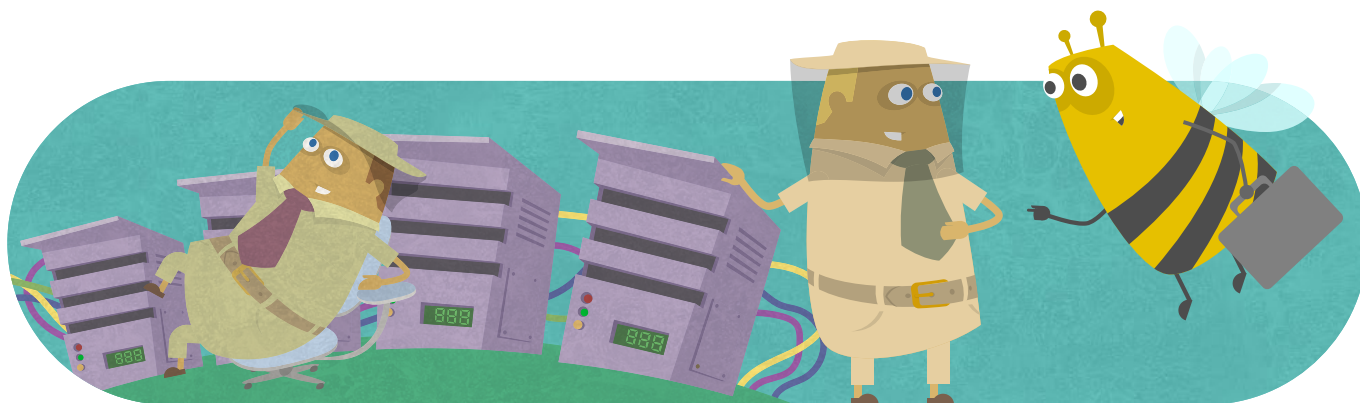
Step 2: Deciding the core of your business

When it comes down to the core of a web hosting business, there are three types:

1. Reseller Hosting
2. At home server
3. Datacenter Colocation

This guide recommends the beginning web hosting entrepreneur to begin with a Reseller Hosting system. There are many benefits to starting a reseller business, including simplicity and low cost of operation. The technical know-how is basic with a reseller business and becomes significantly more complex with an in-home server or renting a data-center.





Reseller Hosting

Cost of entry: Minimum \$9.87/month, likely around \$30/month plus advertising

Reseller hosting is a form of web hosting business where the owner, in this case you, buys wholesale hosting services from a larger company, and “resell” said services to the consumer at a higher cost. In this case, the money you make will come from the difference between the prices.

Reseller hosting can take many forms. For example, you can rent a dedicated server from the hosting company as a reseller, or you can re-sell the shared hosting services the company offers by signing up for a reseller account.

Let’s take a look at different companies and their respective reseller services:

This data is aggregated from the top 10 ranking for reseller hosts by [Webhostinggeeks](#), for their cheapest packages available.

Average price	\$19.95/month
Cheapest price	\$9.87/month
Most Expensive price	\$23.95/month
Average Bandwidth	500 GB/month
Average Storage	50 GB
Most common features	<ul style="list-style-type: none"> - Unlimited domains - Free CPanel - Free Domain Reseller Account - Free Billing System - White Label client panel

Bit of Trivia: A number of the big hosting companies started off as reseller web hosts. Hostgator, for example, has never held their own servers. The company started off as a reseller webhost in 2003 and has seen sustained growth and eventual acquisition by Endurance International.

Pros and Cons of Reseller Hosting

Pros	Cons
<ul style="list-style-type: none"> + Easy setup + Need little technical knowledge + Lots of support given by the company that provides reseller services + Not very time consuming, the time saved can be put into marketing your business + Technical support handled by the reseller company instead of you 	<ul style="list-style-type: none"> - Limited options you can offer to your customers - Uncompetitive pricing. You cannot offer very low prices and unlimited everything like the big guys, and stay profitable at the same time - No control over the back-end. For example, you can’t guarantee there’s going to be no down-time unless the reseller company does so

There are
28million
 small businesses in the US

How to set up a reseller hosting business

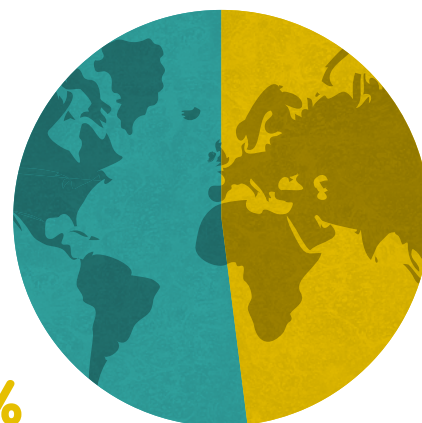
1. Choose a reseller service taking the needs and norms of your niche into consideration. For example, if your niche is WordPress,

then your reseller service should have extensive support and software for WordPress installation and maintenance

2. Buy reseller hosting package – start however large or small you want, you can always expand once you get actual customers
3. Build your website around the API of the reseller company and integrate either the provided billing system or your own billing system, determine what services you can offer and what services you should offer
 - a. For example, many hosts offer shared hosting, VPS hosting, and dedicated servers
 - b. If you have 3 different options for one type of service, customers are more likely to choose the middle ground between the low end and the high end – make sure you make the most profit from the middle ground option
4. Promote your business with Google ads and social media (see Section 6)
5. Expand your services whenever necessary. You may never need to handle your own servers for your business, often you can upgrade to a dedicated server reseller package to handle the influx of customers

543,000

new businesses
started each month



48%

of small businesses
do not have a website

At-Home Server

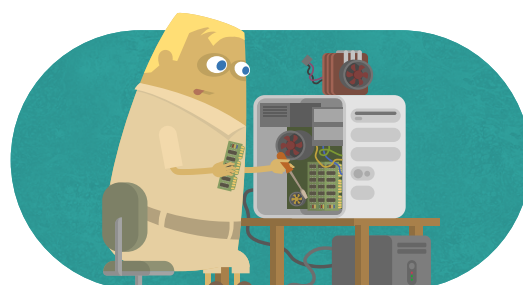
Cost of entry: A or B are both viable options depending on need

- A. Around \$1000 for a used blade server and chassis, \$100/month for maintenance, power, and freelance customer support staff, \$100/month for bandwidth. Plus lots of time and expertise
- B. Around \$800 in total for a PC server setup with a 2.5GHz+ dual-core CPU, 1TB hard drive, and 4GB RAM

The second option that a startup hosting business can have is the at-home server. This option is for the more technologically savvy business owner who want the freedom of managing their own server(s). This guide will not go into the details of setting up at-home servers, we'll only be looking at the basics of setting up and operating a server at home.

The Hardware (Option A):

Your home server can take many forms. The simplest setup can be any machine with a 2.5GHz+ dual-core CPU (Intel i3), 1TB hard drive, and 4GB RAM – this is to ensure of smooth operation of a hundred or so shared customer's websites during peak hours. You can even use your



own computer for this purpose! However, depending on the type and age of computer you use, this guide recommends buying or building a new machine. Old computers are unreliable, slower, and gets considerably loud during peak CPU load.

Your setup would also need a stable and high speed internet connection, power supply, and cooling. This guide recommends putting your server in a discreet location with a wired connection (such as a basement), so that the day to day operations of your server isn't disrupted by the foot traffic in your home.

The Hardware (Option B):

Alternatively, if you believe you have a greater need for computational power density in a smaller space, you can set up a blade server. Blades are modular servers stripped down to the basics, ensuring higher density computing with lower power input. Blade servers are assembled with a chassis which can hold anywhere between 2 to 14 blades. The blades themselves are found inside the chassis, which contain a management unit that allows access to each blade, and network, storage connections for each blade.

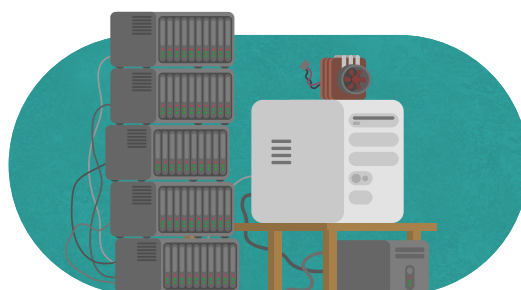
Each blade is its own server with multiple cores and hard drives, but the setup can have a shared storage system. Unlike a regular computer, the entire chassis needs only one mouse, keyboard, video display, and network connection.

The industry average shared hosting blade server will host 2500 shared hosting customers. Your at home server is likely to host less customers to begin with. The more you can put on one server the cheaper it becomes per customer. Naturally if the server is full your cost per customer is only around \$40/ for the first year – if you charge \$3.99/ month, you can make an \$8 profit per customer for the first year. The initial cost includes validating customer's credit card and making sure they are steered in the right direction to install WordPress, custom development of drag and drop web builder. Beyond that we have electricity, HVAC, bandwidth, and hardware costs.

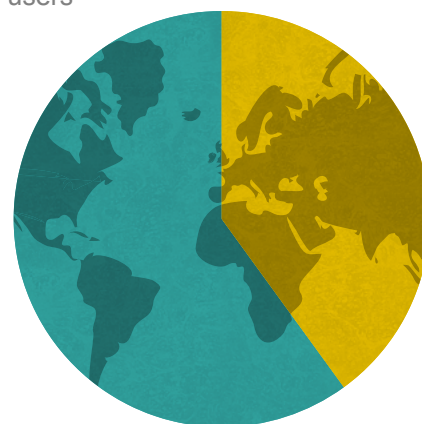
The Software:

You have a choice between a Unix/Linux based system and a Windows based system. Each one has its own pros and cons and the difference is mostly technical. However, a Unix/Linux based system does use significantly less resources.

It's worth practicing setting up servers before you launch your business. If you're confident in your technical knowledge, and want to practice setting up and running a server of your own, try following this guide here to set up your personal server: <http://arstechnica.com/gadgets/2012/11/how-to-set-up-a-safe-and-secure-web-server/>



There are **3.26 billion** internet users



that's over **40%** of the world population

Asia, as a continent, has the most internet users
It accounts for

48.4%
of global internet users

The Internet Connection

At-home servers present a unique challenge for the web hosting business owner: the internet connection. For one, the majority of ISPs or broadband providers do not allow for their users to host public websites on their network. We recommend that you do extensive research on your own internet provider’s terms of service, and only proceed with setting up a server at home if your ISP explicitly allows for the hosting of websites. If they do not, you have the choice of contacting your ISP to work out a special service package for your business’s needs, or to find another ISP that does allow for hosting.

Your business will depend on the stability, latency, and speed of both the upload and download connections provided by the ISP. ADSL (asymmetric digital subscriber line), cable, or fiber services are mostly asymmetric, meaning that the upload speed will be significantly slower than the download speed for most providers. Your business will need fast upload speeds in order to serve your customers with the fastest possible loading speeds.

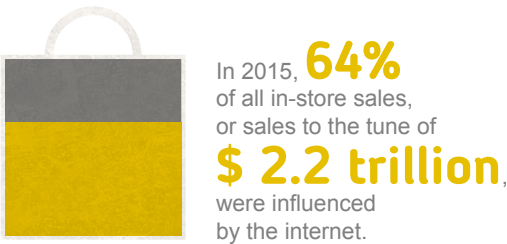
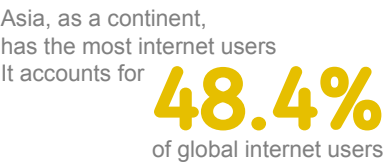
Another problem with internet connection is most services use dynamic IP addresses, where the IP address changes every time you connect to the network. As a web host, you need one or a set of static IP addresses.

Pros and Cons of At-Home Server Hosting











Pros	Cons
<div>+ Absolute control over your setup, hardware and software</div> <div>+ Freedom in what you can offer</div> <div>+ Long-term savings compared to being a reseller host</div> <div>+ Helps you build practical knowledge of the hosting industry and how it works</div> <div>+ Freedom to expand as much as you want, whenever you want</div>	<div>- High upfront cost for hardware</div> <div>- Need special package from most ISPs to allow for hosting from your IP address, (dealing with ISPs is a level of pain all on its own)</div> <div>- Requires a lot of technical knowledge just to get started</div> <div>- High miscellaneous costs of startup compared to reseller hosting</div> <div>- Need to provide your own support, Cpanel, and billing system</div>

Steps to setting up an at-home server

1. Contact your ISP and work out a package where they unblock the required ports required for hosting, and ask for a static IP address instead of the dynamic one they usually provide.
2. Research and purchase a server setup, either blade or a simple PC depending on your needs
3. Set it up in your home, making sure that the server is accessible with a steady wired internet connection (refer to the installations section of this guide)
4. Research and set up the operating system and required server software
5. Link your server up to your already designed website and decide on what services to offer
6. Promote your hosting business with online marketing



Top 10 Internet Service Provider

		Connection Type	States Available
1		Cable, Fiber	40
2		Cable	29
3		Fiber, DSL	14
4		Fiber, DSL	21
5		Cable	19
6		Cable	29
7		Cable	16
8		Cable	19
9		Fiber, DSL	18
10		Cable	28

[Read more here](#)

Datacenter Colocation

Cost of entry: **Varies**

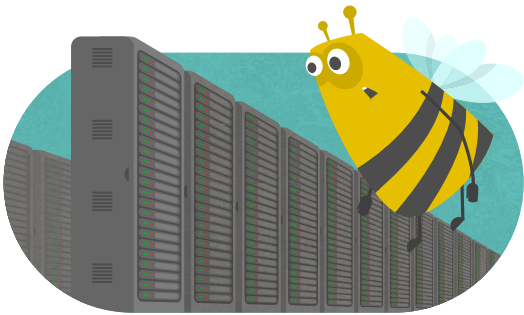
A colocation center is a large commercial data center that rents equipment, space, and bandwidth to users and businesses alike. In the world of web-hosting, renting a datacenter means taking advantage of the colocation center's economies of scale – lessening the costs of uptime, maintaining redundant systems, and the costs of operation.

Using colocation services is a middle ground between building your private datacenter (in this case an at-home server), and going the reseller route. Renting a datacenter would ensure immediate scalability, near 100% uptime, security, and professional technical support. It would also give you complete control over the physical server setup, its data, and the software installed on the server.

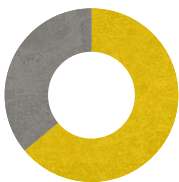
Managed colocation is often referred to as dedicated server rentals. If you're not quite ready or fully qualified to build, manage, and run a colo server, and you don't have the money for a support staff then it might be easier to grab a managed server – or even go the route of reseller hosting.

Pros and Cons of Colocation Hosting

Pros	Cons
<ul style="list-style-type: none">+ Absolute control over your setup, hardware and software+ Freedom in what you can offer+ Cheaper than running and maintaining your own datacenters+ Professional 24/7 support+ Large, state-of-the-art facilities that ensure security and uptime+ You can pay colocation center employees to manage your setup+ No money up front, only continuous operating costs	<ul style="list-style-type: none">- Usually only for wholesale clients- Difficult find a colocation center that rents servers to a start up- A managed colo center comes at a high operating cost that a small startup might not be able to afford- An unmanaged colo center requires you to provide your own hardware and staff to manage the servers



[Top 10 Colocation Services Reviews](#)

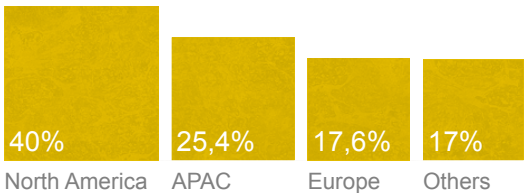


64% of businesses utilize some form of colocation services

1 in 7 enterprises will partner with a colocation service provider by 2016



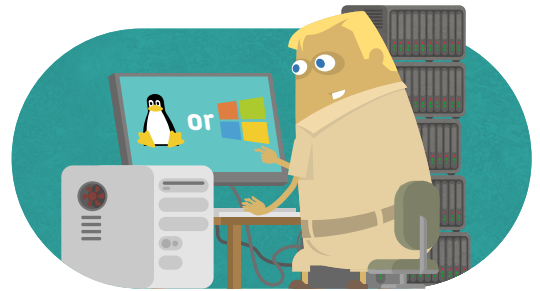
Colocation Market Globally



Installations

If you chose the reseller route, you can skip this section! The good thing about reseller is that it doesn't need the technical know-how that setting up a server needs.

This section will focus on (or rather, outline) the required installations for an at home or colo server.



Operating System

The operating system is the backbone of your server - and there are only two big choices here, Windows or Linux.

The biggest benefit of Linux is its freedom and versatility. Linux OSes are free, and most of the software you need for hosting is open source. The administration is definitely more difficult for anyone accustomed to Windows, but it's not that big of a stretch. Linux servers are much more popular than windows, and even inspired the LAMP stack: Linux, Apache, MySQL, Perl/PHP.

Windows, on the other hand, offers familiarity and ease of use in exchange for a high startup cost associated with software licensing.

Installing Operating Systems are relatively straightforward, and there are countless guides and examples on the internet. cPanel will provide instructions for installing CentOS, based on Red Hat Enterprise Linux. As an added bonus, installing the cPanel-provided version will also install cPanel and WHM automatically.

Installing windows is also extremely straightforward, and more information can be found on this Microsoft article: <http://windows.microsoft.com/en-ca/windows/installing-reinstalling-windows#1TC=windows-7>.

Hosting Control Panel and Automation Software

While there are many different types of web hosting control panel software, this guide will focus on cPanel for Linux and Plesk for windows. Both software suites are subscription based with a monthly cost or yearly cost.

The Plesk demo can be found here: <http://www.plesk.com/#demo>

And the cPanel demo can be found here: <http://cpanel.com/demo/>

cPanel also contains WHM (Web Host Manager), their own integrated software to run and maintain your servers. Each service has a detailed installation guide on their respective websites.

	Linux	Windows	cPanel	Plesk
Access Databases	—	✓	—	—
AJAX	✓	✓	✓	✓
ASP (.NET, AJAX)	—	✓	—	✓
CGI	✓	—	✓	✓
cURL	✓	✓	✓	✓
Cron Jobs	✓	—	✓	—
FrontPage Extensions	✓	✓	—	—
FTP over SSL	✓	✓	✓	✓
ionCube	✓	—	✓	—
mod_rewrite	✓	—	✓	—
Microsoft URL Rewrite Module	—	✓	—	✓
MS SQL	—	✓	—	✓
MySQL	✓	✓	✓	✓
Perl	✓	—	✓	✓
PHP	✓	✓	✓	✓
Python	✓	—	✓	✓
Raw Access Logs	✓	—	✓	✓
Scheduled tasks	—	—	—	✓
Server Error Logs	✓	—	✓	—
Service Side Includes (SSI)	✓	✓	✓	✓

✓ Supported

✓ Support for Deluxe, Premium, Unlimited and Ultimate-tier plans

— Not supported

Billing Software

A good, fluid, and easy to use billing system is absolutely crucial for the beginning web host. An automated billing system like WHMCS (<http://www.whmcs.com>) will include account management, domain management, and support ticketing features crucial for the success of your hosting business.

WHMCS has support for both windows and Linux operating systems, and the detailed instructions for installation can be found at their product support pages: http://docs.whmcs.com/Getting_Started

What products and services to offer

Now that you have decided on what route to go with your new hosting company, it's time to explore the wide variety of services offered by hosting companies. We'll look at 4 different services you can offer:

1. Shared Hosting
2. Cloud Hosting
3. Virtual Private Server (VPS)
4. Dedicated Server

Shared Hosting

Shared hosting is the idea of putting many websites onto one server. This remains the most cost efficient and popular hosting option out there. By putting up to 2500 websites onto one blade server, the webhost is able to distribute the costs of operating that server onto all those users. This allows the webhost to charge very little per month, sometimes as low as \$0.99/month, and still remain profitable. The shared hosting service will have system administration to distribute the storage space and bandwidth amongst the users sharing one server, and for upkeep and daily maintenance.

Shared hosting is the most basic form of hosting, where you as the webhost will provide and install all the server and end-user software. All the user has to do is to pay a monthly fee and access their cPanel (or Plesk for a Windows server) to upload their website. Often the shared service will have numerous benefits with the technologically inept user in mind, like auto installers for WordPress, drag and drop website builders, and basic tech support.



Resources ★★★★★

Price ★★★★★

Simplicity ★★★★★

Scalability ★★★★★

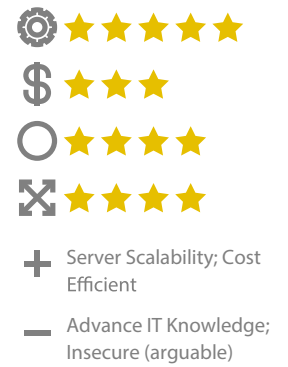
+ Affordable; Easy to Start

— Lack of Server Control & Performans

Cloud Hosting

Cloud hosting services provide hosting for websites on virtual servers, meaning they pull the data and computing resource from a vast network of physical servers located all around the world. Much like shared hosting, cloud hosting puts many many websites onto one server (or virtual server). This allows customers to pay for whatever bandwidth and storage they use.

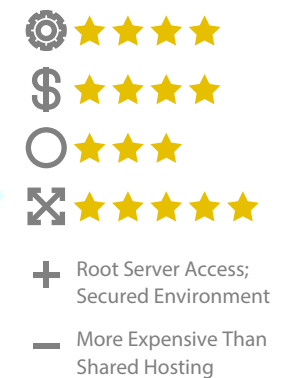
Cloud hosting exists as an alternative to hosting websites on single servers (either dedicated or shared servers), it's part of the clustered hosting concept where websites are hosted on multiple servers. With cloud hosting the network of servers that are used is vast and often pulled from different data centres around the world. Much like shared hosting, cloud hosting is usually intended for the non-technical end-user, and as a result, the hosting company will provide easy to use software and support.



VPS Hosting

A virtual private server is a virtual machine with its own OS installation. This allows the user to control every aspect of the hosting aside from the hardware itself – much more freedom than shared hosting. For example, your customer can install any software he wants with a VPS hosting package. VPS are functionally equivalent to a dedicated server, and they are able to be much more easily created and configured due to their software based nature. A VPS is created by partitioning a single server into multiple virtual servers. This makes a VPS significantly cheaper to operate than a dedicated server, and you can pass the savings down to the customer.

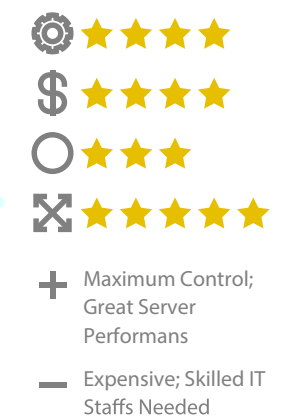
VPS comes in the forms of managed and unmanaged. In unmanaged VPS, the customer is given access to the system and then left to their own devices, while a managed VPS will be accessed very much the same way as a shared hosting package – through the control panel.



Dedicated Server

A dedicated server is an entire server rented to one client, for purposes of web hosting. Users and organizations that use dedicated servers have full control over the servers, including choice of operating system, hardware, and software.

Much like a VPS, there's a choice for the webhost to manage the server instead of allowing the customer to do so. A dedicated server benefits from increased freedom and stability, and is usually used for websites with high volumes of traffic.



Pros and cons comparison:

Service	Pros	Cons	Target audience
Shared	<div>+ inexpensive to operate for host</div> <div>+ inexpensive to buy for user</div> <div>+ very easy to use for user, no technical knowledge needed</div>	<div>- very limited control for customer</div>	<div>• bloggers</div> <div>• SMBs, brick and mortar stores</div> <div>• small ecommerce stores</div>
Cloud	<div>+ not affected by hardware outages as much</div> <div>+ greater degree of control and freedom for user</div> <div>+ better scaling for customer</div>	<div>- difficult for the startup web host to set up and run</div>	<div>• larger ecommerce stores</div> <div>• webmasters and bloggers who want greater protection and control</div>
VPS	<div>+ cheaper than dedicated server, but runs very much like it</div> <div>+ can fit multiple users on one server</div>	<div>- no control over hardware</div> <div>- more expensive than shared or cloud hosting</div>	<div>• medium- to high-volume websites</div> <div>• large e-commerce stores and forums</div>
Dedicated	<div>+ full control over every aspect of the hosting process</div> <div>+ very stable</div>	<div>- very expensive for the user</div> <div>- technical knowledge required</div> <div>- usually managed by the user</div>	<div>• high-traffic websites</div> <div>• data or processing power-intensive websites</div>

A quick look at customer support and service

Perhaps one of the most important aspect to hosting is excellent support and service. In a saturated market there is not much that can set your business apart from the thousands of others on the internet. Often the best marketing is word-of-mouth advertising, and that can only come from hundreds of beyond satisfied customers.

Customer service begins the moment the potential customer arrives at your website. Support should be available in the form of a free call or live chat with the click of a button. You should be prepared to spend many hours modifying your website to be user friendly, and your checkout process to be streamlined and secure. Once the customer registers for a hosting package it's good to send out a email detailing the registration details, payment information, set-up information, and set up support email + phone.

A customer may call two or three times in the first few months of service, and your support staff should be prepared to answer any question they may have.

On the assurance side, most hosting companies will have a 30-90 day money-back guarantee – and your business should as well. Be prepared to lose a chunk of customers after the first 30 days; it is common even for the best web host. With any luck the remaining customers will be loyal to your business for many years to come.



Conclusion

That's about it for now! We hope that you enjoyed reading this guide and it will help you with your business ideas! As mentioned right at the start of this guide, starting a hosting business also requires significant time commitment. But if you are motivated and got the right skills you will always succeed in the long run. Best of luck!