WEBHOSTING PROFITS

Sayo's
WEBHOSTING PROFITS
Make Insane Profits With Budget Starup!

www.Website.com

HOW TO START & MAKE MONEY FROM YOUR OWN WEBHOSTING BUSINESS WITH BUDGET CAPITAL

By: www.DownloadPLRProducts.com

PREAMBLE

Welcome to Webhosting Profits.

Since 2003, I have profited from webhosting as a business offering webhosting and domain name registration services to countless number of corporate and individuals and making good income on a regular monthly basis doing it.

Unfortunately however most of the people I have taught website hosting to as a business are always afraid of getting started because they feel they must be a "guru" to offer such a service. Nothing is however farther from the truth. Even a "bum" straight off the street can run a successful webhosting business without breaking a sweat and the truth is:

You don't need to know a line of technical code nor even understand how Linux Servers work before you can become a webhost. In this short report, all the salient points will be covered and in a few minutes from now, you will be totally ready to start offering webhosting services to customers. ☺

Here are the topics covered to get you started fast:

- ➪ How To Choose A Good Webhost
- ➪ What To Buy As A Starter
- ➪ How To Setup Hosting Packages
- ➪ How To Create Webhosting Accounts for Customers
- ➪ How To Manage Customers
- ➪ Getting Help When Stuck
- ➪ Creating Sales Pitches That Attract Customers
- ➪ How To Add Domain Name Registration Services

HOW TO CHOOSE A GOOD WEBHOST

In truth, the challenges of being a webhosting are just too great that it will be crazy if you decide to start a full-blown website hosting business immediately – install your own servers, get staff, sort technical details, marketing EXCEPT of course you know what you are doing and have the funds to pull it off.

For me.. that's just too much of an effort. I want something I can setup today and start taking customers before this week ends?

The key is to approach existing website hosting companies and buy a portion of their web-server (hosting space) or hard disk. Once the purchase is made, you can then sit down to analyze how to make the most profit from it. It is extremely easy and if a zombie.. like myself could do it, why can't you?

The first decision you will take however is perhaps the most important decision and it goes a long way to determine the success or failure of your new business. For the record, your business is only as strong as the webhost you choose and this is why you need to choose a good webhost from day one.

To help you make this decision, here are a few questions you should ask:

WHAT KIND OF HOSTING DO I WANT TO OFFER?

There are two main types of hosting servers (there are others but these two are the main ones) – Windows and Linux. While windows as an operating system is very common on PCs, I choose to believe that Linux based servers are far more popular than the Window servers (my opinion).

So, first, decide if you want a Window based reseller webhosting or a Linux based reseller hosting. To tell the truth, I did not know any distinguishing factors existed when I started BUT I started out with Linux hosting.

True, I've had some clients go away because I offer a Linux based hosting, more have stayed and maybe I'll get a windows based hosting sometimes in the future.

So decide – do you want a Windows based server or a Linux based Server? Or better still do you want both?

When you go searching, your decision will help out.

SERVER UPTIME GUARANTEE

What is the up-time guarantee of the webhosting provider you choose to use for your business? By uptime, we mean how often will they mess you up by not being available for you and your clients and how well will they be available to meet your needs?

In my opinion, if they promise anything less than 99.9% uptime guarantee, walk away and find another webhost.

A very helpful tip would be to track how often the site goes down. Use the tool available at http://internetseer.com to track this 24/7 to help you reach a logical conclusion.

CUSTOMER SUPPORT

What is their support like?

Do they reply emails? If yes, how fast?

You won't understand how valuable this piece of advice is until you need help with something and your webhost can't be reached or won't reply your emails!

What to do is before you use their service, start sending emails to them. Ask them a lot of questions. Ask stupid questions. Try to make them angry. Shout at them. Insult them.

Just do a lot of things to turn them off and make them neglect your emails. If they pass the test, they are probably good enough for you.

Another thing to watch out for is that they have a 24/7 support team. You want to make sure you can reach them on holidays and even on week-ends. In the last 3years, I have had to maintain accounts with 3 different webhosts and I have come to realize what support can mean.

One webhost takes between 2hours to 24hours to get me a response. This is actually the first webhost I ever used and I used to think it was ok but I realized later that when there is a crisis, they just keep quiet and refuse to respond to emails/support tickets. I have had to wait for over 48hours with my site being down and customers yelling and even recently, they've given a heck of troubles and even as I write this, I am screaming and wondering why I chose them in the first place.

The second webhost has a 15minutes response time even on holidays. Quite good I thought until I got the webhost I now use for all our enterprise online services.

With this service, there is 24/7 online support and non of my enquiries has ever gone beyond 5minutes.

PACKAGES AND PRICING

Package and pricing.

Webhosting has become competitive. If you look well enough, you will get an affordable and excellent service that suits your pocket.

For example, it is not uncommon to get $99 per year for a 3Gig (or more of reseller hosting) space or a $5 per month hosting that can get you started conveniently.

One thing I am wary of however is that the cheaper the pricing and package offered, the more the crowd the hosting service provider will have to eventually deal with. While some companied might be able to deal with this effectively, a most will compensate with decreased support quality and the more efficient the support, the better your business.

COMPANY POLICY & SERVICE TERMS

You must carefully read the webhost's policy to find out if they have "hidden lines" not obvious to the careless eyes. When you are not clear, ask questions. This seemingly small action can save you a lot of trouble.

For instance, you will know before hand, what types of websites they reject on their servers, what type of services you or your customers cannot run on their servers etc

If you don't, I am sorry for you.

HOW LONG HAVE THEY BEEN IN BUSINESS?

A company older than 5 years old is less likely to mess you up. Also, find out what others are saying about them online. Visit forums and chat rooms and find out if people have used their services and find it good enough.

HOW MANY DOMAINS ARE YOU PERMITTED TO HOST

Stay away from anything less than unlimited.

FEATURES GIVEN & LIMITS

This differs. Some will give you an online website builder which you and your clients can build websites with in minutes. Others will give you features, then control the extent to which you can use these features and yet some others will allow you to use features freely as long as your hosting package can carry the strain.

The important thing about features is that to a large extent, you can use it to enhance your webhosting services and make your business have more "meat" than the competitors by offering additional features.

Common features include;

Cgi access
Webhost Manager
Autoresponders
Mailing List Managers
Auto Script Installers
Web-based Email
MySql
Fantastico
Spam Assasin

And a host of others…

Go for a webhost that allows you access to unlimited resources as regards these features because when it comes to beating competition, that comes in handy.

BANDWITH & SERVER RESOURCES GIVEN

For every disk space you purchase, there is an associated bandwith. This is loosely called data transfer. Each time someone visits a website, downloads something or uploads something, there is an amount of bandwith resources used. The bandwith you are given will thus be shared among your clients as they demand webhosting packages.

You should lookout for your bandwith restrictions for any package you buy and also check out what happens for instance when a site with a lot of customers on your account makes heavy use of server resources like sending 3000 emails to customers at a time.

At a time when we used a mailing list script on one of our servers and were sending 2000 emails at a go, before we moved over to a more **professional mailing list service**, we kept getting shut down for unusual activity. Knowing before hand helps, so that you can advice your customers to put measures in place to prevent issues.

HOW EASY IS IT TO CHANGE PLANS

Lets assume business got so good and you sold all your space in 1 month. Can you move to a larger webhosting plan without squabbles and downtimes? Please ask!

The last thing you want is to have your entire service down for hours because you needed to change plans.

DO YOU WANT A DEDICATED OR SHARED SERVER?

With a dedicated server, you are given a disk space dedicated exclusively to you while a shared server has a lot of other users on it. Except you have the resources or a client requests it specifically, a shared hosting will do fine for a starter.

However as your business grows, you may need to have a dedicated server of your own. One major advantage of having a dedicated server is that you get more control and you can even re-sell hosting to other resellers which is one of the "coolest" ways to make money in the webhosting business.

DEFAULT PAYMENTS

If you happen to default for a week or three in the payment of your bills – what happens? Will the host give you a period of grace?

If they do not, what happens? Will they just delete your account and all the websites you've hosted? If this happens – you should know you are in BIG trouble.

If they happen to suspend your account, what kind of message will be displayed. Is it an annoying message that will make you loose all your customers and tons of potential ones or a mild message.

Of course, I know you are not envisaging not paying your bills BUT you should be curious enough to know what happens!

READ THE FAQs

This is more of a tip.

As you visit sites and shop for your choice webhosting provider, make sure you read the FAQs (Frequently Asked Questions) posted on the sites you visit. They are usually quite informative.

WEBHOSTING RECOMMENDATIONS

My best pick is **HostGator**

I pick them and recommend them because they have the best customer support I have seen so far with 24/7 presence. No issue has ever gone past 5minutes without getting someone on the case.

Another great news is that with Hostgator, you can get reseller hosting to get you started for as little as $24.95 per month which is great considering the quality of service rendered.

Lonex

This is another great webhosting service provider can start you out with reseller hosting as little as $20 per month.

http://www.resellerpanel.com/

This another good service provider and owned by the same guys who own Lonex. Infact, this is the parent company for Lonex.

There are also so many others out-there I have heard off and whom user reviews say are good. Please do a search engine search for "webhosting reviews" and you will get a ton of reviews about webhosting and webhosts.

GETTING STARTED

What you are looking out for your webhosting business is reseller hosting. So when you get to any of these sites, check out their reseller hosting plans.

For example, for **HostGator**, you see this:

Clicking on the "View Reseller Plans" link will give you all the features of that particular account, pricing and stuff.. then you can even compare packages and pricing. (Hostgator also gives a free book on getting and managing your first 1000 customers).

Next thing is to pick your plan and pay for your hosting, then you are ready to go. A few hours after your payment is made, the hosting provider should contact you with your setup information which will contain your login information.

If it's a Cpanel based hosting platform, what you will see inside your reseller account will be similar to the screen shots shown in the rest of this writing.

SETTING UP YOUR BUSINESS

Once you have the details of your login, it is time to setup your hosting business. Once again, I assume your account is Cpanel based.

Login to your cpanel and you should be confronted with an outlook like the one below. It is called your Webhost Manager (WHM) and you control everything from here.

You will create webhosting packages here in preparation for your clients and this brings me to the issue of discussing profitability in this business.

Assume that you purchased a 500mb (500 megabyte) account from your webhost at say $2 per month.

Now you can decide to divide your 500mb into as many smaller parts as you want. For example;

You can split 500mb into 50 accounts each with 10mb of disk space. That way, you can setup 50 new individual websites for 50 different customers at say $2 per month.

Now, if you charge $2 per month from each of the 50 customers, how much profit potential do you have? Let's do the mathematics.

- ⇨ You pay $2 per month
- ⇨ For a year, you will invest $24
- ⇨ You have 50 accounts – each 10mb each and you sell for $2 per month. You will rake in a total of $100
- ⇨ In one year, that will be $1200
- ⇨ Subtract $24 which is your initial overhead from $1200 and you will have a profit of about $1176
- ⇨ If you have a good marketing strategy and you can sell up all your space every 2months and then get more space.. you will be able to sell all your 500mb space 6 times within the year and you'll make a cool $1176 multiplied by 6!

That is how profitable webhosting is.

Now that you know, lets move on. The first thing like I said earlier is to create packages in readiness for your clients. You will therefore be envisaging what they would need.

An helpful tip for finding out what packages to create is to go around, look at other webhosting businesses, find out the kind of packages they have and use that as a basis for creating your own packages.

Here's how to create packages. The reason for doing this, is simple. Once you do it the first time, you never need to do it again except when you need to make slight changes here and there. Also, once you have done it, you will now be able to create accounts for your clients in 3minutes and less – even with a slow internet connection!

Imagine that. You do a job in 3minutes, you get paid as much as just analyzed about or even more depending on the space you are selling!

A typical WHM should look like this.
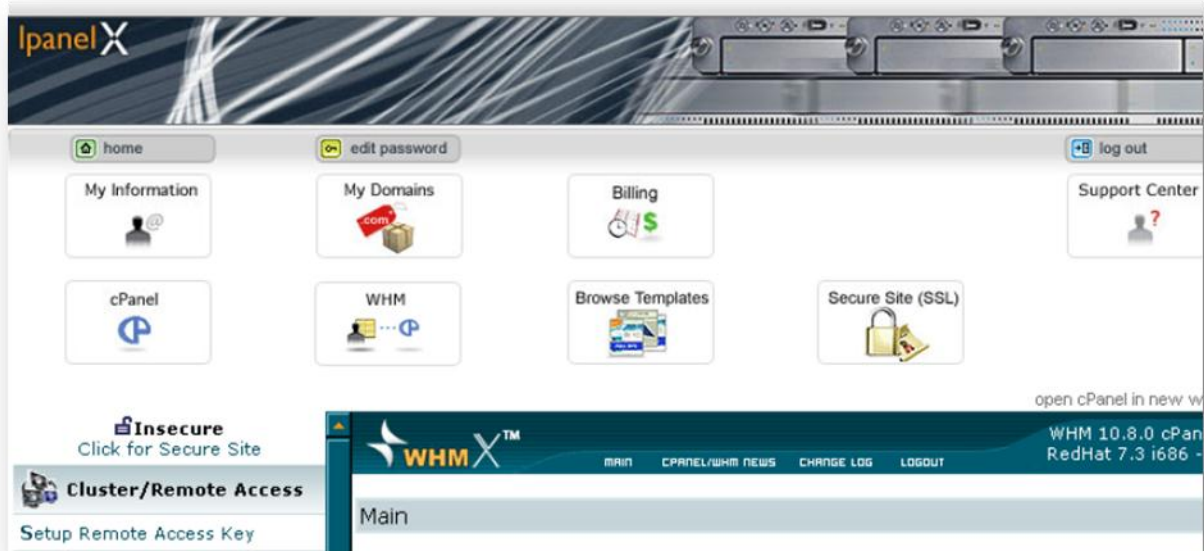
This is where you create and manage website hosting accounts for your clients.

On the left hand side of the screen, scroll down to the section labelled **"Packages"**

It is circled in black ink below so you can find it easily.
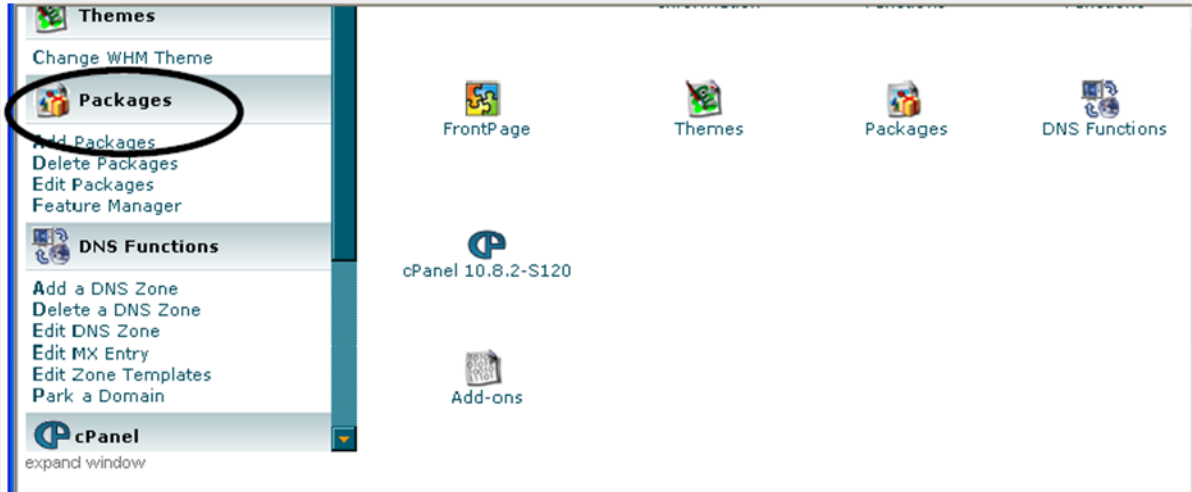
Click on it and wait for the next screen.
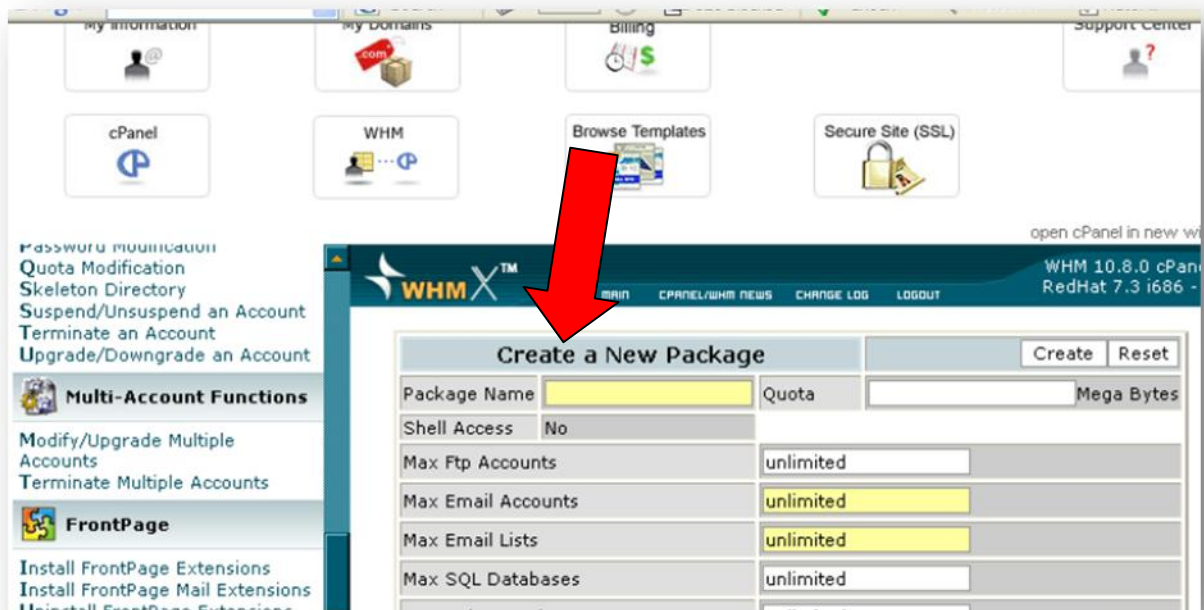
Next, just complete the blank spaces as they are provided. The ones you should mainly concern yourself with include;

⇨ Package Name (This helps identify and differentiate each package)
⇨ Quota (This is the size of the webhosting account)
⇨ Ftp Accounts
⇨ Email Accounts
⇨ SQL databases

⇨ Sub Domains
⇨ Bandwith Limit

If you look around, at your competitor's website, you'll easily know what to put, at what values etc..

I have created a package just for you to see how it goes. See the screen shots below.
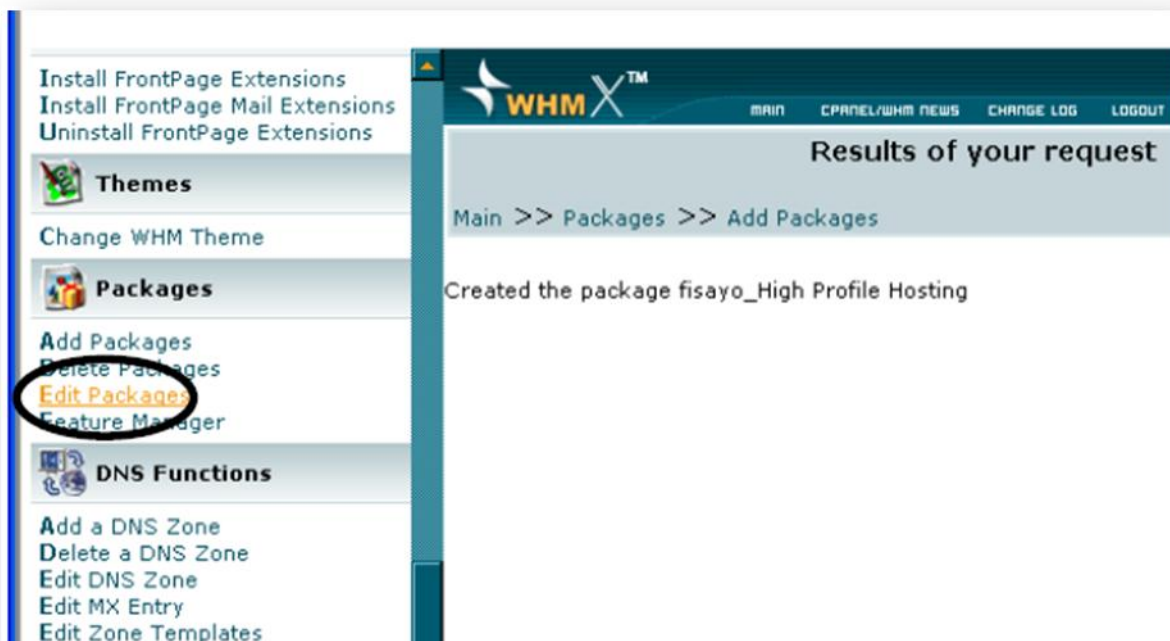
When all the inputs have been made, scroll back up (the circled area as shown above) and click create. Then wait for a confirmation.
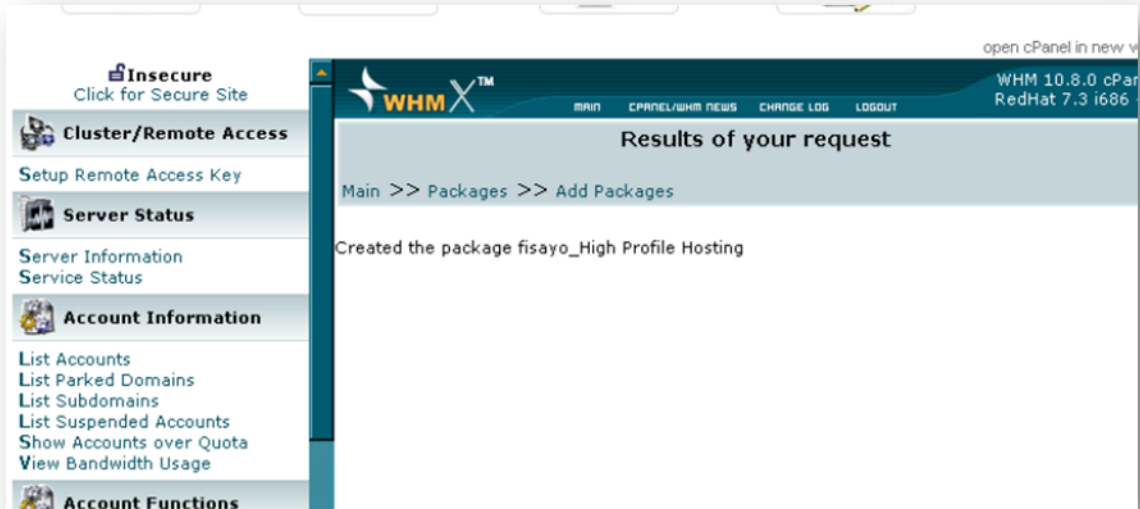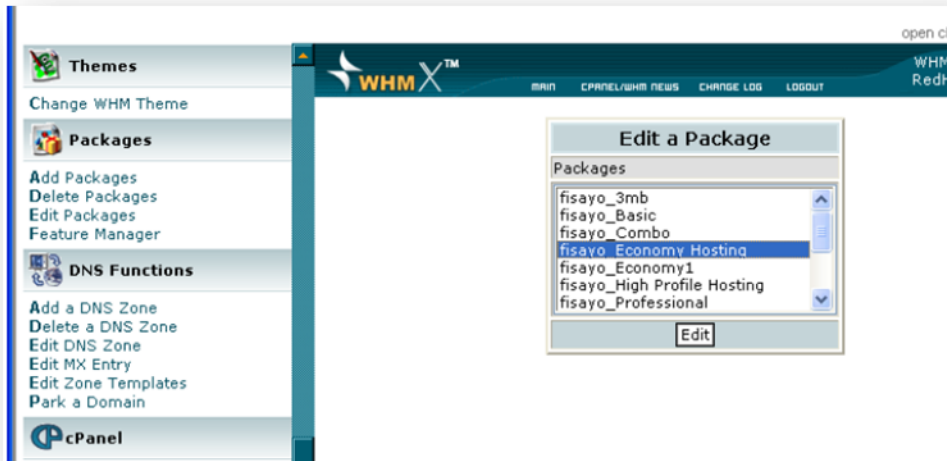

You can easily edit a package you created previously if you need to make amendments.

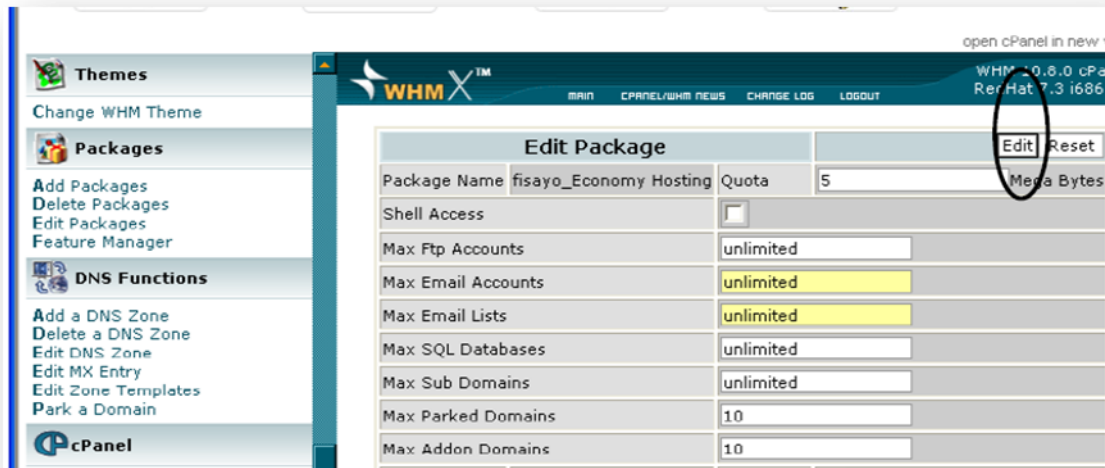Under the package section, just click "**Edit Packages**"

From the list of packages that are brought up, select the one you wish to edit and then click Edit.

A screen similar to the one you used to create the package will be displayed. Change all the entries you wish to and then scroll back up to click Edit – marked with a circle in the screen shot below.

Wait for a confirmation that it was successfully done.

That's it. Once you have all the packages ready, you can then move on to start creating webhosting accounts for your clients in 3minutes and make as much money as you want from it.

Let's move into the next section, where I'll show you how to actually start hosting websites for people (all the previous work have been back-ground work).

To successful host a website, you need three steps.

⇨ Register a domain name (your customers should have done this or you include a domain name registration package. See places like http://enom.com)
⇨ Set DNS (Done within domain account. You customers will update DNS after you set them up and provide them with a welcome message)
⇨ Host The Domain

That's all!

The third part is what I will cover here.

HOSTING A DOMAIN

Scroll to "Account Functions" in the left hand panel of the screen. (Circled below)

Underneath it, click "Create New Account"

The screen similar to the one above will be presented to you.

Here's where the whole thing becomes easy. You just need to put in three things.

If you scroll down the page, you'll see your account details showing you what you have used up, in what degree and what you have left.

Next, we'll host a fresh account. Just scroll back up and begin.

First the domain name. e.g. hostplusng.com or xyz.net or yourbusiness.info

Notice that I did not include "http://" or "www." at the back of the domains. Just plain "xyz.com" or "abc.info"

In the example above, I am trying to create a webhosting account for hostplusng.com

Next, you should choose a username for that hosting account and a password (these would be your clients' login details for administration of their websites).

Finally, scroll down and choose a package (remember the packages you created earlier?)..

Once you choose a package, all other gaps are completed for you automatically. Just scroll back up and click "Create" and you are done.

Once the domain is hosted, you can now proceed to notify your customer with login details.

For example with Cpanel based servers which is what I use, you have something like this to login to the control panel of individual websites you create.

Login Url: http://yourwebsite.com/cpanel or www.example.com/cpanel

Username:
Password:

(The username and password will be what you fixed when creating the webhosting account. The password and be changed by the client on first login. Infact, you should advise they do so).

ACCOUNT MODIFICATIONS

You can adjust a webhosting account setting as required by your clients. Under the "Account Functions" click modify an account and then make necessary modifications.
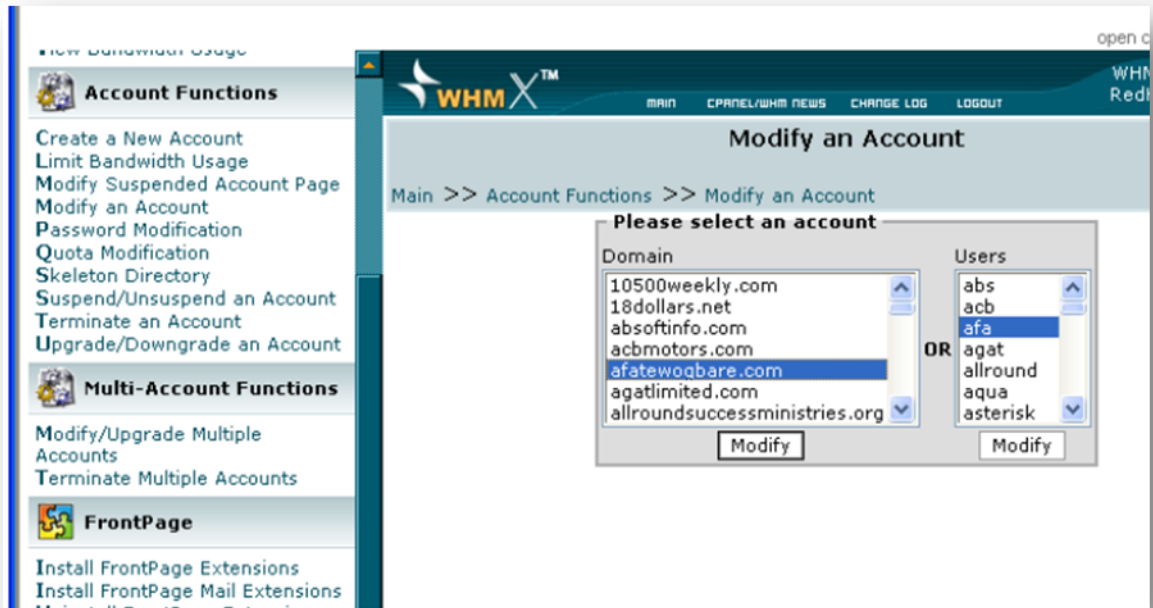
Choose the account you'd like to modify, then make necessary changes and save.

MODIFY PASSWORD

It is not uncommon for clients to come over and lodge complaint of forgotten passwords. In such instances, just go to the "Account Functions" section and set-up a new password. (Be careful however about resetting passwords. Before you ever do, make sure you are dealing with the rightful site owner. Very important)

UPGRADE/DOWNGRADE AN ACCOUNT

It is not unusual to have a client of yours request an increase or decrease of his webhosting account.

This should not be a problem. Simply go to the "Account Functions" section, click "Upgrade/Downgrade", select the account you wish to either upgrade or downgrade.

The screen shot below shows this.

After selecting the account you wish to upgrade or downgrade, next thing, click "Modify", then proceed to make the necessary changes and wait for a confirmation.

SUSPENDING AN ACCOUNT

You should also be prepared to handle difficult clients. Those that just won't pay up. What you do in such cases is to lock-up such accounts using the "Suspend Account Function".

Go to the "Account Functions" section. Click "Suspend/Unsuspend Account" then choose the account you wish to suspend and click "Suspend".

The lift the suspension, follow the procedure again BUT at the last point, click "Unsuspend." That will do the trick.

TERMINATE AN ACCOUNT.

What if a client fails to pay his/her bills after the agreed period of time? Simple.. just terminate the account and sell the space to a new client.

In the "Account Functions" section, click "Terminate Account," then follow the step-by-step procedure (similar to the previous) ones to terminate the account.

Remember to wait for a confirmation screen.

PROVIDING SUPPORT

This is where the strength of your entire business lies. The faster and better you can offer quality support, the faster your business grows and the more customers you will begin to have.

All you need to do is to be on ground to take support requests, read them and then create a support request of your own quickly to the hosting providers, then feedback your customer with the answer.

The faster you get the answer, the faster you are able to assist your customers. At the start of your business, you will find yourself having to ask every question from the hosting providers and having to read a lot of the user manuals and FAQs but in due time, you will be able to solve most of the basic problems.

More technical issues should always be forwarded to the support team of the hosting providers as fast as possible and responses sent to your customers too as quickly as possible.

CONCLUSION

That's just about it!

You now know the secrets of setting up a successful webhosting business on a shoe-string budget and how to manage it.

The only thing left for you is to setup your website, start taking orders and create a marketing plan to shoot your profits through the roof.

To Your Success,

www.DownloadPLRProducts.com

Recommend List Building System