

# Resell Hero

The Quick Start Guide To Making Money  
Reselling Web Hosting

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Dear Entrepreneur,

Welcome to Resell Hero! Chances are, you possibly know me from [my blog](#) or my web hosting company [NameHero.com](#).

If not, I would like to welcome you. What I intend to accomplish with this guide is to give you an in-depth understanding of the web hosting industry and how you can make money by re-selling hosting to those in need of an online presence.

This guide has been designed for those that intend on launching their own web hosting company as well as those that already own web development, ad agencies, or other companies that wish to offer web hosting to their clients.

You see, I consider web hosting, the "water" of the Internet. Every blog, every company, every application needs it to get started. Therefore you're only limited to your own imagination, creativity, and of course budget (haha).

The good thing about reselling, you don't have to have thousands of dollars to get started. Personally, I got started selling web hosting back in 2002, with only a couple hundred dollars. Since then, it's been an unbelievable journey, which I believe, is one of the most stable ways to make money online. With the rise of the cloud, reselling has never been easier!

I've made millions of dollars online and now I will be bringing this information to you in the ***The Quick Start Guide To Making Money Selling Web Hosting*** to get you on the fast track to simplify web hosting.

Regardless of your experience level working on the Internet, you will benefit from this guide. It's my goal you'll use this material to develop your business and create a stable, reliable, and secure environment for your customers.

Please excuse my bluntness, it's time to begin...



## Part 1. Why Reseller Web Hosting

### What Is Reseller Web Hosting

[Reseller Web Hosting](#) is the practice of reselling web hosting space to sub-clients. As a Reseller, you purchase large blocks of disk space, bandwidth, and server resources and then divide it up into individual packages to resell to other clients for a recurring fee (i.e. monthly, quarterly, annually, etc.).

The average small business just looking to get a simple WordPress website online with their name, address, and basic contact info takes up an *average of 500 MB of disk space* and around the *same amount in bandwidth* tops. Because of this, they only expect to pay a couple dollars a month in web hosting.

As a Reseller, you're able to purchase these larger blocks of disk space and bandwidth *starting at around \$20 a month*. Therefore it only takes about five or so clients at \$5 a month to cover your expenses.

With returns this large, it doesn't take long to start developing a very profitable business. Consider this example:

### **Reseller Package - 50GB Disk Space - 500Gb Bandwidth (Monthly) - \$19.95/month**

- 5 customers -@ 500GB Disk Space [each] - 500MB Bandwidth [each] - \$5.95/month = **\$29.75 Revenue**
- Resources used: 2.5GB Disk Space - 2.5GB Bandwidth = 47.5GB Disk Space - **497.5GB Bandwidth [left over]**
- \$29.95/mo [Revenue] - \$19.95/mo [Expense] = **\$10/mo [Profit] 50.14% [ROI]**

While \$10/month in profit doesn't seem glamorous, the *ROI is incredible*. It then becomes a numbers game to scale the business upward.



The majority of Resellers tailor their services to certain niches where they offer the hosting in addition to their primary revenue stream. For example, a design agency may charge a client \$800 - \$2,000 to develop a website with a monthly maintenance fee of \$25 - 50. Included in this fee would be their web hosting, monthly updates, email management, etc.

Since web hosting is the "water" of the Internet - it becomes a very valuable commodity needed by even the simplest of websites.

If you already have a customer-base it's a very easy add-on since you already have their trust. If you don't have a customer-base, your only limited by your imagination to the type of clients you can target.

## **Benefits Of Reselling**

Being a reseller gives you the ability to own and operate the business without the headache of having to own, lease, or even managed servers.

When you purchase your [Reseller Web Hosting package](#) from a reputable company, they handle all of the server updates/upgrades, security hardening, and the good ones (like [Name Hero](#) ;)) , also back up your customer's data.

Therefore your only job it to resell space/bandwidth/server space to your customers, handle their billing, and provide level 1 technical support.

Billing is super easy with automation tools such as [WHMCS](#). In parts to come, I'm going to explain exactly how you can easily implement this piece of software, and let it handle *all of your subscriptions for you automatically.*

Level 1 support can often be a major turnoff to many resellers just getting started, but in all honestly, it's not that bad.

The majority of support tickets normally stem from when a customer first comes onboard. If they're already your client (rather your a web developer or similar agency)



the customer already has your trust and just has simple questions on how to set everything up.

Most of these issues can be easily answered with good documentation. I recommend all of our resellers to go through the sign-up / account creation process just like they're a customer. While they'r doing this, I recommend they record it using *Screenflow*, and also create a *Word document* with step-by-step instructions. The easier you make this, the less support issues you're going to have.

If you notice our [blog at NameHero](#), you will see we have many text and [video tutorials](#) that walk through many of our account setups. These have dramatically decreased the number of support tickets we receive on a daily basis. Whenever I see a repeat issue, I make it a point to record a video, and make a blog post.

With server management, security, and leasing costs factored into your monthly reseller hosting fee, the benefits to being a reseller are tremendous. As long as you're working with a reputable company, you stand the chance to make astronomical returns, with not a ton of day-to-day overhead tasks.

## Before You Get Started

It's important to determine who your target audience is before starting up your reseller web hosting business. If you plan on making this an "add-on" to your current business, then this question is easy. However, if you're looking to break into the hosting industry from the start - this is something you need to take a little more serious.

When I first got into web hosting back in 2002, my target audience was "anyone that needs web hosting." Very quickly, I learned this was not a good plan.

Unless you have a clear-cut path of how you're going to compete with a *multi-billion dollar company* like GoDaddy (who dumps millions for one Superbowl commercial) you need to start with a smaller audience, cater to them, and **build as the success comes**.

For example, one of our **major target audiences here at NameHero is reseller web hosts!** We're looking to provide our resellers with the most reliable, high



performing infrastructure in the industry, combined with the best training on how to get started. By laserizing our focus to this audience, it allows us the ability to connect with our customers on a more personal level and be able to cater to their exact needs.

Its important however to pick an audience that is large enough to sustain your goals. For example, you wouldn't want to only target a market that was too small to be realistically profitable. Especially if you live in a small town, you may find it beneficial to start offering web hosting to local customers, but eventually you're going to want to expand beyond that.

When I'm thinking of these micro-niches to target, I often think about ones that are *reachable in multiple countries*. Therefore I'm able to leverage a lot more than just one or two local markets.

I've already mentioned one of our target audiences is reseller web hosts. Another one of our micro-niches (yes you can have more than one) is affiliate marketers. We developed our entire [Managed Server](#) line especially for those who engage in *high-volume affiliate marketing*. We learned as much as we could about the industry and developed servers that are quick and easy for them to setup, all while giving them the power, reliability, and security needed for their business.

## **Establishing A Business**

If you're really serious about starting a web hosting company, then you need to make sure to take the legal steps necessary to protect your personal assets.

When I got my start working online in the late 90s, the first thing I did, was have my lawyer form a corporation. Here in the United States, small businesses have to pay some pretty hefty taxes. By creating your own legal corporation, you're able to open a separate bank account just for your business, and easily keep track of your revenues and expenses.

You NEVER want to mix your personal finances with your business. Not only is this an accounting nightmare, it is a very big legal liability.



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While we never want to think of bad things happening, sometimes they do. If an unfortunate situation comes about such as a lawsuit, you could be held personally responsible if you're not operating through a corporation. That means your car, your home, and your personal bank account(s) could be subject to satisfying a court order.

With the rise of cheap legal referral services such as *LegalZoom*, spend the extra hundred or two it costs, and get things done the right way. I suggest *EVERYONE* that is wanting to enter this as a real business to first consult with a lawyer and/or an accountant to make sure things are setup the right way from the beginning.



## Part 2. Set Up Your Reseller Account

### Choosing The Right Account

Decisions, decisions, decisions! This is the "name of the game" when running your own business. As a business owner, you will find yourself constantly making decisions. If you don't consider yourself a good decision maker, this is something I highly suggest you spend time to work on. Sometimes you may not always make the "right" decision but as long as you make the "best decision" for that given time, you'll turn out just fine.

I'm going to make things really easy for those of you just setting up your first account. If you are brand-new to the industry and just getting started, start with the smallest package available.

Here at NameHero we offer three primary reseller web hosting packages: **Startup**, **Entrepreneur**, and **Corporate**:

**RESELLER CLOUD WEB HOSTING**  
Make Money With Our High Performance Cloud

Startup Entrepreneur Corporate

Raid 10 Storage <b>50 GB SSD</b>	Bandwidth <b>500 GB</b>	Domains <b>Unlimited</b>	Clients <b>Unlimited</b>	<b>\$9.95/mo*</b>	<b>Get Started!</b>
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\*Special intro offer and 30-day money-back guarantee

The main difference between all of them is the **amount of disk space** and **bandwidth** we offer. If you don't yet have any customers, simply choose the **Startup** and build from there. Since we let clients upgrade 100% free of charge at anytime (and apply any remaining balance) you have very little to lose.



As with any business, it's very important not to bury yourself in costs early on. Start small, grow big. It's a simple formula!

Now, if you already have an established business such as a web design agency, you want to take a little more time with this.

You want to consider your current client base, and examine how large of an organization they each are, as well as how much traffic they receive.

If you're just developing for small to medium sized local businesses, you most likely want to pick our **Entrepreneur** or **Corporate** packages. Since it's most likely a lot of your customers are also going to purchase your web hosting (since they already have your trust) you want to make sure you have ample resources to accommodate their needs.

If you're already making good profits, you want to be able to freely re-invest into your business with a service that's going to help expand your profits (I always like to invest at least 30 - 40% of my monthly profits for growth anyways).

Our **Corporate packages** come with one **free SSL certificate** and **dedicated IP address**. If you already know you're going to be receiving business as soon as you announce you're live, it would be in your best interest to purchase this. On average, a reliable SSL certificate is going to cost you around *\$30 a year* with an IP ranging around the same. It only makes sense to purchase a package with all of this included so you have all the necessary items to get started.

**Step 1:** [Select Your Package](#)

**Step 2:** Register a new domain or use your existing domain:

✓ Register a new domain

www.  .com



**Step 3:** Add Account Extras (If not going with the Corporate plan, you may want to add each of these)

**Dedicated IP Address**  
Take full control over your website with a dedicated IP address. Ensures the highest level of email delivery!

\$14.95 USD Annually

[x \(Remove from Cart\)](#)

**Dedicated SSL Certificate (One Domain)**  
Protect your website customers and increase Google rankings with a secure website certificate (highly recommended)!

\$29.95 USD Annually

[x \(Remove from Cart\)](#)

**Step 4:** Configure Your Domain (I recommend ID Protection to keep your information protected from spammers):

**DNS Management**  
External DNS Hosting can help speed up your website and improve availability with reduced redundancy.

\$2.98 USD / 1 Year/s

[+ Add to Cart](#)

**ID Protection**  
Protect your personal information and reduce the amount of spam to your inbox by enabling ID Protection.

\$2.98 USD / 1 Year/s

[x \(Remove from Cart\)](#)

**Email Forwarding**  
Get emails forwarded to alternate email addresses of your choice so that you can monitor all from a single account.

\$2.98 USD / 1 Year/s

[+ Add to Cart](#)

**Step 5:** Complete Your Payment:

## Order Confirmation

Reseller Cloud Hosting

Thank you for your order. You will receive a confirmation email shortly.

Your Order Number is: 9694203446

If you have any questions about your order, please open a support ticket from your client area and quote your order number.

[Continue To Client Area](#)

**Step 6:** Proceed to Client Area and click Cloud Web Hosting:



1

Cloud Web Hosting

**Step 7:** Click On Your Package:

Product/Service

Startup

myawesomenewhostingcompany.com

**Step 8:** Notice Your Private Name Servers:

#### Server Information

##### Server Name

luke.uswebhost.com

##### Nameservers

ns1.myawesomenewhostingcompany.com

(64.91.237.213)

ns2.myawesomenewhostingcompany.com

(72.52.170.104)

**Step 9:** Register Your Private Name Servers

*Please note: Follow these instructions if you bought your name from us. If not you can [transfer it to us](#) or ask your registrar.*

- Click My Domains on the top navigation:



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NameHero 

Domains

Cloud Web

My Domains

Renew Domains

Register a New Domain

- Click on the domain of your name servers (*i.e.* *myawesomenewhostingcompany.com* for my example)

Domain
<input type="checkbox"/> <a href="#">myawesomenewhostingcompany.com</a>

- Click on Private Nameservers under Manage

 Manage
Overview
Auto Renew
Nameservers
Registrar Lock
Addons
Contact Information
Private Nameservers



- Enter **ns1** and the corresponding IP address from Step 8 above. Then click save:

#### Register a NameServer Name

Nameserver  .myawesomenewhostingcompany.com

IP Address

[Save Changes](#)

- Repeat this step, to register **ns2**:

#### Register a NameServer Name

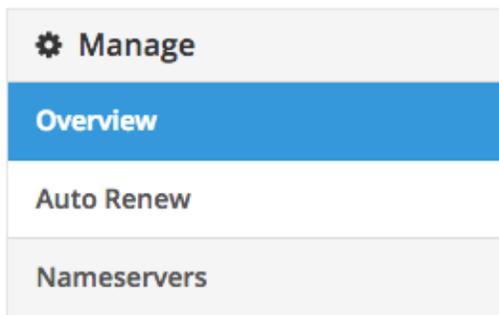
Nameserver  .myawesomenewhostingcompany.com

IP Address

[Save Changes](#)

### Step 10: Change The Nameservers Of Your Domain To Match Your The Private Ones:

- Click Nameservers under Manage (still in the NameHero Client Area):



- Select **Use custom nameservers** and enter the private ones you registered. Click **Change Nameservers** to save:



## Nameservers

You can change where your domain points to here. Please be aware changes can take up to 24 hours to propagate.

- Use default nameservers
- Use custom nameservers (enter below)

Nameserver 1

Nameserver 2

Nameserver 3

Nameserver 4

Nameserver 5

[Change Nameservers](#)

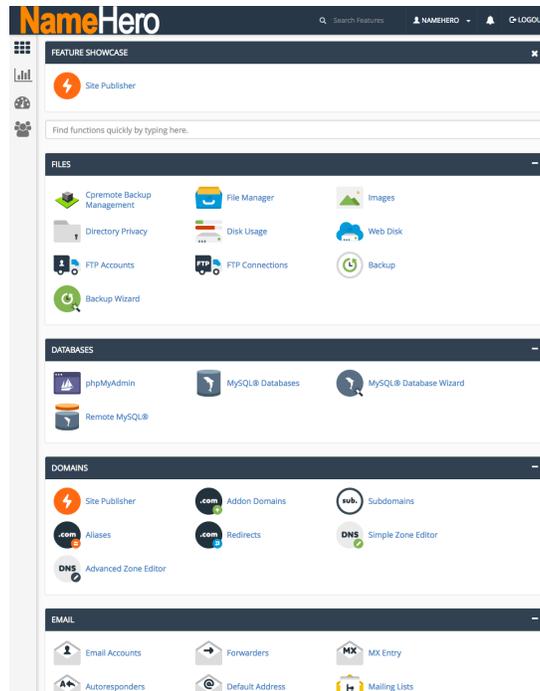
*Please note: Changing your nameservers may take up to 24 hours to fully propagate across the Internet. If you're in the USA, normally they're active within a couple of hours.*

That's it! Your Reseller Web Hosting account has been setup and is ready to use!

**VIDEO TUTORIAL:** [How To Setup A Reseller Web Hosting Account](#)



## An Introduction To cPanel/Web Host Manager



If you've ever purchased web hosting in the past, it's likely you're already familiar with **cPanel**. This is one of the most-widely used web-based control panels in the hosting industry today. Companies that don't use this often find themselves at a tremendous disadvantage, as a lot of customers are already familiar with it.

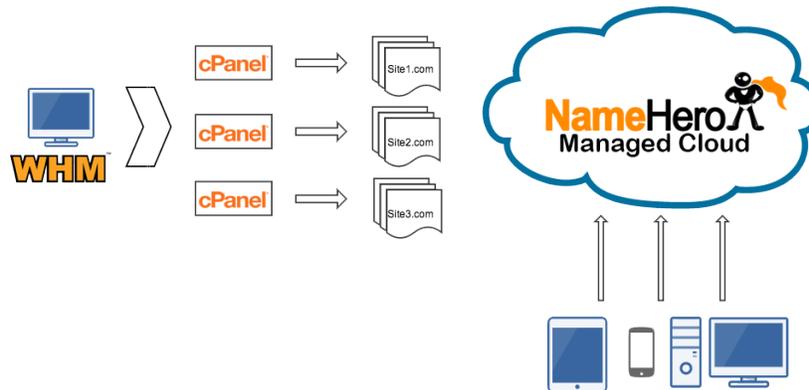
Back in the late nineties/early 2000s, it became the "cool thing" to develop your own control panel. Web Hosting companies invested millions hiring researchers, developers, and project managers to develop the most "user friendly" control panel. Unfortunately, while they dumped all their resources into this, other companies began to quickly implement **cPanel** and **Web Host Manager**.

This led to those companies being able to spend their extra profits on more marketing and advertising, taking over the industry as a whole. Therefore once the "other" companies were finished with their fancy control panels, they found themselves without a lot of their original customers.



I would say that *9 out of every 10 customers* that come to us here at NameHero are already somewhat familiar with cPanel. We even have lots of migration requests each week to help customers move from non-cPanel web hosts. They want the flexibility it offers, they like the interface, and it has become a "must have" tool in this industry.

While most everyone is familiar with cPanel, some are not familiar with **Web Host Manager**:



Basically you should look at **Web Host Manager like cPanel's father**. A website cannot *have it's own cPanel* unless it's *first setup through Web Host Manager*. Web Host Manager is the "master control panel" that provisions and sets up all the "sub control panels" or cPannels.

When you purchase a reseller hosting account from us here at NameHero, you automatically receive a "master" Web Host Manager account that is unique to your business.

You will use this tool to setup all of your customers, and if you want to automate your billing, you will use automated billing software such as WHMCS to set this up for you.

**VIDEO TUTORIAL:** [An Introduction To Web Host Manager](#)



## How To Install & Setup Automated Provisioning

Over the years, a number of different automated billing systems have come on the market for web hosting companies. **However, the one that stands above the rest is [WHMCS](#).**

WHMCS is a piece of software that you purchase and install on your main hosting website. You can then input your reseller hosting account details into it and it will automate the billing/account creation process for you.

This is what we use here at NameHero.com! Just like control panels in the late nineties/early 2000s, having your own CRM (customer relationship management) software was a big thing amongst the web hosting industry.

Some companies spend millions of dollars to develop their own control panels while others streamline the process with a known winner.

When I originally built NameHero I considered this. Since I didn't have any fancy pants investors, I launched NameHero with \$50,000 of my own personal capital. I didn't have millions, much less hundreds of thousands of dollars to dedicate to development. I wanted to spend the majority of my budget on high quality servers and advertising!

That's what I suggest you do as well. Who really cares if your order process looks the same as "the others." Your customers are NOT going to notice the difference and the main thing they're going to hold you to, is how well their website performs!

Once you have your [WHMCS license](#) in hand, it only takes about an hour to install it (or 5 minutes using our auto-installer). If you have the extra cash to spend, their team will even do it for you.

For those of you that want to do this yourself, here is how:

### How To Install WHMCS *(Cliff Notes)*

1. Login to **NameHero Control Panel**



2. Click on your **hosting package**
3. Login to **cPanel**
4. Scroll down to **Softaculous**
5. Click **Install** on **WHMCS** (under top scripts)
6. Fill out the text fields that suit your needs (examples in video)
7. Click **Install**

**VIDEO TUTORIAL:** [How To Install WHMCS In 5 Minutes](#)

## Creating Your Website

If you're just now starting your own web hosting business, then you're going to need to build out your website where customers can see what you offer and sign up for your service.

Unlike the early days of the Internet, you no longer have to pay a web developer or even understand how to code HTML to get this done. All you need to be able to do is install WordPress (which we offer a one click install through cPanel), install a nice theme, and customize it to fit your needs.

### *Install WordPress*

Unless you've been living under a rock, it's likely you already know what WordPress is. It's the most-used content management system (CMS) on the Internet today. It powers nearly 20% of all websites on the Internet today!

About a decade ago, if you used WordPress, it was most likely for your blog. They've steamrolled passed that, now offering a platform for everyone around the globe, to be able to create, design, and manage their own website.

### **Step 1:** Dedicated What Domain You Want It On

For most of you, this is going to be on your root domain (i.e. [www.namehero.com](http://www.namehero.com)).

This is most-likely the name of your reseller account.



If you've purchased with us here at NameHero, your website will automatically be added to Web Host Manager. To install WordPress:

1. Login to [NameHero control panel](#)
2. Click Cloud Web Hosting
3. Click on your Reseller package name
4. Click on Login to cPanel
5. Click on list accounts
6. Scroll down to the bottom of the page and click WordPress
7. Click Install Now
8. Fill out the required fields (note if you're installing on the root domain remove 'wp' from the "In Directory" text-field.
9. Click Install

## **VIDEO TUTORIAL:** [How To Setup WordPress](#)

Once the auto-installer finishes it'll provide you with your admin URL, username, and password. Login to that area to begin building your website.

At this point, I normally recommend customers to find a nice web hosting templates. Personally, I recommend going over to *ThemeForest.net* and searching for *WordPress web hosting themes*. While these may cost a small amount (\$50 or so for premium) they're much better than paying a developer hundreds of dollars.

Once you purchase your theme, it will come with instructions on how to install it and configure for your web hosting website.

Note: It's important to have [WHMCS](#) installed in a "sub" directory or domain so your website and billing website will operate separately. While some WordPress themes will offer a "WHMCS Bridge" I recommend keeping the two pieces of software operating independently so future upgrades don't mess up active settings.



## Part 3. Preparing Your Business

### Setting Up Web Hosting Packages

Web Hosting packages are what you're going to be offering your customers. You will want to take some time to decide how much you want to charge them based on your target audience.

First, you want to consider how many resources they're going to be using. If you're primarily hosting a lot of local websites that don't care too much about getting a lot of traffic, using lots of email space, etc. then you can offer them very cost-effective packages for under \$5 or so a month.

However, if your customers require resources to handle more than 100 visitors or so a day along with multiple email accounts, you probably want to charge a bit more. On average, web developers will start around \$20 - \$50 a month and include sometime of monthly management fee. This includes minor site updates, SEO tweaks, email account setup, etc.

With all of this, you should consider the reseller web hosting package that you have purchased. If you already have a client-base and have went with our **Corporate plan** at NameHero, it's most-likely you're going to be able to charge more right out of the gate since you already have your customer's trust.

If you're just getting started, you're going to have to examine the niche you're targeting a be a bit more competitive. For example, if you're targeting individuals that want to start their own blog where they can discuss their "hobbies" or other interests, you would want to charge around the \$10/month range.

Once you have decided your pricing, it's super easy to add these packages to **Web Host Manager**:

1. Login to the [NameHero control panel](#)
2. Click on [Cloud Web Hosting](#)



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3. Click on your reseller hosting package
4. Click Login to WHM
5. Click 'Add a Package' on the left sidebar
6. Give the package a name (i.e. Starter, Basic, Full, etc.)
7. Define a disk and bandwidth quota (important: if you want to offer your customers "unlimited" disk space and/or bandwidth, it is possible to "oversell" your resources at NameHero, but you need to define a value. You should input a number such as 999,999,9999 rather than choosing 'Unlimited' because how WHM is designed.
8. Fill out the other values based on your needs and click Add

Once your package has been added to Web Host Manager you're all set to begin adding your customers. If you're using an automated solution such as [WHMCS](#) you can input these values into that system and it will automatically provision accounts after successful payment (if you configure it that way). If not, you can simply add the accounts manually inside of Web Host Manager and select the package during this process.

**VIDEO TUTORIAL:** [How To White-label cPanel For Your Customers](#)

## Selling Domains

Everyone that needs a website needs a domain name. The two go together better than peanut butter and jelly!

Because of this, each NameHero reseller account, automatically comes with an eNom domain reseller account. Basically eNom is one of the biggest domain name registrars and is who we use to register domains at NameHero. To get access to your free account you just need to **submit a ticket** *after signing up to NameHero* and let our team know you're wanting to set this up. Immediately, they'll collect all the details they need and get it online for you.

If you're using an automated billing system such as [WHMCS](#) we already have [a complete video tutorial on how to configure and set this up for your business](#).



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It's important that you price domains to where you're going to make a profit. Even though you get a free domain reseller-account there is a cost involved in every domain registration (to cover ICANN and other fees). **I always recommend making your "retail" prices 20% more** than what you're paying. Depending on when you sign up for your account, this equals out to a couple dollars of profit per domain.

While you're not going to get rich "reselling domains" you will gain something much more valuable than money - *and that's a customer's trust*. Once you have them trusting you enough to where they register their domains, it's highly likely they'll also buy other services from you such as web hosting.

In our first year of business at NameHero *we registered over 100,000 domains!* While this wasn't a ton of profit, **it was one of the catalyst behind our massive growth**, as we gained trust amongst thousands of companies, entrepreneurs, and other individuals that needed a domain.

## Up-Selling

The web hosting industry is fierce with competition. I still wakeup each day and feel like I'm putting on my "battle armor" to see how I'm going to compete against multi-billion dollar corporations.

One of the simplest ways to making a lot more profit is by up-selling your customers.

Now forget what you know about "forced" up-selling or even "annoying" product marketing.

You want to up-sell your customers something of high value that gives them a major benefit to purchase from you.

Here at NameHero, we developed our own domain privacy protection company called [WhoisHero](#). Whenever someone purchases a domain name from us, they can add our WhoisHero protection, and it will mask their real name, address, and email address from publish Whois look-ups.



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Any email or mail sent to the "cloaked" or masked address, will automatically forward to them. We sell this service for an **additional \$2.98/year**.

We also sell hundreds of **SSL certificates, dedicated IP addresses, and blocks of additional storage** each week. Some companies go even further and will provide **SEO consultation** or **offer to build their website**.

I highly recommend that every web host comes up with some type of unique product up-sell to offer their customers. This allows you to offer your web hosting at a lower rate and make-up the difference with a service that is little to no cost to you.

Those of you that use [WHMCS](#) can easily add product add-ons that are displayed throughout the checkout process. Your imagination is your best friend here, think long and hard about what you could additionally offer your customers.



## Part 4. Running Your Business

### Accounting And Business Management

When running a business, especially selling recurring subscriptions it's very important to keep good accounting records. I can't begin to describe the number of times I've dealt with customer issues wondering if they've paid, why their account was suspended, etc. By keeping good accounting records you take all the guesswork out of this.

My first suggestion would be to use an automated system such as [WHMCS](#) to keep track of all of this. This software will automatically provision accounts that have successfully paid and will also suspend those who are late on payment. When they catch-up on their bills, it'll also un-suspend them, saving you much valuable time. Without this at NameHero, I would lose my mind.

I also suggest using a good piece of accounting software to track all of your outflows (or expenses). Over the last five year's I've successfully used Quickbooks online to track over \$20,000,000 in revenue! My "old school" accountant once told me that when I got this big I'd have to have more sophisticated software, but I believe that was his way of up-selling my account. It works perfectly!

Using a cloud-based solution like Quickbooks online, you're easily able to sync most bank accounts, PayPal, and other merchant accounts to keep track of all of your business activity. If you're like me and spend five minutes each morning updating it, you always have critical business financial reports at your finger-tips such as balance sheets, profit and loss, etc.

I mention all of this now because it's MUCH easier to start this from the beginning than to get a couple of months behind and start it. Since you're going to be running your own business, you are in complete control of your finances, so accurate tracking ensures you know where every single penny goes. If you get nothing else from what I say, please take this piece of advice!



Accounting aside, the business-end of things is also very important. You need to constantly be evaluating areas you're spending money as well as making money to find pockets of optimization.

While recurring billing is an excellent source of income for your business it can also be an easy way to blow lots of money by subscribing to services that you don't always realize. Make sure you spend some time each month to analyze your financial reports and "cut the fat" where you can save some money. When you're selling web hosting accounts for \$10/month, money going out can mean several customer's revenue, so you want to stay on top of it!

Also, you're going to want to make sure you meet regularly with good accountants and/or lawyers. Sometimes in business you're able to take advantage of tax-savings depending on where you live. I know here in the United States, several states have what's called an "angel tax credit" for tech businesses. If you qualify, they'll basically cut you a check at the end of a year for a portion of what you invested. This is an excellent way to leverage additional capital that your competition may not be aware of!

## Handing Support And Customer Service

Nothing will sink a web hosting company faster than *crappy customer service/support*. Over the years, I've watched a lot of the "big names" sell out, and have their business reputation go to hell **almost overnight**. You have to stay on top of this!

A customer testimonial is worth 100 new customers! A legitimate pissed customer (not including haters/trolls) has the exact opposite effect!

You can do all the marketing in the world to bring people into your business, but if the majority is not happy, you will not succeed. Even if you're unsure of the answer to a customer's problem, be responsive. Always let them know *you're diligently working towards* a resolution to their issue.

At NameHero I like to ***strive for a 15-minute response time***. Even if we can't completely solve the problem in that timeframe, I like to at least let the customer know



we're working on getting them fixed up. Good communication can save you a lot of headaches against negative customer feedback and will also help build your business. It only takes one happy customer to refer their friend and you've doubled your ROI on that individual. That's one of our secrets to massive growth!

If you're not a technical guru, don't worry! You can still be a reseller! All of our [reseller customers](#) have the option of asking our support team to solve issues for their end-users. Unlike other companies out there, we WANT your business to succeed. Every morning we say in our meetings, "we're only as successful as our customers" and we believe that with everything! If your business is successful - we'll be successful. If you're not successful - you're not going to be purchasing reseller hosting from us for long!

Phone and live chat support aren't for everyone, so that's cool if you don't offer it. We didn't for a long time and were plenty successful. However, a support helpdesk is a must. When a customer has a problem, it's important you're able to track their account and have a record of their issues, so it will help you with future issues.

Those of you that implement [WHMCS](#), it comes with a nice helpdesk module. There are also a number of other companies that will integrate nicely with it, but just make sure you're using something. It is an impossible task to try and manage every support issue via email. Questions get lost, contacts get jumbled, and your customer service will be highly unproductive.

## **Budgeting And Reinvesting Profits**

I don't care if your business is dog watching, you should operate based off a budget! If you drunkenly spend every dollar that comes in, you're going to be in for a world of hurt.

When you start making money from your hosting customers, you want to save as much as humanly possible. Sure, you will need to re-invest into more space, ads, business supplies, but you don't want to be quick to run off to the new car dealership or mall to buy that new wrist-watch.



# Resell Hero

by NameHero.com

You should have a budget set each month on what you plan on spending on your reseller hosting account, website software, employees, etc. This should be well in proportion to the amount you're making on your customers. Obviously if you spend more than you bring in, there is a time-limit to how long you can do that.

When I started NameHero, I *set a budget of \$50,000 of my own personal capital* to spend to get business going. While this is very small in comparison to some of the larger companies, it's also very large to some of the smaller web hosts. Either way, I set a budget, stuck to it, and continue to optimize it each and every month. Since I wanted to create my company a certain way, I knew I was going to be spending a while before I became profitable, but I constantly optimize my budget (even to this day).

While the start-up process is brutal trying to earn enough to capitalize your company, once you do start to become profitable, you want to make sure you re-invest a portion of this. Here at NameHero we re-invest our profits into new equipment, more staff, and advertising. Without constantly investing back into the business, we just "maintain" which is not a long-term business plan that can be sustainable.

Throughout my years of running successful multi-million dollar online companies, I've always held true to this. Even months when I'm making solid six-seven figure profits, I take a very conservative salary and re-invest the majority. I would rather sacrifice now and have a bigger company in the years to come.

When people hear my story about earning over \$20MM since college they wonder why I don't have a bigger home than I do, or why I don't have that big fancy watch, but they don't know what is to come. Real wealth is stealth and throughout my experience, those that like to "flaunt" really aren't earning the money you may think.

Budget and re-invest and you'll be around for decades to come. Spend and spend will be the death of your company.



## Part 5. Marketing And Advertising

### Inbound Marketing

Rather you already have a client-base and are offering web hosting as an up-sell to your primary service or you're a brand-new web host - marketing and advertising plays a critical role to your long term success.

You can have the very best company with the best products, services, and customer support, but if no one knows about it - you basically have squat. By far the easiest and most cost-effective way to get the word out about your company is do to so through Inbound Marketing.

Inbound marketing refers to marketing activities that bring visitors in, rather than marketers having to go out to get prospects' attention. Inbound marketing earns the attention of customers, makes the company easy to be found, and draws customers to the website by producing interesting content.

To get started, you need to identify your target audience, and product content that is going to bring them in. The fact you're reading this text right now proves Inbound marketing works wonders. *It's how I've made 99% of my wealth.*

At NameHero, I've identified one of my target audiences as being reseller hosting clients. Therefore, I make it my goal to product interesting content that is going to help build their business, and in return build my business. I can go spend thousands of dollars all day long on Google to get you to see my logo, but by producing helpful content, I show you I have an interest in your business.

Despite what your goals are for your company, you should be connecting with your audience on a daily basis. The rise of social networks has made this a piece of cake! Using just Facebook, Twitter, and LinkedIN you can instantly connect with plenty of people to get your business off the ground and profitable. But first, you must identify those you are trying to reach, and product valuable, useful content that is going to draw them in.



**One blog post a day is 365 new opportunities** a year to connect with your audience. Add a couple YouTube videos in there demonstrating your services, you'll have a loyal following in no-time!

## Outbound Marketing

A more traditional approach to getting customers is through outbound marketing. This is the route most well-funded companies take, because it just takes a massive budget.

If you head over to Google Adwords and bid on "web hosting" you're going to find yourself paying astronomical CPCs (cost per click). Companies that have millions of dollars in investment capital can stand to spend *\$5,000 - \$10,000 a day* as long as they're bringing in new customers.

Those like me who are boot-strapping their companies would go bankrupt quickly. Even if I leveraged all of the capital I've ever made online, there is no way I would be able to compete with multi-billion dollar companies like GoDaddy. That's why I always suggest the inbound marketing route first, and then add in some more traditional outbound marketing as you can afford to do so. But don't get crazy with it!

One outbound marketing method that you will find works very well with inbound marketing is through re-targeting. Using both Google and Facebook you can easily implement a pixel into your pages that tags visitors that visit your website. Even if that don't buy anything but go to a website the serves Google ads or over to Facebook to check their newsfeed, they're going to see your banner.

If you produce valuable and useful content, they're going to already remember you, so by seeing your logo over on sites they already trust, they're going to be more receptive to buy your product or service. We freaking crush re-targeting over here at NameHero! After reading this, I want you to pay special attention to your Facebook newsfeed or your favorite news website. *You're going to see us everywhere!*



Besides re-targeting, I wouldn't worry too much about buying "traditional" ads on Google or Facebook. I would rather see you focus on websites in your niche where you are more likely to connect with customers interested in your web hosting.

Let's face it - we're not going to compete with the GoDaddy budgets, but they're also not going to work as hard on producing useful content. No way they're going to pay people the amount it would take to garner such content.

That's what I love most about working on the Internet. You have the ability to out-smart and out-work billion dollar companies!

## **Social Media**

When I got started working online in 1998 there was no Facebook. There was no YouTube. Hell, there was no Google!

I got started sending traffic to my websites by domain type-in traffic and inbound marketing by placing articles on other similar websites with my link! I would have KILLED to have a social network!

Within the next hour you can setup profiles at Facebook, Twitter, LinkedIn, and YouTube for your business. I know there are even more than this, but with these FOUR, you have the ability to generate enough business to keep you busy for the rest of your career. You just have to be creative!

When you setup your social profiles, don't go on a spamming frenzy posting like a drunken sailor. As one great salesman once said, "people hate to be sold too, but they love to buy." This is so true!

If you can genuinely connect with people and form relationships with them, the sale is the easy part! But if you're always cramming the sale down their throat, you're going to shoot yourself in the foot before you have the opportunity to make the sale.

Start by adding people you know that maybe interested in your web hosting service. This maybe the local banker you know from when you got your car or



home. Perhaps there is a local butcher you buy your meat from. Start with this audience and start posting inspiring, helpful posts and see what you get a reaction on.

My Facebook account is a complete marketing ploy but I hardly ever share a link to NameHero. Instead, I engage with my followers by asking intriguing questions or something that is going to elicit a response. If I can get them to consistently see and remember my name, eventually they'll research my companies and I can make the sale.

LinkedIn makes it even easier. If you click on your connections page you'll notice that LinkedIn allows you to send them a pre-typed congratulation or happy birthday message. Do that every day! Even though you're not directly marketing to those individuals, they're going to appreciate the thought, and may decide to check out your company! If you're connecting with relevant connections, then you already know they are going to need web hosting eventually.

This is where re-targeting comes into a very important piece of the puzzle. When your connections eventually do decide to check out your website, even if they don't buy, they're going to consistently see your ads on relevant websites and you will become their "go to" brand.

With all this said, you can still cross-post your blog posts and coupon specials, just try not to cram it down their throat. Personally, I'm much more aggressive on my company pages than I am my personal. I don't want people to throw my personal account into the "annoying MLM salesman" category, so I'm very careful with that. In general, people expect companies to be pushy, so it is what it is.

None-the-less social media provides an excellent, free, medium for you to connect with customers. Spend an hour or two a day working it (not dazing off into ADHD paradise) but understanding your connections and marketing to them without hard-selling. You'll be surprised at how hard this will pay off.



## Part 6. The Path Forward

### **Hiring Team Members**

Eventually, you're going to have the need to hire help if you want to be able to sustain growth. While it's always a challenge to give up control or a piece of your profits, you have to consider what will happen if you don't.

In the web hosting industry, customer service and support has got to be your number one priority. There are enough companies that plague this industry with false promises, long hold times, and wreck-less support times. Unfortunately this automatically puts a "bad taste" in many customer's mouth so you have to work just as hard to fight it.

Once you start to sustain a lot of growth, you're going to want to begin delegating some of your more monotonous tasks to others. For example, if you find yourself spending most of your days just answering support tickets or responding to live chats, you may need to find a representative to help.

While no one is going to know your business like you do, communication is key. As long as people have someone who is willing to make an effort, it looks a whole helluva a lot better than being ignored.

Start small. Hire someone to do a couple of tasks a day part-time. As you analyze their performance, assign them more duties, and get feedback from your customers.

Take it from me, good help is very hard to find. But once you find it, treat them well and be honest. Reward them for their hard work and keep them motivated by sending them small tokens of appreciation. For example, if they go a month with exceptional performance, send them a \$25 Amazon gift card. While this maybe small, it's the thought that counts. Most companies don't even congratulate their employees, so even the smallest thing, may have a large impact.



## Expansion And Growth

Eventually, you're going to start running out of space on your reseller hosting package. I recommend as you start approaching 50 - 60% of your usage to consider your upgrade options.

At NameHero we have multiple reseller nodes, so you may wish to purchase another package on another node, to diversify a bit. While we boast 99.9% monthly network uptime, there is always that 0.1% chance. I've never been one to keep all my eggs in one basket, so this may also benefit you.

If you're really cranking out the accounts it may make more sense to purchase one of our Managed Servers. These high-powered machines have unreal dedicated performance and will give you the ability to offer reseller space as well! This will allow you to really send your business to the "next level" by offering a full arsenal of web hosting products.

When you reach that \$20K+ a month level - we have several enterprise solutions that aren't listed on our website. Have the full functionality of our cloud without all of the expense! Reach out to me personally at [ryan@namehero.com](mailto:ryan@namehero.com) and I can go over the different solutions we offer.

I say this often, but I personally want to see your business be super-successful. While expansion and growth can be exciting, it can be as equally challenging if you don't have the proper infrastructure in place. Web hosting aside, I'm also available to "point you in the right direction" when it comes to essential business management and operation tasks. Make sure to use this to your advantage!

While most of our resellers don't disclose their numbers to me, I did receive an email a couple weeks ago from one individual that is making over \$8,000 a month in profit reselling our services. They expressed their gratitude for our server uptime and high performance cloud for making their business exceptionally successful. Stories like this are worth more to me than any dollar I can make. I hope to see you all achieve this same level of success!



## Networking And Connections

Some of my biggest business deals have been made through my networking and communication skills.

It's one thing to sit behind your computer and work all day, but it's a whole other to get out from behind the screen and start networking face-to-face.

If you're serious about taking your web hosting business to the next level, you need to start attending some conferences! [Hostingcon Global](#) is probably one of the most well-known so make it appoint to attend at least once a year. You'll be amazed at the number of opportunities that come up just getting in the same city as thousands of other web hosting "nerds."

The majority of my "big deals" have been made in restaurants, at bars, and even on airplanes! Always be ready for when the opportunity presents itself. You never know who you could be sitting beside, so it's important to always conduct yourself in a professional manner.

Aside from Hostingcon Global, there are a number of other smaller conferences and micro meet-ups that happen all over the United States. Make it a point to visit web hosting forums such as Web Hosting Talk to see where everyone else is going. I even found a local WordPress group on LinkedIn where I was able to garner over \$1,000 a month in business!

In conclusion, it's very important to meet others in your industry. The old saying, "it's not how much you know, but who you know" couldn't be more true than it is in business. Networking presents unique opportunities that aren't available to everyone, so you want to take advantage of them as often as you can. Get out there - get known - and make good deals!