



Silicon House

T e c h n o l o g y L i v e s H e r e



SECRETS OF SUCCESSFUL RESELLERS

Silicon House

Ranked **TOP Performer** among the registrars by **NIXI**

Ranked **173** rd fastest growing registrar in the world by **Verisign**.

Serving over **750000** clients in **90+** countries

Phone: +91-7667-200-300 / 044-24412448 / 24412748 / 24405807

www.siliconhouse.net

Reseller Web Hosting – Ebook Secrets of Successful Resellers

- 1. Reseller Hosting Overview**
- 2. Problems with Reselling Web Hosting Services**
- 3. Bundle It and Move Up**
- 4. Reseller as a Consultant**
- 5. About Silicon House**

Aim: This Ebook is aimed at analyzing problems of Reselling Web Hosting Services, Solutions and The Concept Of Reseller as a Consultant.

Author: *Dolphin Thoughts* [Silicon House – Rapid Action Force]

Reseller Hosting Overview

Reseller Hosting is defined as buying server space in bulk and reselling to individual customers. However, reselling has evolved and now successful web hosting resellers project themselves as consultants than dealers.

The secret behind successful resellers who earn huge profit and grow their business multi-fold is to understand and address the key problems in reselling web hosting services effectively.

What are the problems ?



Do You Know ?

3 Major Problems in Reselling Web Hosting Services

- 1. Highly Competitive**
- 2. Higher Churn**
- 3. Outdated Technologies**

3 Major Problems in Reselling Web Hosting Services

1. Highly Competitive
2. Higher Churn
3. Outdated Technologies

Highly Competitive

Web Hosting is one of the highly competitive field in the Internet. Every day hundreds of Resellers join the web hosting business around the world. Even though the number of people who go online is in steady rise, it does not mean that all internet users are direct customers for web hosting services.

Not Yet..

In such a scenario, to sustain in the web hosting business and to acquire new customers a default strategy which Web Hosting Resellers follow is to **Cut Price / Margin**. Even though this is not advisable, 90% of New Resellers tend to cut their prices during renewal or during the next year in business.

Combine this with hundreds of new web hosting resellers joining every day;

What you get is a highly competitive business where prices keep falling steadily.

Higher Churn

Churn is the number of web hosting customers a Reseller loses every year or in some cases every month. Higher the churn, less will be profit for a web hosting reseller.

Type A Churn: This churn is non renewal of the domain or web hosting services itself.

Type B Chrun: The domain and hosting services are moved to another hosting provider.

Type A Churn is aided by

1. Customer sees no value in going online
2. Customer's end benefit such as leads, orders, sign-ups are not realized

Type B Churn is aided by

1. Standardization of platform such as Linux + cPanel, Windows + Plesk control panel
2. Easy domain transfer process from one registrar to another
3. Reach of Resellers in one part of the world to another
4. Spurt in online payment options for web hosting customers
5. Unoptimized or poor renewal follow up or processes

Bottom line;

Web Hosting Reseller has to be on their toes all the time to acquire new customers, activate and retain customers.

Outdated Technologies

Observe the following pattern;

HTML coding replaced by Design Software

Web site designing replaced by Site Builders

Domain Registration API's replaced by Domain Store Fronts

Locally Installed Software replaced by SaaS Model Software

Ticket / Chat Support Preferred over Phone Support

Knowledge Bases [Articles] replaced by Self Help Videos

Costly e-commerce site development replaced by Open Source shopping carts
Offline payments are getting replaced by online payment gateways or mobile wallets

If a web hosting reseller is focused on basic services alone like domain name registration, basic web hosting for his customer, rate of renewal of customer is going to reduced over a period of time.

Reason ?

Domains are renewed annually. Hence a reseller renews his customer annually. This means if focused on providing basic hosting services alone, will allow a reseller to adapt new technologies for a customer only once in a year alone. If missed for a year, the second year his customer runs on an outdated technology.

Fine, How can a Reseller address these problems ?

Bundle It and Move Up



The problems that are faced by web hosting resellers can be solved by the following ways

1. Bundling Web Hosting and Related Services

During the Start Up or Initial Stage, a web hosting reseller is in the bottom of the table. Hence apart from providing web hosting and domain registration services, they should also provide additional services such as web site building, shopping cart integration, payment gateways integration, ssl certificates, security scanning services, crm integration, SEO and lead

generation, media streaming or any activity relating to web that can generate revenue.

Instead of providing only a small part of the online presence of a customer, they should see how they can offer **end to end solutions** for their customer's entire online operations.

Having said this, Resellers must be very careful and choose services that are beneficial to a customer and sell to them than stuff all the services or addons available with them to their customers.

Take for example;

The end benefit of a customer is leads, orders, signups or downloads etc. A reseller must focus on how he can provide services / addons to his customer which can result in realizing the above benefits. If this is done, Type A Churns can be reduced drastically. Combine this with **Structured Training** for customers has resulted in far better results.

Moving Up the Value Chain: A Web Hosting Reseller nurtures a customer from domain name registration to going online with a website. They should also be smart enough to predict and offer value added services such as High Availability Solutions, Corporate / Business Hosting, Semi Dedicated Hosting, Dedicated Servers, Cloud Servers, Media Streaming Servers by **moving up the value chain** in order to **earn higher profit**.



2. Implementing Best Practices

Type B Churn [migrating to another hosting provider] could happen due to two reasons

Customer is not happy about the product / service offered
Customer is not happy in the way the product / service is offered

The first one can be resolved by properly prospecting a customer before signup. Educating the customer of various options, limitations and be clear on usage terms. Proper understanding of a customer's requirement and providing apt solution to it is very important. Many Web Hosting Resellers tend to over look it. This ultimately leads to customer dissatisfaction.

Imagine this;

If a customer wants to run a medium size or large e-commerce portal, then the best solution would be to host in a dedicated server than in a shared reseller hosting account. The reason being, 100% resource [CPU, Memory etc] can be allotted to a large e-commerce portal in a dedicated server where as in shared reseller hosting it is not possible. Hence, in this case a Reseller must try to provide a dedicated server instead of hosting under his own reseller account.

Second, the way in which a product or service is offered also plays a role in churn.

For Instance;

Customers are more tech savvy and expect service to be offered in a channel in which they are comfortable with.

- Designers would like to build designs for their websites by themselves, whereas Developers would prefer Site Builders.
- Support in Native Language brings the Customers close to a Reseller.
- A Brick and Mortar Small Business might be comfortable with Phone support, where as a New Age Startup would expect a Ticketing or Chat Support.

Understanding such intricate details and implementing it in day to day processes will reduce the Type B Churn considerably.

Reseller as a Consultant

Web Hosting Resellers have the opportunity to provide a wide range of services to their customers like domain name registration, web hosting, ssl certificates, payment gateways, SEO services, web site building, developing shopping carts etc. If properly channeled. This opportunity can be used to become a Successful Reseller.

Consultative Reselling can help realize more value for both customer as well as reseller. Consultative Reselling requires **constant learning, consistent communication** with the customer and **command over new technologies**

Constant Learning: A Web Hosting Reseller must learn and update himself every day. This allows to keep track of disrupting technologies in the industry.

Consistent Communication: Communicating with the customer regularly is very important. This can help in two ways.

1. To gauge the level of customer satisfaction
2. To understand and predict a customer's future plan and hence the future hosting requirement for them.



Command Over New Technologies: Now that a reseller knows what his customer's might require in future, he can learn, try out and master the technologies which is going to be used by his customers in future.

Rapidly Scaling Organizations require a hosting provider who will work with them and take charge rather than a hands off hosting provider. Hence if a Reseller can offer the fully managed end-to-end solution for their customers at the lowest possible cost, they should be able to make huge profit out of it. Also customer retention will be higher in this case.

About Silicon House

Silicon House is one of the largest Reseller Hosting provider in India. Silicon House is highly specialized Cloud Computing and Fully Managed Server provider in India. Operating a Fully Automated Virtual Data Center for more than a decade, we have been able to leverage our immense experience and cutting edge technology to provide a practical and working solution for thousands of customers in more than 90+ countries.

Business Focus

Silicon House is a complete solution provider for reseller hosting, dedicated servers and cloud servers. Our expertise is in implementing high availability, high performance and hybrid cloud / dedicated servers. The solutions that we offer are Fully Managed and hence we take care of the server side infrastructure while you can concentrate on your core businesses.

Innovate & Expertise

Every problem presented to us like mail tracking or archiving, multi-location cloud load balancing, biz intel reporting, state of the art intrusion detection, has been converted into an opportunity to innovate new solutions. With over Two Decades of hosting expertise, we convert these innovations into working solutions and keep building expertise in them.

Stats

Silicon House runs hundreds of servers serving customers in more than 90+ countries.

1. We handle more than 55 million emails per day
2. Our Fully Automated Virtual Data Center network spans over three continents, four countries
3. Our servers power more than 750,000+ websites
4. We are pioneers in building Fully Automated Virtual Data Centers integrated with multi-location clouds
5. Innovation is our base and we consistently do that. Our innovative development has resulted in products and services such as Arrow Global Load Balancer, Arrow Multi-Zone DB Sync, XMAIL Trac, Super Reseller Suite, Arrow Shield, Arrow Streaming Servers, Biz Intel Reporting etc.

Accreditation

Silicon House is a pioneer in introducing many services in web hosting industry in India. We are the pioneers in introducing Fully Managed Dedicated Server Hosting in India. We are the pioneers to introduce pre-hardened elastic cloud server hosting in India.

On High Availability Solutions side, we have been building bare metal servers or dedicated servers, clusters, cloud servers, hybrid servers for more than Two Decades in India. We are the first company in India to build Fully Automated Virtual Data Center spanning three Continents.

1. Silicon House is an ICANN accredited Domain Registrar
2. Silicon House is a fully accredited .IN registrar
3. Silicon House is ranked as a TOP PERFORMING REGISTRAR by NIXI
4. Ranked 173 rd fastest growing registrar in the world by Verisign
5. Ranked 112 nd fastest growing registrar in the world by PIR