Liquid Web

HOSTING BUYER'S GUIDE

IN THIS GUIDE:

OVERVIEW:

If you only take one idea away from this guide, it should be this: **Where you host matters.**

It's a simple idea, but one that has far-reaching consequences. The implications of choosing a hosting company that isn't a good fit for your business can be painful: slow sites, downtime, and worst of all, lost revenue.

To the untrained eye, many hosting companies look the same. They offer products that appear similar, have similar features, and even similar guarantees. But looks can be deceiving.

Once you scratch the surface, it becomes clear that **all hosting isn't created equal**, and some hosting companies are better aligned with your business than others.

This guide is designed to help you make an informed decision when choosing a hosting company for your business.

First, we'll help you decide what type of hosting company you should choose. Then, we'll examine the technologies currently available and help you find the one that best fits your needs. To tie it all together, we'll end with a hosting provider checklist that will ensure you get the most bang for your buck.
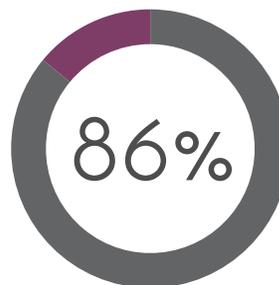
86% believe **selecting a right web hosting service** will affect a company's competitiveness*

Let's dive in.

Source: Data from a survey of 450 web designer, developers and digital agencies conducted by Liquid Web in 2016. Details of the survey can be found here.

WHAT TYPE OF HOSTING COMPANY SHOULD YOU CHOOSE?

In today's economy, the choice of a hosting provider is as much of a strategic business decision as it is an IT decision. While it's true that many providers can likely match the IT requirements for your project, few are likely to be aligned with your business goals on a strategic level.
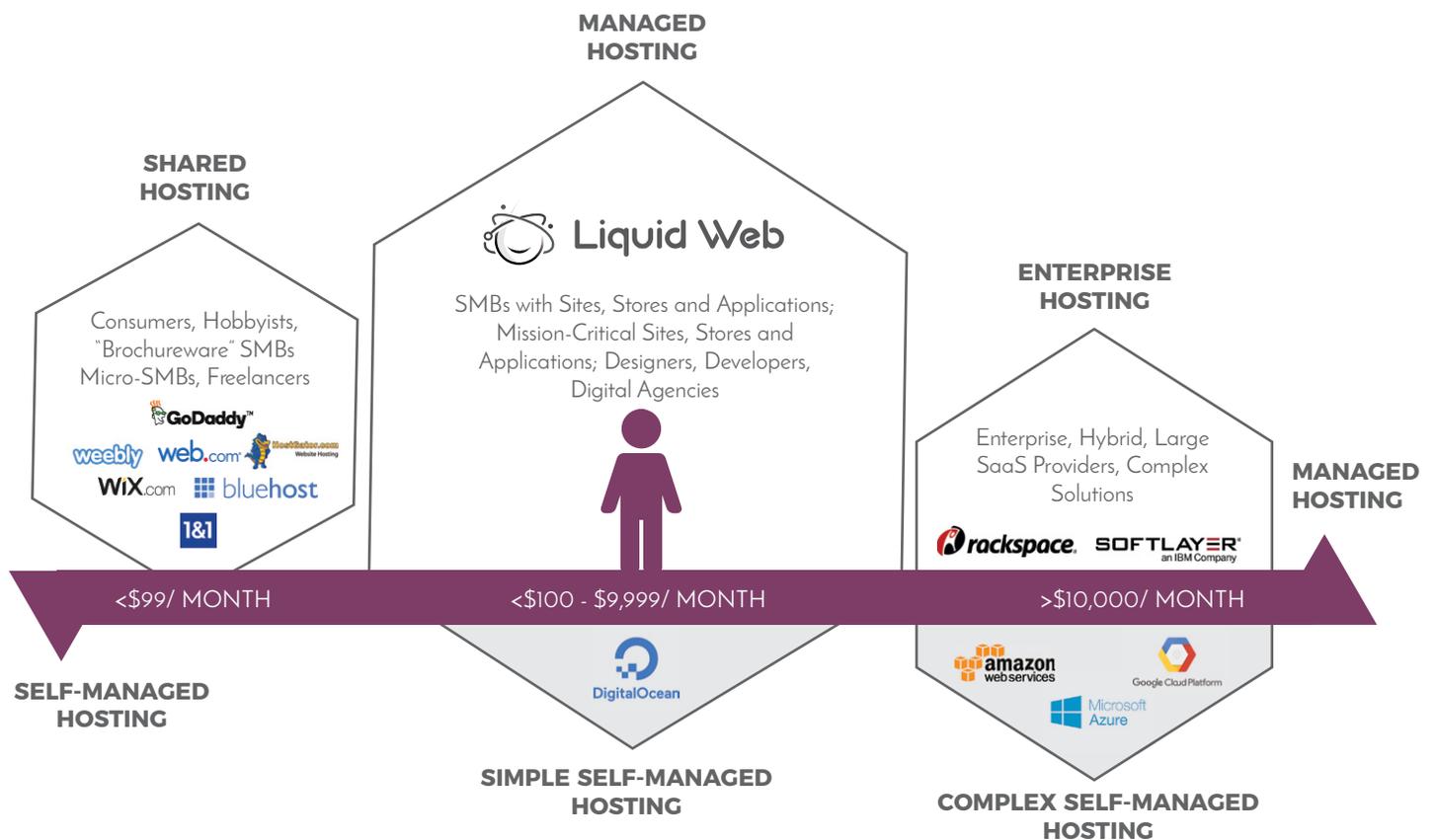
For example, consider an e-commerce business that brings in 100% of its revenue through an online store. There are many hosting companies that could support the online store from a technical standpoint, but what about from a business perspective? If the site goes down at 3 a.m., not all hosts are available to take a frantic support call from your developer, and even fewer are already proactively monitoring your site and working on a fix before he or she even picks up the phone.

Choosing a host that is aligned with your business needs can save you time, money, and heartache.

THE HOSTING CONTINUUM

Starting a hosting company has a relatively low barrier-to-entry compared to other businesses, so it's not surprising that there are many, many, choices available when shopping for hosting.

To simplify things, this hosting continuum aims to classify these companies into three general segments: shared hosting, managed hosting, and large enterprise hosting.

MANAGED HOSTING

SHARED HOSTING

Consumers, Hobbyists, "Brochureware" SMBs Micro-SMBs, Freelancers

GoDaddy™, weebly, web.com, HostGator Website Hosting, WiX.com, bluehost, 1&1

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SMBs with Sites, Stores and Applications; Mission-Critical Sites, Stores and Applications; Designers, Developers, Digital Agencies

ENTERPRISE HOSTING

Enterprise, Hybrid, Large SaaS Providers, Complex Solutions

rackspace, SOFTLAYER an IBM Company

MANAGED HOSTING

<$99/ MONTH   <$100 - $9,999/ MONTH   >$10,000/ MONTH

SELF-MANAGED HOSTING

DigitalOcean

amazon webservices, Google Cloud Platform, Microsoft Azure

SIMPLE SELF-MANAGED HOSTING

COMPLEX SELF-MANAGED HOSTING

To understand which hosting companies focus on your business, let's unpack each segment and explore examples of the types of companies that each segment serves.

SHARED HOSTING

The vast majority of hosting companies fall into this segment. This is the least expensive option, often available starting at $10/mo. For that amount, you'll receive a very small portion of a server and share the server with thousands of other websites.

Good for: **Personal Blogs, Simple Static Websites, Brochureware Sites, and Non-Critical Websites**

Example Business: *A local restaurant that has a website. If the site goes down, it likely won't affect their business. It may inconvenience some of their customers, who may have to find the restaurant's Facebook page to locate the phone number and menu, but in general, business won't be negatively affected.*

MANAGED HOSTING

Managed hosting provides managed services and support in addition to hosting infrastructure. Prices in this area start around $50/mo. and can scale into the thousands of dollars per month. You'll receive a large portion of a server, an entire server, or several servers, depending on your requirements. *This guide will focus primarily on this segment.*

Good for: **E-Commerce Stores, Mission-Critical Websites, Databases, Multi-site Hosting, Online Businesses and Web Applications**

Example Business: *An online store that generates the majority of its revenue online, an agency that has many client websites, high-traffic online publishers, and SaaS companies. For these businesses, their site is mission-critical and they often cannot afford to hire employees or 3rd party partners.*
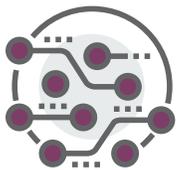
LARGE ENTERPRISE HOSTING

Large hosting infrastructures make up the enterprise side of hosting. Public cloud companies support such giants as Netflix and Zillow with infrastructures that start at around $10,000+/mo.

Good for: **Enterprise Applications, Big Data Applications, Etc.**

Example Business: *Large online businesses, enterprise SaaS companies who often have large-scale cloud deployments. These companies generally have employees or 3rd party partners focused on hosting.*

MAKING THE CHOICE

If you're just getting started, or have minimal requirements, shared hosting is a good place to begin. Be sure to avoid the introductory pricing trap, as many shared hosts offer deeply discounted prices in exchange for 36-month pre-payment. While this might initially seem appealing, it can be detrimental if the shared host provides service that doesn't live up to your expectations, and refunds aren't an option. Instead of shopping by price, look for a host who offers around-the-clock support via phone and live chat. You never know when you'll need help.

For large enterprises with complex needs, consider the major public cloud companies that offer robust API access and geographically diverse availability zones. Be sure to clarify the level of support and server management you will receive. It will be important to match that up to the capacity and capabilities that you have available on your team.

For businesses that are dependent on the web, and without resources dedicated to IT/technology, managed hosting is generally the best match as it offers peace of mind for businesses and the designers, developers and agencies who create for them. Managed hosting companies take on the responsibility of server management, operating system and control panel updates. Typically, managed hosting providers are built to offer a higher level of support for their customers than either shared or enterprise hosts.

MANAGED HOSTING RELIEVES IT BURDENS

For many companies, **managed hosting** is the best fit. Managed hosting has a level of service and support not found with shared hosting companies, and provides additional levels of management (like managed security, managed backup, and on-site technical support) not found in the large enterprise

### Managed Hosting, a "Do it For Me" Solution

For many businesses, there comes a time to make the call whether to hire an on-staff IT person to manage their server administration duties, or to offload the work to a trusted partner.

With managed hosting, the server administration is handled by the hosting provider. The hosting company acts as an extension of your team, keeping your hosting infrastructure online, secure, and up-to-date.

Managed hosting is ideal for businesses that have limited, or no in-house resources, or businesses whose IT resources are focused on revenue-generating projects.

The Next Step

Now that we've established managed hosting as an ideal match for most businesses, next we'll explore the hosting products & solutions available from managed hosting providers, and help find the one that's best fit for your business.
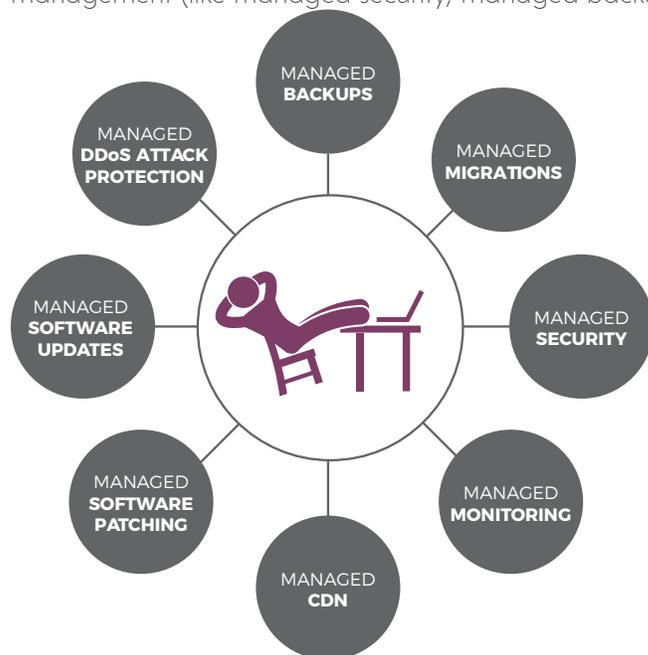
WHICH HOSTING SOLUTION IS BEST?

Hosting solutions can seem complex, but we'll try to simplify them.

If you've spent time shopping for hosting, you've likely run across terms like "VPS," "Dedicated Servers" and of course, "Cloud." But how do you know which hosting solution will work best for your project?

The answer comes down to server resources.

Example: *Let's consider the previous example of an e-commerce business that brings in 100% of its revenue through an online store. When the site launches, and traffic is manageable, a VPS is a good choice. As business grows, and traffic and orders increase, the resources of the VPS will be challenged.*

At this point, the business might move to a Platform-as-a-Service (PaaS) offering, which offers resource scalability.

Later, to prepare for a large media push, the business might migrate their site to pair of dedicated servers (one for the website, one for the database) to increase the performance of the site and the experience for their customers.

As you can see, the "which hosting solution will work best?" question is partially tied to the resources that your project requires.

Another dimension to consider is the software on which your project runs. Some managed hosts have started to offer hosting solutions optimized for particular open-source content management systems (CMS), like WordPress.
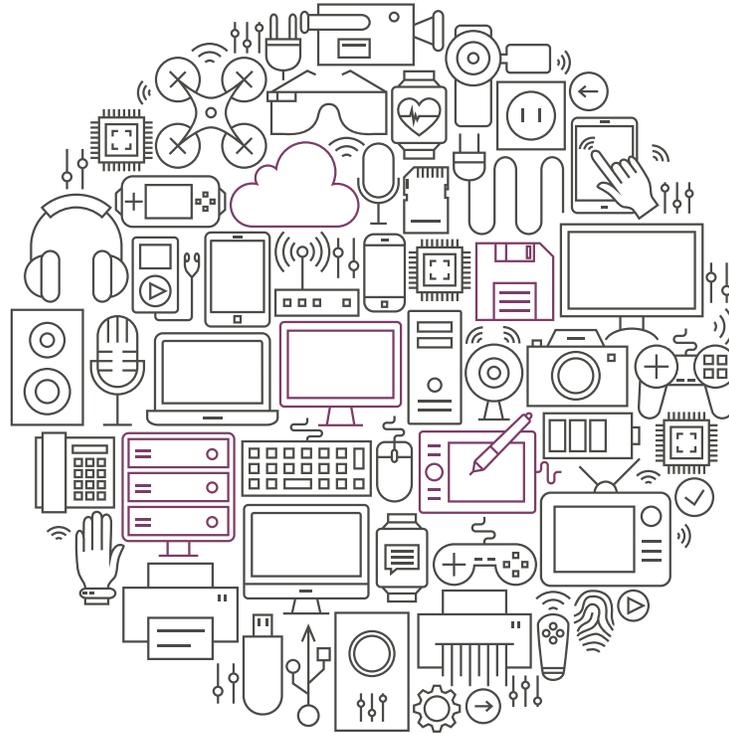
These managed application solutions extend management to WordPress, automatically keeping the CMS, its themes and its plugins up-to-date.
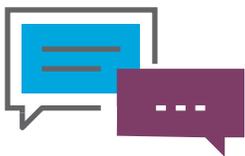
If you're unsure, ask. Part of the value that a managed hosting company provides is pre-sales consultation. A technical sales representative, sometimes called a solutions architect, can help fit your project into the right solution.

The following table is a more in-depth look at the most common host solutions available from managed providers:

	VPS/Cloud Hosting	Dedicated Server	Hosting Platform-as-a-Service (PaaS)	Managed Applications
What is it for?	Smaller workloads that need consistent performance	Persistent workloads, or compliance requirements (HIPAA)	Hosting multiple CMS, high traffic websites & apps all with scalability built-in.	Open Source CMS, eCommerce, or CRM applications
What is it?	A portion of a server with guaranteed resources	An entire server where you have access to all of the resources	A platform of many servers on which your project lives	A service where the provider manages the software (i.e. WordPress) in addition to the infrastructure
Pros	Easily expandable to meet workload/traffic demands Less expensive than Dedicated servers	Your information is private Meets compliance requirements for PCI and HIPAA	Your "slice" of the platform can scale based on usage Quickest way to deploy new projects	Hosting is optimized for the application No server management required
Cons	Some hosting companies use older hardware to create their cloud	If your application or website isn't using all of the dedicated server, you're paying for capacity you're not using	No root access to server Limitation of which applications are compatible	Limited access to server for custom configurations
Infrastructure Type	Cloud	Dedicated	Cloud	Cloud
Root Access	✔	✔	✘	✘
Single Tenant	✘	✔	✘	✘
Complexity	▰▰▱▱▱ (2/5)	▰▰▰▰▱ (4/5)	▰▱▱▱▱ (1/5)	▰▱▱▱▱ (1/5)
Reliability	▰▰▰▰▱ (4/5)	▰▰▰▰▱ (4/5)	▰▰▰▰▰ (5/5)	▰▰▰▰▱ (4/5)
Performance	▰▰▰▱▱ (3/5)	▰▰▰▰▰ (5/5)	▰▰▰▰▱ (4/5)	▰▰▰▰▱ (4/5)
Cost	▰▰▰▱▱ (3/5)	▰▰▰▰▰ (5/5)	▰▰▰▱▱ (3/5)	▰▰▰▱▱ (3/5)

CONSIDER THE HOSTING SOLUTION PORTFOLIO

When evaluating hosts, it's a good idea to factor in their product or solution portfolio into your decision. As you host, or grow, additional projects, you'll gain efficiencies by hosting everything with a single company.

Scaling Your Project

As your project grows, so too will the hosting infrastructure that supports it. When considering a managed hosting provider, it helps to understand their capabilities and ability to scale your project.

Some providers specialize in only one type of technology, like Managed WordPress or VPS, for instance. To future-proof your project, choose a provider who has competencies in a broad range of hosting technologies and solutions.

Starting New Projects

Your first project might be architected on WordPress, but your second might be a customer PHP application. Select a hosting partner who can accommodate any project you throw their way.

HOSTING PROVIDER CHECKLIST

Your hosting provider can directly impact your company's competitiveness. With an increasing number of businesses betting their success on their web presence and cloud-reliant technologies, it is troubling to see the percentage that make this critical business decision based on price alone. It can be a costly mistake, especially when you can't afford downtime, slow site performance or security breaches.

Instead, use this questionnaire to guide your search. Ask the hosting provider these questions and explore the company's website to social media channels, consumer review sites, analyst reports and news to inform your answers.

		Y	N
Company Stability	Has the company experienced growth in the last 12 months or conversely suffered a negative business event?		
	Does the company have a strong, experienced executive leadership team?		
	Does the company own its own data centers?		
	Does the company use Tier 1 providers for network access?		
Product Innovation	Does the company support a variety of hosting products and services that can meet the ever-changing needs of your projects?		
	Have there been any new products developed in the last 12 months?		
	Do the products include the most up-to-date security and performance software?		
	How old is the hardware/software being used? Does a cheaper price mean that they utilize older or refurbished hardware?		
	How compatible and flexible are the products? Do they work with a wide variety of plug-ins? Do they support a variety of operating systems and applications?		
People That Can Help	Do customers have around-the-clock access to highly- trained, certified technicians?		
	Can you talk live to someone about your issue same day?		
	Are you given multiple methods of contact for support?		
	Does the company charge for support?		
	Do they own their own infrastructure and are they on-site with the servers 24x7x365?		
	Do they have a team dedicated to helping you migrate data? Will they do it for free?		
	What do current customers say about the customer service? Ask for data.		
Promises	Does the company provide performance and customer service guarantees?		
	What is their track record on uptime? What service level agreements are in place in the event of an outage?		
	Does the company have flexible agreements and pricing or are you locked into contracts?		
	Does the company have a high net-promoter or satisfaction score (do current customers recommended them)?		

If web presence fuels your business, then your site, store or application is mission-critical. Pick a partner – not a price. Think of hosting partners as part of the solution on the revenue side of your business.

KEY TAKEAWAYS

Where you host matters. Not all hosting companies are aligned to your business.

Pick a provider that focuses on businesses your size. For example, Rackspace is focused on larger customers, GoDaddy and Bluehost are focused on very small customers, and Liquid Web is focused on SMBs or businesses with 5-200 employees and the designers, developers and agencies that create for them.

Quickly define and narrow down your hosting options. Make sure you pick a partner who matches your needs today and as you grow. You want a partner with a wide variety of solutions and one who will be around long term.

If you are unsure of what hosting environment or products you should buy, engage with an expert first. A great provider will have hosting expertise available to you free of charge. You can also ask your designer, developer or agency for a recommendation.

And don't use the migration as the biggest reason for maintaining the status quo. The right partner will have dedicated teams who can provide advice and expertise to deliver a smooth migration experience.

As a leader in Managed Hosting with for more than 20 years' experience, we would be happy to help you choose the right solution to meet your needs. Our resume is strong. We have 32,000+ customers in 130 countries, manage over 500,000+ sites, stores and apps, employ 600 on-site staff, run 4 global data centers and rank No. 1 in customer loyalty. Please let us help you.

Liquid Web

**POWERING YOUR
BUSINESS POTENTIAL**

Content. Commerce.
Applications.