Starting a Web Hosting Company – Sample Business Plan Template

**Do you want to do business online? Do you want to learn what it takes to start a web hosting company? Then below is a sample**[**web hosting business plan**](http://www.profitableventure.com/web-hosting-business-plan/)**template and feasibility study report**.

For the obvious reason that every website online needs a website server to function, the web hosting industry is at the very center of all e-commerce and online business opportunities. Aside providing the tools needed to set up a business online, web hosting is a business opportunity in itself. You can [start a web hosting company](http://www.profitableventure.com/starting-a-web-server-hosting-company/)with minimal effort and investment, little or no expertise or experience.

Today, there are multi-million and multi-billion dollar web hosting companies such as **HostGator.com**, **BlueHost.com**, etc. In fact, several new webhosting companies spring up every year, but only few of them will be successful as the ones mentioned above. However, you can still find success in this industry if you follow our lead.

5 Reasons Why You Should Start a Web hosting Reselling Company

* Webhosting is the heart and engine room of all online businesses in the world. What this means in essence is that no internet business will exist without the webhosting industry. Even the big multi-million dollar companies host their website somewhere.
* The webhosting industry seem saturated, but the truth is that there are still millions of small and medium sized businesses worldwide that don’t have an online presence yet. So there is still room for entry and growth in this industry.
* It is a business you can start on a small or large scale. You can either choose to start big by buying your own servers or you can start small with virtually no overhead by becoming a webhosting reseller right from the comfort of your home.
* The ultimate potential of running a webhosting business is that it is a strong source of residual income. What this means in essence is that once a client signs up for your service, there is 99% probability that that client stays for life; paying you a monthly recurring fee.
* You have unlimited potential to generate revenue from several sources. You can achieve this by entering into joint venture or partnership with domain registrars, web design companies, theme developers, web server managers, web service providers, webmasters and bloggers, etc. you can also start an affiliate program and recruit affiliate marketers.

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**1. Choose your platform and control panel**

There are two options to choose from: **Windows and Unix**. While Unix offers a more stable hosting environment and is less expensive, Windows has the advantage of being able to support ASP, .NET, MS SQL, and so on.

Most other programs used to develop websites such as Perl/CGI, PHP, Flash, etc; can run on both Windows and Unix. But if you are not sure which to choose, a smart idea is to choose a hosting provider that offers both operating systems under a single reseller plan. The next step is choose a control panel. Control panels vary from very simple and user-friendly ones to robust and intricate ones like the H-Sphere system.

**2. Choose your reseller hosting provider**

This is one of the most important decisions you can make when starting your web hosting company. Your choice of a reseller hosting company can make or mar your business. And your company will only be as good as the reseller hosting company you choose.

Just do a search on Google for the phrase: “*Reseller Web hosting*” and you will see a lot of options / companies to choose from; each with their own unique pecks and conditions. But before choosing a reseller hosting company, you must ensure that they meet the following criteria:

* 24/7 phone support or Live Chat Support
* Robust control panel features and flexibility
* Plenty of bandwidth and disk space to start with
* A good reputation established over many years
* A customer forum

**3.**[**Set up your hosting plans and decide on pricing**](https://www.profitableventure.com/factors-product-pricing-strategy/)

Like other hosting companies, you will offer a range of hosting plans; from smaller simple plans, to medium and high-end subscription plans. However, it is important that you limit this to anywhere between 3 to 5 plans, as offering too many subscription plans could leave potential customers confused. Before deciding on your pricing, you must make sure you see the competition’s offers and prices.

**4. Set up a business website**

This is a very important step, as your website will serve as your showroom, signpost, and office on the web. You must bear in mind that a smart layout and great, easy to understand content is the most important part of your website.

Also, you must make sure that your website addresses your customer’s needs and answers the most common question on the minds of potential customers: “*What’s in it for me*?” Spend less time on describing your company and more time on telling customers how exactly you will solve their problems. While it’s important that you are succinct, you must make sure your main page has at least 500 words. This is necessary for search engine optimization and marketing.

**List of Equipment You Need for a Web hosting Company**

* Web Servers (*that is if you intend starting a big webhosting company*)
* Broadband connection
* High Powered Computers / Laptops
* Stabilizers
* Inverters
* Power generator set

**5. Set up your payment facility and client billing system**

To be able to receive payments directly on your new website, you will need to set up a merchant account and payment gateway. You must ensure that your reseller hosting company and control panel platform support these features.

You will also need to install some billing software that calculates exactly how much customers will pay and charges their credit cards and bank accounts. However, most reseller hosting companies have their own in-built client billing system. As for the payment facility, you can consider using PayPal or 2Checkout.com

**6. Set up support help desk**

You will need to set up a channel for effective communication with your clients. Your control panel or platform must support this feature. It goes without saying that you will support the services you are selling. To reduce the burden of having to answer too many questions, you should put up an FAQ section on your website. For even more effective and instant communication, allow your customers to call you for live phone support.

**7. Create a welcome email**

This is very important, as it reminds prospects of vital information about your business. A typical welcome email includes the following:

* A username and temporary password
* A confirmation of the plan details
* The DNS/registrar changes
* A link to the control panel
* Instant access to FTP and email features
* Links to your FAQ page

**8. Market your new business**

Though it is time and money consuming, marketing your web hosting company is an effective strategy for attracting potential customers to your website and making sales throughout the fiscal year. Here are a few ways to market your new company:

* [Tell friends and relatives about your new company and the services you offer](https://www.profitableventure.com/promote-business-word-of-mouth/)
* You can hire sales reps to talk to local business owners within your environment and convince them have a web presence
* Adopt SEO as one  of your strategies
* Use paid advertising such as Facebook, Google Adwords, etc.
* Slap up ads on classified websites
* Use social media to spread the word

5 Challenges of Starting a Web hosting Company

**1. It is a highly competitive industry**

The web hosting industry is a highly competitive, saturated industry. But you can still find success by targeting specific niches or geographical areas. Examples are:

* **Industry niche:**You can provide services and plans strictly for specific industries such as webhosting for fashion businesses, e-commerce sites, bloggers, etc.
* **Purpose-driven niche:**You can also provide purpose driven services like SEO hosting, blog network hosting, Virtual Private Servers and Dedicated servers, etc. a good example of a hosting company offering this type of service is **WpEngine.com**
* **Geographical niche**: You can also target specific regions, areas and countries. For instance, webhosting for Los Angeles based businesses, Nigerian businesses, etc. Targeting these localized niches will bring you closer to your clients as you will understand their need and provide them support accordingly.

**2. It is volume-driven business**

Yea, a web hosting business is volume driven. So don’t expect to make much money in the first few years of operation; except you are offering high-priced premium services.

To become a successful, well-established web hosting company, you need thousands or millions of paying customers; and you definitely cannot get this on a platter of gold. Except you want to resort to buying an already established webhosting company.

**3. Convincing customers to sign up with you**

This problem is understandable. Convincing clients and small business to sign up for your company can be a headache. Why? The reason is because there are already established web hosting brands out there, *so why the hell should they use your company when you don’t have a track record of experience?*

No one would like to see his source of business revenue dwindle because of server downtime or unavailability. So it is up to you to work out a reason why customers should give your company a trial.

**4. Dealing with customer support and complaints**

Another pain you will face in this business is customer support. You will have to deal with customer complaints effectively and fast; else, they will migrate and spread the word about your bad services. You can outsource your customer support services but I recommend you don’t. Customers are the heart of every business so keep them close.

**5. You must be web savvy and technology inclined** to be able to setup and run a web hosting business. You must understand how to execute web script installation, server management, etc. However, you can beat this challenge by employing or partnering with someone who understands the technical intricacies of web hosting.

A Sample Web Hosting Company Business Plan Template

**Are you about starting a web hosting company? If YES, here is a complete sample web hosting business plan template & feasibility report you can use for FREE**.

Okay, so we have considered all the requirements for starting a web hosting business. We also took it further by analyzing and drafting a sample web hosting service marketing plan template backed up by actionable guerrilla marketing ideas for web hosting businesses. So let’s proceed to the business planning section.

Why Start a Web Hosting Company?

One good thing about the information age is that there are several business opportunities that come with it and one of them is to start a web hosting company. If you are IT inclined and you have the start – up capital and are also looking at starting a business in the IT industry, one of your best bet is to start a web hosting company. There is indeed a large global market for web hosting companies.

All you need to do to attract client and maximize profits as a newbie in this industry is to ensure that your business is well – publicized, you reduce downtime to the barest minimum and your fees are affordable. To achieve all that is stated above, you should be ready to work hard and smart, hire dedicated and competent employees and above all have a reliable server et al.

The sample web hosting company business plan template below will guide you on how to draft yours with little or no stress.

A Sample Web Hosting Company Business Plan Template

* **Business Overview**

It is known fact that the web hosting services industry has come to stay and of course it is one industry that plays key roles not only in the business world, but also in almost all the aspect of what goes around in our world today. This is so because there is hardly any serious minded business or organization or even individual who do not have online presence cum their own website.

The Web Hosting Services industry provides internet hosting services to third party services providers. These services most commonly take the form of website hosting, where industry operators provide leased server space and internet connectivity to individuals and organizations to make their websites accessible over the internet. Players in this industry also provide application-specific services, such as e-mail application hosting and game hosting et al.

Research conducted by IBIS World shows that the demand for the Web Hosting Services industry grew substantially over the past five years due to high demand from companies hoping to expand their online activities and presence. This trend is expected to continue to grow. Most of the employees, management and business owners in the Web Hosting Services industry have worked in complimentary information technology industries.

The Website Hosting Services Industry is indeed a very large industry and pretty much active in all the parts of the world. Statistics has it that in the United States of America alone, there are about 15,225 registered and licensed website hosting companies, responsible for employing about 96,372 and the industry rakes in about $16 billion annually. Going forward, the industry is projected to grow at the rate of 11.2 percent annually. The companies with the lion share of the available market in this industry are Endurance Int’l, GoDaddy.com and web.com.

Over and above, the web hosting service industry is still very much open to any aspiring entrepreneur who has the required start – up capital and technical expertise to start his or her own web hosting company and of course make good money from the industry.

As a matter of fact, it was projected that over the next five years, new technology will continue to emerge that will make it easier for more players to come into the industry hence increasing the competition in the industry.

Web Hosting Company Business Plan – Executive Summary

Golden Gates® Web Hosting Co. is a U.S based and world class web hosting services company. We have been able to secure a standard and well – positioned office facility in a central business district in Baltimore, the largest city in Maryland. We are a web hosting company that is set to compete in the highly competitive web hosting services industry not only in the United States market, but also in the global market.

Golden Gates® Web Hosting Co. will provide internet hosting services to third party services providers. We will lease server space and internet connectivity to individual clients and corporate organizations to make their websites accessible over the internet.

We will also provide application-specific services, such as e-mail application hosting and game hosting, security, email and business features, installed web site applications, providing website builder, security and value-added features, and other website hosting related advisory and consultancy services.

Our workers are going to be selected from a pool of talented and highly creative IT experts in and around Baltimore and also from any part of the world as the business grows. We will make sure that we take all the members of our workforce through the required trainings that will position them to meet the expectation of the company and to compete with leading web hosting companies in the United States and throughout the globe.

We have put plans in place to build a state of the art internet server in Baltimore – Maryland. Our company will be well equipped and we will ensure that we follow the trend in the industry. At Golden Gates® Web Hosting Co. our client’s best interest will always come first, and everything we do will be guided by our values and professional ethics.

We will ensure that we hold ourselves accountable to the highest standards by meeting our client’s needs precisely and completely. We will cultivate a working environment that provides a human, sustainable approach to earning a living, and living in our world, for our partners, employees and for our clients.

Golden Gates® Web Hosting Co. is founded by David Foreman and his friend and business partner for many years Jonathan Cosby. They have combine qualifications and experience in the IT industry and business management et al that will help them build the business to favorable compete in the web hosting services industry.

* **Our Product and Services**

Golden Gates® Web Hosting Co. was established with the aim of maximizing profits in the web hosting services industry. We want to compete favorably with leading web hosting companies such as Endurance Int’l, GoDaddy.com and web.com in the United States which is why we have but in place a competent team and equipment that will ensure that meet and even surpass our customers’ expectations.

We will work hard to ensure that Golden Gates® Web Hosting Co. is not just accepted nationally in the United States of America, but also in other parts of the world. Our products and services are listed below;

* Website hosting services
* Website builder products
* Security, email and business features
* Installed web site applications
* Providing website builder, security and value-added features
* Other website hosting related advisory and consultancy services

**Our Vision Statement**

Our vision is to establish a standard and world class website hosting company whose services and brand will not only be accepted in the United States of America, but also in other parts of the world.

* **Our Mission Statement**

Our mission is to provide professional and highly reliable website hosting services and other related services that will assist businesses, individuals and non-profit organizations in promoting their brands and reaching out to a wide range of potential customers all over the globe via the internet. We want to build a website hosting company that can favorably compete with other leading brands in the website hosting services industry.

* **Our Business Structure**

Golden Gates® Web Hosting Co. is a website hosting company that intends to   start small in Baltimore – Maryland, but hope to grow big in order to compete favorably with leading website hosting companies, such as Endurance Int’l, GoDaddy.com and web.com et al, in the industry both in the United States and on a global stage.

We are aware of the importance of building a solid business structure that can support the picture of the kind of world class business we want to own. This is why we are committed to only hire the best hands within our area of operations.

At Golden Gates® Web Hosting Co., we will ensure that we hire people that are qualified, hardworking, creative, customer centric and are ready to work to help us build a prosperous business that will benefit all the stake holders (the owners, workforce, and customers).

As a matter of fact, profit-sharing arrangement will be made available to all our senior management staff and it will be based on their performance for a period of five years or more as agreed by the board of trustees of the company. In view of the above, we have decided to hire qualified and competent hands to occupy the following positions;

* Chief Executive Officer
* General Manager
* Human Resources and Admin Manager
* Sales and Marketing Executive
* Accountant
* IT Specialist (5)
* Client Service Executive

**Roles and Responsibilities**

**Chief Executive Officer – CEO:**

* Increases management’s effectiveness by recruiting, selecting, orienting, training, coaching, counseling, and disciplining managers; communicating values, strategies, and objectives; assigning accountabilities; planning, monitoring, and appraising job results; developing incentives; developing a climate for offering information and opinions; providing educational opportunities.
* Responsible for providing direction for the business
* Creates, communicates, and implements the organization’s vision, mission, and overall direction – i.e. leading the development and implementation of the overall organization’s strategy.
* Responsible for signing checks and documents on behalf of the company
* Evaluates the success of the organization

**General Manager:**

* Serves as project manager of the organization; works directly with employees
* Responsible for designing concepts and contracts
* Develops strategic plan by studying technological and financial opportunities; presenting assumptions; recommending objectives.
* Accomplishes subsidiary objectives by establishing plans, budgets, and results measurements; allocating resources; reviewing progress; making mid-course corrections.
* Coordinates efforts by establishing procurement, production, marketing, field, and technical services policies and practices; coordinating actions with corporate staff.
* Builds company image by collaborating with customers, government, community organizations, and employees; enforcing ethical business practices.
* Maintains quality service by establishing and enforcing organization standards.
* Maintains professional and technical knowledge by attending educational workshops; reviewing professional publications; establishing personal networks; benchmarking state-of-the-art practices; participating in professional societies.
* Makes certain that production and development department perform efficiently, coordinate employee efforts, and facilitate communications between management and IT experts
* Ensures that the organization work in line with international best practices.

**Admin and HR Manager**

* Responsible for overseeing the smooth running of HR and administrative tasks for the organization
* Designs job descriptions with KPI to drive performance management for clients
* Regularly hold meetings with key stakeholders to review the effectiveness of HR Policies, Procedures and Processes
* Maintains office supplies by checking stocks; placing and expediting orders; evaluating new products.
* Ensures operation of equipment by completing preventive maintenance requirements; calling for repairs.
* Defines job positions for recruitment and managing interviewing process
* Carries out staff induction for new team members
* Responsible for training, evaluation and assessment of employees
* Responsible for arranging travel, meetings and appointments
* Updates job knowledge by participating in educational opportunities; reading professional publications; maintaining personal networks; participating in professional organizations.
* Oversees the smooth running of the daily office activities.

**Sales and Marketing Manager**

* Manages external research and coordinate all the internal sources of information to retain the organizations’ best customers and attract new ones
* Models demographic information and analyze the volumes of transactional data generated by customer
* Identifies development opportunities; follows up on development leads and contacts; participates in the structuring and financing of projects; assures the completion of development projects.
* Writes winning proposal documents, negotiate fees and rates in line with organizations’ policy
* Responsible for handling business research, market surveys and feasibility studies for clients
* Responsible for supervising implementation, advocate for the customer’s needs, and communicate with clients
* Develops, executes and evaluates new plans for expanding increase sales
* Creates new markets cum businesses for the organization
* Empowers and motivates the sales team to meet and surpass agreed targets

**Accountant / Cashier:**

* Responsible for preparing financial reports, budgets, and financial statements for the organization
* Provides managements with financial analyses, development budgets, and accounting reports; analyzes financial feasibility for the most complex proposed projects; conducts market research to forecast trends and business conditions.
* Responsible for financial forecasting and risks analysis.
* Performs cash management, general ledger accounting, and financial reporting for one or more properties.
* Responsible for developing and managing financial systems and policies
* Responsible for administering payrolls
* Ensures compliance with taxation legislation
* Handles all financial transactions for Golden Gates® Web Hosting Co.
* Serves as internal auditor for Golden Gates® Web Hosting Co.

**IT Specialists (5)**

* Liaises with clients to determine their requirement and budget
* Handles website hosting services
* Handles website builder products
* Handles security, email and business features
* Installs web site applications for clients
* Responsible for providing website builder, security and value-added features
* Handles other website hosting related advisory and consultancy services
* Responsible for Optimizing Website Functionality for owners of existing websites
* Responsible for Search Engine Optimization Services and Code Writing Services

**Client Service Executive**

* Welcomes clients and potential clients by greeting them in person or on the telephone; answering or directing inquiries.
* Ensures that all contacts with clients (e-mail, walk-In center, SMS or phone) provides the client with a personalized customer service experience of the highest level
* Through interaction with clients on the phone, uses every opportunity to build client’s interest in the company’s products and services
* Manages administrative duties assigned by the general manager in an effective and timely manner
* Consistently stays abreast of any new information on the organizations’ products, promotional campaigns etc. to ensure accurate and helpful information is supplied to clients when they make enquiries

Web Hosting Company Business Plan – SWOT Analysis

Because of our drive for excellence when it comes to running a standard and world – class web hosting services company, we were able to employ some of the finest business consultants in the United States of America to look through our business concept and together we were able to critically examine the prospect of the business and to access ourselves to be sure we have what it takes to run a standard and world – class web hosting services company.

In view of that, we were able to take stock of our strengths, our weakness, our opportunities and also the threats that we are likely going to be exposed to in Baltimore – Maryland. Here is a preview of what we got from the critically conducted SWOT Analysis Golden Gates® Web Hosting Co.;

* **Strength:**

Our core strength lies in the power of our team; our workforce. We have a team of creative and highly proficient web hosting cum IT experts, a team with excellent qualifications and experience various niche areas in the website hosting service industry.

Aside from the synergy that exists in our carefully selected website hosting cum IT experts, we have state of the art serve that will guarantee minimal downtime and our services will be guided by best practices in the industry.

* **Weakness:**

As a new website hosting services company in Baltimore – Maryland, it might take some time for our organization to break into the market and gain acceptance especially from top profile clients in the already saturated and highly competitive website hosting services industry; that is perhaps our major weakness. Another weakness is that we may not have the required cash to pump into promoting our business the way we would want to.

* **Opportunities:**

No doubt, the opportunities in the website hosting services industry is massive considering the number of individuals and corporate organizations whose businesses depends on the services of website hosting companies. As a website hosting Services Company, we are ready to take advantage of any opportunity that is available in the industry.

* **Threat:**

Just like any other business, one of the major threats that we are likely going to face is economic downturn. It is a fact that economic downturn affects purchasing / spending power. Another threat that may likely confront us is the arrival of a new website hosting companies in same location where our target market exists and who may want to adopt same business model like us.

Web Hosting Company Business Plan – MARKET ANALYSIS

* **Market Trends**

It is obvious that as more big players like Amazon and others move in to the web hosting services industry; it now becomes pretty important for smaller website hosting companies to have strong partnerships. Affiliate and reseller relationships are becoming a mainstay of how these businesses profit, as a number of small to medium sized website hosting companies become bundlers for the specific services packages needed by small business users and online companies.

So also, competitive pricing, niche specific approaches, and excellent service will all play a key role in this industry as smaller website hosting business continue to compete and grow. Some key stake holders in this industry do envisage that hosting companies will actually phase out their own infrastructure altogether in favor of acting as straight resellers with lower infrastructure costs and therefore higher margins for Amazon and other larger players.

Going forward, prices are likely to increase as website hosting services companies lay differentiation and additional services on top of existing hosting plans. Another important trend in this industry is the degree to which individual website hosting providers are able to do so in an automated way that minimizes the need for human intervention.

The more automated this process is, the higher margins will be on individual accounts. As a consumer, it’s helpful to understand how efficient your potential host’s processes are in this respect – it will save you tremendous amounts of aggravation when an issue does occur.

Like every other IT related services, website hosting services is continually evolving. Technologies are changing and improving with rapid astonishment, and as a result the technological boundaries of hosting are being pushed as well to meet the ever changing demand.

This creates opportunities for consumers: not just to search for the cheapest hosting deal or the most flexible hosting model, but to think about what kinds of business models they want to support and whether or not they need specific features in their packages.

Lastly, customers are also becoming savvier with respect to potential security issues connected with the cloud. As a result, website hosting companies are developing stronger communications around this issue in the form of copy, collateral, and training et al for their sales and marketing teams.

The need to fight malware and abuse is a major theme affecting all kinds of website hosting companies, not just the cloud hosts. Continuing investments and upgrades in this area remains a major concern for website hosting companies.

* **Our Target Market**

Before starting our website hosting company, we are certain that there is a wide range of both corporate and individual clients who cannot successfully run their businesses without the services of website hosting services companies.

In view of that, we have created strategies that will enable us reach out to various corporate organizations and individual who we know can’t afford to do without our services. We have conducted our market research and survey and we will ensure that our website hosting services is well accepted in the market place.

Below is a list of the people and organizations that we have specifically market our products and services to;

* Website Designers and IT Specialists
* Banks, Insurance Companies and other related Financial Institutions
* Blue Chips Companies
* Corporate Organizations
* Manufacturers and Distributors
* Real Estate Owners, Developers, and Contractors
* Research and Development Companies
* The Government (Public Sector)
* Schools (High Schools, Colleges and Universities)
* Hotels
* Celebrities, Politicians, Public Figures and Public Speakers
* Sport Organizations
* Religious Organizations
* Political Parties
* Television Stations
* Printing Press (Publishing Houses) and Authors
* Branding and Advertising agencies
* Entrepreneurs and Start – Ups

**Our Competitive Advantage**

Surviving in the business world as a website hosting services industry requires more than, your expertise, knowing how to deliver standard website hosting jobs but also how to network with key people that matters; decision makers that can decide who will get a website hosting contract.

Without a shadow of doubt, there are loads of big time investors, that have a stake in the website hosting services industry; but one thing is certain, there is room big enough to accommodate both the big website hosting services companies and the small website hosting services companies. All smaller website hosting services companies need to do to survive in the industry is to concentrate on providing website hosting services to small to medium scale businesses.

We are quite aware that to be highly competitive in the website hosting services industry means that you are not only expected to be able to deliver consistent and highly reliable and pocket friendly websites hosting services, but you must be able to meet set targets. No one would want to continue to hire your services if don’t always meet up with the target date of completion of projects.

Our competitive advantage lies in the power of our team; our workforce. We have a team of creative and highly proficient web hosting cum IT experts, a team with excellent qualifications and experience various niche areas in the website hosting service industry.

Aside from the synergy that exists in our carefully selected website hosting cum IT experts, we have state of the art serve that will guarantee minimal downtime and our services will be guided by best practices in the industry.

Lastly, all our employees will be well taken care of, and their welfare package will be among the best within our category (startups website hosting services businesses in the United States) in the industry. It will enable them to be more than willing to build the business with us and help deliver our set goals and achieve all our business aims and objectives.

Web Hosting Company Business Plan – SALES AND MARKETING STRATEGY

We are mindful of the fact that there are stiffer competitions in the website hosting services industry hence we have been able to hire some of the best marketing experts to handle our sales and marketing.

Our sales and marketing team will be recruited based on their vast experience in the website hosting services industry and they will be trained on a regular basis so as to be well equipped to meet their targets and the overall business goal of Golden Gates® Web Hosting Co.

Our corporate goal is to grow Golden Gates® Web Hosting Co. to become one of the top 10 website hosting services brands in the United States of America which is why we have mapped out strategy that will help us take advantage of the available market and grow to become a major force to reckon with not only in the United States of America but also in other parts of the world.

Golden Gates® Web Hosting Co. is set to make use of the following marketing and sales strategies to attract clients;

* Introduce our website hosting Services Company by sending introductory letters alongside our brochure to individuals, website designers, corporate organizations, religious organizations and key stake holders.
* Promptness in bidding for website hosting contracts from the government and other cooperate organizations
* Advertise our business in relevant business magazines, newspapers, TV stations, and radio station.
* List our business on yellow pages ads (local directories)
* Attend relevant international and local expos, seminars, and business fairs et al
* Create different packages for different category of clients in order to work with their budgets and still deliver excellent and reliable services
* Leverage on the internet to promote our business
* Engage direct marketing approach
* Encourage word of mouth marketing from loyal and satisfied clients

**Sources of Income**

Golden Gates® Web Hosting Co. is established with the aim of maximizing profits in the website hosting services industry and we are going to go all the way to ensure that we do all it takes to meet and surpass the expectations of all our clients.

Golden Gates® Web Hosting Co. will generate income by offering the following website hosting related services;

* Website hosting services
* Website builder products
* Security, email and business features
* Installed web site applications
* Providing website builder, security and value-added features
* Other website hosting related advisory and consultancy services

**Sales Forecast**

One thing is certain; there would always be corporate organization and individual who would need the services of website hosting services companies.

We are well positioned to take on the available market in website hosting services industry and we are quite optimistic that we will meet our set target of generating enough income / profits from the first six month of operations and grow our website hosting Services Company to enviable heights.

We have been able to critically examine the website hosting market and we have analyzed our chances in the industry and we have been able to come up with the following sales forecast. The sales projections are based on information gathered on the field and some assumptions that are peculiar to similar startups in Baltimore – Maryland.

Below is the sales projection for Golden Gates® Web Hosting Co., it is based on the location of our business and of course the wide range of our services and target market;

* **First Year-:**$240,000
* **Second Year-:**$550,000
* **Third Year-:**$950,000

**N.B**: This projection is done based on what is obtainable in the industry and with the assumption that there won’t be any major economic meltdown and there won’t be any major competitor offering same web design services as we do within same location. Please note that the above projection might be lower and at the same time it might be higher.

**Our Pricing Strategy**

At Golden Gates® Web Hosting Co. we will keep the prices of our website hosting services below the average market rate for all of our customers by keeping our overhead low and by collecting payment in advance from corporate organizations who would hire our services.

In addition, we will also offer special discounted rates to all our customers at regular intervals. We are aware that there are some one – off jobs or government contracts which are always lucrative, we will ensure that we abide by the pricing model that is expected from contractors or organizations that bid for such contracts.

* **Payment Options**

The payment policy adopted by Golden Gates® Web Hosting Co. is all inclusive because we are quite aware that different customers prefer different payment options as it suits them but at the same time, we will ensure that we abide by the financial rules and regulation of the United States of America.

Here are the payment options that Golden Gates® Web Hosting Co. will make available to her clients;

* Payment via bank transfer
* Payment with cash
* Payment via POS
* Payment via mobile money platform
* Payment via online bank transfer
* Payment via check
* Payment via bank draft

In view of the above, we have chosen banking platforms that will enable our client make payment for farm produces purchase without any stress on their part. Our bank account numbers will be made available on our website and promotional materials to clients who may want to deposit cash or make online transfer for our website hosting services.

Web Hosting Company Business Plan – Publicity and Advertising Strategy

We have been able to work with our in house brand and publicity consultants to help us map out publicity and advertising strategies that will help us walk our way into the heart of our target market. We are set to become the number one choice for both corporate clients and individual clients in the whole of the United States and beyond which is why we have made provisions for effective publicity and advertisement of our website hosting services company.

Below are the platforms we intend to leverage on to promote and advertise Golden Gates® Web Hosting Co.;

* Place adverts on both print (newspapers and magazines) and electronic media platforms
* Sponsor relevant community based events / programs
* Leverage on the internet and social media platforms like; Instagram, Facebook , twitter, YouTube, Google + et al to promote our services
* Install our Bill Boards on strategic locations all around Baltimore – Maryland.
* Engage in road show from time to time in targeted neighborhoods
* Distribute our fliers and handbills in target areas
* Contact corporate organizations by calling them up and informing them of Golden Gates® Web Hosting Co. and the services we offer
* List our website hosting services company in local directories / yellow pages
* Advertise our website hosting Services Company in our official website and employ strategies that will help us pull traffic to the site.
* Ensure that all our staff members wear our branded shirts and all our vehicles are well branded with our company logo et al.

Web Hosting Company Business Plan – Financial Projections and Costing

In setting up any business, the amount or cost will depend on the approach and scale you want to undertake. If you intend to go big by renting a place, then you would need a good amount of capital as you would need to ensure that your employees are well taken care of, and that your facility is conducive enough for workers to be creative and productive.

This means that the start-up can either be low or high depending on your goals, vision and aspirations for your business.

The materials and equipment that will be used are nearly the same cost everywhere, and any difference in prices would be minimal and can be overlooked. As for the detailed cost analysis for starting a website hosting services company; it might differ in other countries due to the value of their money. However, this is what it would cost us to setup Golden Gates® Web Hosting Co. in the United States of America;

* The Total Fee for Registering the Business in the United States of America – **$750.**
* Legal expenses for obtaining licenses and permits – **$1,500.**
* Marketing promotion expenses (8,000 flyers at $0.04 per copy) for the total amount of – **$10,000.**
* The total cost for hiring Business Consultant – **$5,000.**
* The amount needed for the purchase of insurance policy covers (general liability, workers’ compensation and property casualty) coverage at a total premium – **$30,800.**
* The total cost for the purchase of accounting software, CRM software and Payroll Software – **$3,000**
* The total cost for leasing facility for the business – **$150,000.**
* The total cost for facility remodeling – **$50,000**
* Other start-up expenses including stationery, business cards and signage et al – **$2000**
* Phone and utility deposits – **$3,500**
* Operational cost for the first 3 months (salaries of employees, payments of bills et al) – **$40,000**
* The cost for purchase of standard and world – class reliable internet server- **$100,000**
* The cost for the purchase of furniture and gadgets (Computers, Printers, Projectors, Telephone, TVs, Sound System, tables and chairs et al) – **$4,000.**
* The cost of Launching a Website – **$600**
* The cost for our grand opening party – **$15,000**
* Miscellaneous – **$5,000**

Going by the report from the market research and feasibility studies conducted, we will need about three hundred and fifty thousand (**350,000**) U.S. dollars to successfully set – up a medium scale but standard website hosting services company firm in the United States of America.

**Generating Funding / Startup Capital for Golden Gates® Web Hosting Co.**

No matter how fantastic your business idea might be, if you don’t have the required money to finance the business, the business might not become a reality. Finance is a very important factor when it comes to starting a business such as website hosting services company. No doubt raising start – up capital for a business might not come cheap, but it is a task that an entrepreneur must go through.

Golden Gates® Web Hosting Co. is a private – partnership business that is solely owned and financed by David Foreman and his friend and business partner for many years Jonathan Cosby. They do not intend to welcome any external business partner which is why he has decided to restrict the sourcing of the start – up capital to 3 major sources.

Since they are the sole financier of the business, they have decided to adopt the following means to generate start – up capital for the business;

* Generate part of the start – up capital from personal savings and sale of his stocks
* Generate part of the start – up capital from friends and other extended family members
* Generate a larger chunk of the startup capital from the bank (loan facility).

***N.B:*** We have been able to generate about **$150,000** (Personal savings $100,000 and soft loan from family members $50,000) and we are at the final stages of obtaining a loan facility of $200,000 from our bank. All the papers and document has been duly signed and submitted, the loan has been approved and any moment from now our account will be credited.

WEB HOSTING BUSINESS GROWTH: Sustainability and Expansion Strategy

The future of a business lies in the numbers of loyal customers that they have the capacity and competence of the employees, their investment strategy and the business structure. If all of these factors are missing from a business (company), then it won’t be too long before the business close shop.

One of our major goals of starting Golden Gates® Web Hosting Co. is to build a business that will survive off its own cash flow without the need for injecting finance from external sources once the business is officially running. We know that one of the ways of gaining approval and winning customers over is to offer our website hosting services a little bit cheaper than what is obtainable in the market and we are well prepared to survive on lower profit margin for a while.

Golden Gates® Web Hosting Co. will make sure that the right foundation, structures and processes are put in place to ensure that our staff welfare are well taken of. Our company’s corporate culture is designed to drive our business to greater heights and training and re – training of our workforce is at the top burner.

As a matter of fact, profit-sharing arrangement will be made available to all our management staff and it will be based on their performance for a period of three years or more. We know that if that is put in place, we will be able to successfully hire and retain the best hands we can get in the industry; they will be more committed to help us build the business of our dreams.

**Check List / Milestone**

* Business Name Availability Check: **Completed**
* Business Incorporation: **Completed**
* Opening of Corporate Bank Accounts various banks in the United States: **Completed**
* Opening Online Payment Platforms: **Completed**
* Application and Obtaining Tax Payer’s ID: **In Progress**
* Securing a standard office facility for our company: **Completed**
* Application for business license and permit: **Completed**
* Purchase of All form of Insurance for the Business: **Completed**
* Conducting Feasibility Studies: **Completed**
* Generating part of the start – up capital from the founders: **Completed**
* Writing of Business Plan: **Completed**
* Drafting of Employee’s Handbook: **Completed**
* Drafting of Contract Documents: **In Progress**
* Design of Logo for the business: **Completed**
* Secure trademark for our products: **In Progress**
* Graphic Designs and Printing of Packaging Marketing / Promotional Materials: **Completed**
* Recruitment of employees: **In Progress**
* Purchase of the Needed furniture, office equipment, software applications, electronic appliances and facility facelift: **In progress**
* Building a standard and world – class internet server: **In Progress**
* Creating Official Website for the business: **In Progress**
* Creating Awareness for the business: **In Progress**
* Health and Safety and Fire Safety Arrangement: **In Progress**
* Establishing business relationship with vendors and key players in various industries: **In Progress**