WebsiteSetup

WebsiteSetup » A Detailed Guide to Different Types of Web Hosting

A Detailed Guide to Different Types of Web Hosting

Find the Right Type of Hosting for Your Needs

TOMAS LAURINAVICIUS
Staff Writer

Last updated: Dec 20, 2021
16 Comments

Web hosting plays an important role in ensuring website performance, speed, and availability. It's a technical medium for making your website accessible by anyone on the Internet.

Because web hosting is such an essential element for powering anything online, there's also plenty of choices. This can be intimidating.

To avoid "apples to oranges" comparisons, we've created this quick guide explaining how different types of web hosting services operate and who they are best suited for.

Let's dig in!

6 Different Types of Web Hosting

This post will help you understand the different types of web hosting options available and clarify some terminology that may be difficult to understand.

New website owner or experienced IT professional, you'll find the information you need to understand the advantages and shortcomings of the six most popular types of web hosting.

Table of Contents:

1. Shared Hosting

Shared hosting is an arrangement where several websites are kept on the same server.

Your monthly payments to the hosting provider will get you access to a certain amount of resources that you share with other users who are on that server as well.

Resources such as:

- RAM (Random Access Memory)
- CPU (Central Processing Unit)
- Storage (capped at an X GB)
- Bandwidth (also limited to X Mbps)

Shared is the cheapest type of hosting out there. Because similar to flat-sharing, you are chipping in with others to enjoy the provided facilities.

Price and usability make shared hosting the most popular hosting option for new [small business websites](#), [personal blogs](#), affiliate websites, and early-growth startups.

A lot of shared hosting plans also come with add-on services like:

- Free domain name
- Free SSL certificate
- Integrated website builder
- Security and anti-malware scans
- [User-friendly control panel (cPanel)](#)
- Auto-backups

For example, shared hosting plans on [Bluehost](#) come with a ton of perks.

The drawback with shared hosting is that the hosting infrastructure is used by others. So if your "neighbor" is going viral, you may be getting fewer shared resources. Meaning that your website speed and performance go down.

Since most web hosts carefully rebalance their shared resources if sudden spikes in traffic occur, that's a very rare scenario. But still, it's something to keep in mind.

> **Verdict:** Shared hosting is a no-frills, beginner-friendly hosting, well-suited for content websites getting under 30,000 monthly visits.

Pros

- Affordable — plans start at only $1/mo
- No specific technical knowledge is required
- Out-of-the-box native website management features
- Pre-configured server environment
- Managed server administration and maintenance

Cons

- Often support only certain programming languages and environments such as [HTML](#)and PHP.

- Bandwidth limits — you'll pay more when you exceed a certain traffic threshold.

- Limited storage space or expensive upgrades.

- Traffic surges on other websites can impact the availability of your website.
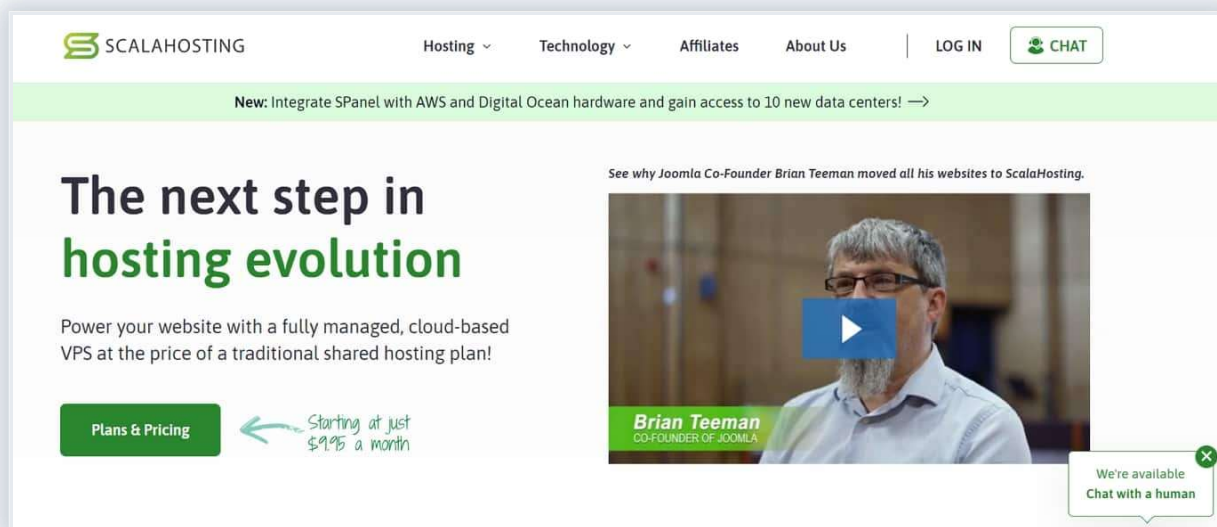
Price range: $0.99 to $6/month.

Best for: Small self-hosted websites, hobby bloggers, small business websites.

Further Reading:

- [Best Web Hosting Services](#) – Lineup of 10 best web hosting providers (tested and reviewed).

2. Virtual Private Server (VPS) Hosting

Virtual private hosting is a good "upgrade" after a shared hosting plan. In this case, you still share the physical server space with other website owners. But your website is hosted on an independent piece of virtual "real estate".

[Scala Hosting](#) is one of the popular VPS hosting providers.

There are two keywords in this type of hosting:

- **Private:** you receive access to private hosting resources (RAM, CPU, bandwidth) and don't share them with others.

- **Virtual:** your server isn't a physical machine, but a partitioned piece (virtual machine), set up on a "parent" server that hosts other VMs alike.

Think of VPS hosting as renting a flat in a multi-store building. You can do anything you like within your rental, but can't make changes to the building itself.

With a VPS you can run any type of software and use any programming language you need (not just PHP for WordPress). Also, you get higher caps on storage and bandwidth. Meaning you can accommodate more website traffic.

Yet, VPS hosts still have limited elasticity. Some VPS hosts will provide a temporary increase of your disk space or bandwidth to handle a traffic spike. But most won't do so constantly since such redistribution would still affect other websites, hosted on the same server.

> **Verdict:** VPS hosting provides more customization and scalability than shared hosting plans. However, it requires more proactive maintenance and configurations (if you opt for an unmanaged solution). It's a good option for users who want robust, yet affordable hosting.

Pros

- Dedicated server space

- Stability and scalability

- Root access to the server

- Ability to install any software you want/need

- More cost-efficient than a dedicated server

Cons

- Software patches and security are your responsibility

- Server performance tuning and "housekeeping" tasks are on you too

- Requires technical acumen for installation/management

- Still has config and control limitations

- Still has config and control limitations

Price range: $10-$60/mo on average.

Best for: Small or medium-sized business websites, media-heavy websites.

> **Further Reading:**
>
> - [Best VPS Hosting Providers](#) – a list of 8 best VPS hosting services (managed and unmanaged). We compared their performance, pricing, and features.

3. Dedicated Server Hosting

Dedicated hosting, as the name implies, gives you exclusive rental rights over a web server. You have full control over the environment and can avoid "noisy neighbors".

Think of this hosting option as living in a detached house. You can do whatever you want in your territory since you have full root and admin access.

You can handle higher traffic, bounded only by your server capacity (which can be upscaled). On the other hand, if you are not using the rented server up to its full capacity, you are still paying the full price of it.

Also, you are responsible for keeping your grounds secure and well-maintained.

Respectively, you need to have sufficient server technology expertise. If you are renting an unmanaged dedicated server, you'll be responsible for:

- Installing the operating system (e.g. Windows or Linux)
- Adding the necessary tools for running your operations
- Building a security perimeter to protect your infrastructure.

Website performance optimization and resources right-sizing is on you too. While the above isn't a con if you have an IT team (or personal experience), dedicated hosting isn't a "beginner-friendly" solution.
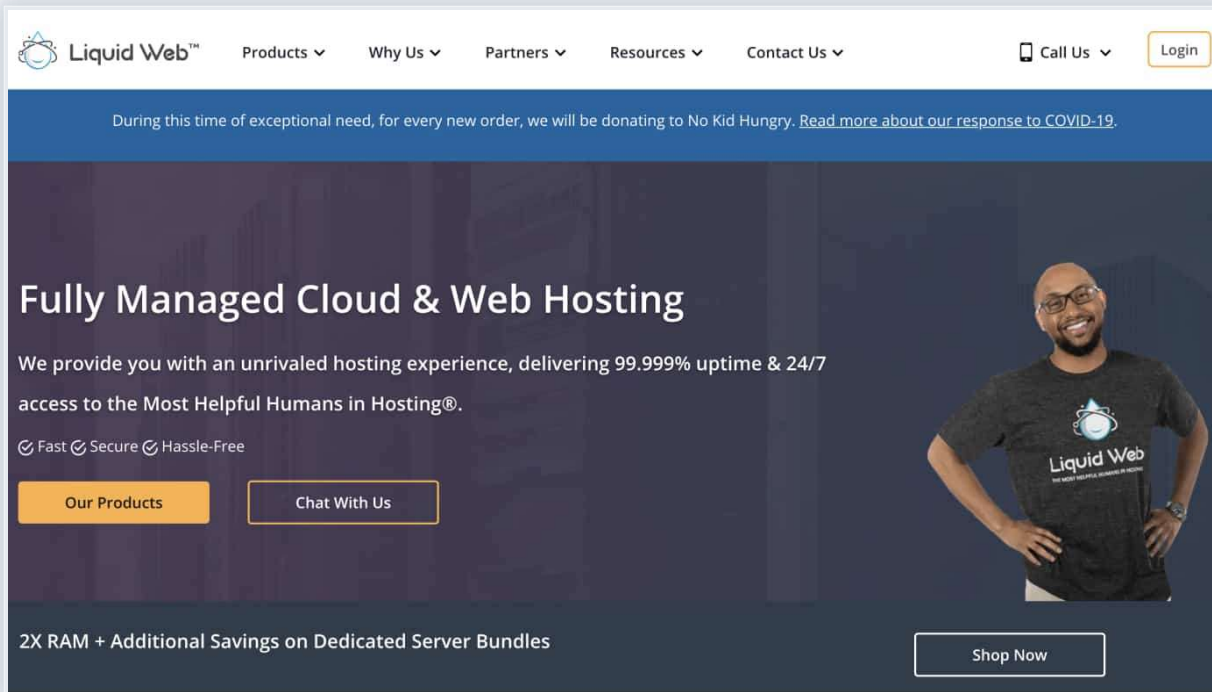
[Liquid Web](#) is one of the fastest and most reliable dedicated server hosting companies.

Also, greater computing power and customization come at a higher cost.

Dedicated web hosting providers are the most expensive out of the three options. Yet, you receive the technical capacity to handle higher website traffic and more advanced web applications.

> **Verdict:** Dedicated hosting is best suited for mature websites with consistently high traffic numbers. But extra power commands a higher payment and more technical know-how.

Pros

- Non-constrained configuration/customization

- Full-access control over hosting server

- Guaranteed resources availability

- Improved privacy and security

- Stable and predictable website performance

Cons

- Price — The most expensive type of web hosting plan

- Requires technical resources for management

- Regular maintenance and upkeep needed

Price range: $70-$130/mo on average.

Best for: High traffic websites, web applications processing sensitive customer data, [eCommerce websites.](#)

Further Reading:

- [Best Dedicated Server Hosting & Server Providers](#) – Top 9 Dedicated Hosting Providers Compared.

---

4. Managed Hosting

Managed hosting is a subtype of hosting solution available.

In this case, a managed service provider (MSP) equips you with a hosting plan, infrastructure support, and occasionally hardware management and maintenance.

Several scenarios are possible:

- Managed on-premises data center
- Managed cloud hosting
- Managed VPS hosting
- Managed shared hosting

Larger businesses opt for managed hosting when they need to:

- Extend an on-premises datacenter
- Ensure standard setups for all hosted web apps
- Consolidate legacy server resources
- Expand data storage
- Enable data backups
- Set up disaster recovery plans

- Reduce latency in certain regions

- Separate storage of sensitive data

- Have 24/7 customer support

Smaller websites, however, can benefit from managed offerings too when they lack in-house IT resources:

- Hardware/software setup

- Regular maintenance

- Security monitoring

- Technical support

- Patching and updates

- Data backups

- Hardware replacement

So that you always have an up-to-date environment running your website and other applications. Think of this option as a rental with a cleaning and building maintenance fee included.

Managed VPS Hosting

As mentioned, VPS hosting requires "housekeeping" — proper configuration, parches, updates, and maintenance.

A web hosting company can assume the "system administrator" role for you and take care of these tasks for an extra fee. That's a good alternative to keeping IT staff on payroll.

Price: $30-$80/mo on average.

Best for: Growing online businesses without in-house IT staff.

> **Further Reading:**
>
> - [Shared vs VPS Hosting](#) – find out what are the differences between shared, VPS, dedicated, and managed VPS hosting.
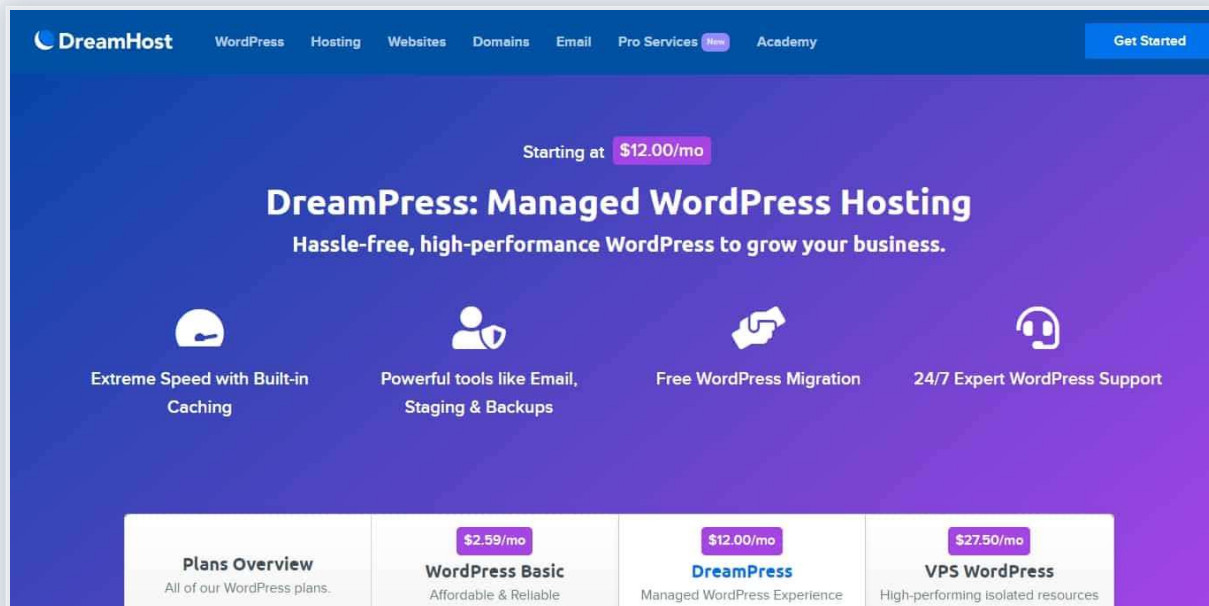
Managed WordPress Hosting

WordPress is the most popular content management system and website platform, especially among new business owners. But being a self-hosted and open-source solution, WordPress sites require a certain degree of upkeep too.

In particular, you need to personally ensure:

- Top website performance

- High website loading speed

- Regular plug-in updates

- Security patches and version updates

- Anti-malware scans

- Website backups

The above can be a lot for some business owners.

Thus, some hosting providers propose separate "managed WordPress hosting" plans. In this case, you still get shared hosting space. But the hosting package includes website upkeep and security.

DreamHost offers affordable managed WordPress hosting plans.

Managed WordPress hosting is more expensive than regular shared hosting. But it gives you more time and peace of mind to focus on your core business and marketing, rather than technical jobs.

Price range: $15-$60/mo on average.

Best for: Small business owners, entrepreneurs, and beginners.

> **Further Reading:**
>
> - [Best WordPress Hosting](#) – check out who are the top WordPress hosting providers.

5. Cloud Hosting

Cloud computing and cloud hosting, in particular, has gained major popularity in 2021.

Cloud technology enables on-demand access to computing resources — CPU, RAM, storage, security services, and moreover the Internet.
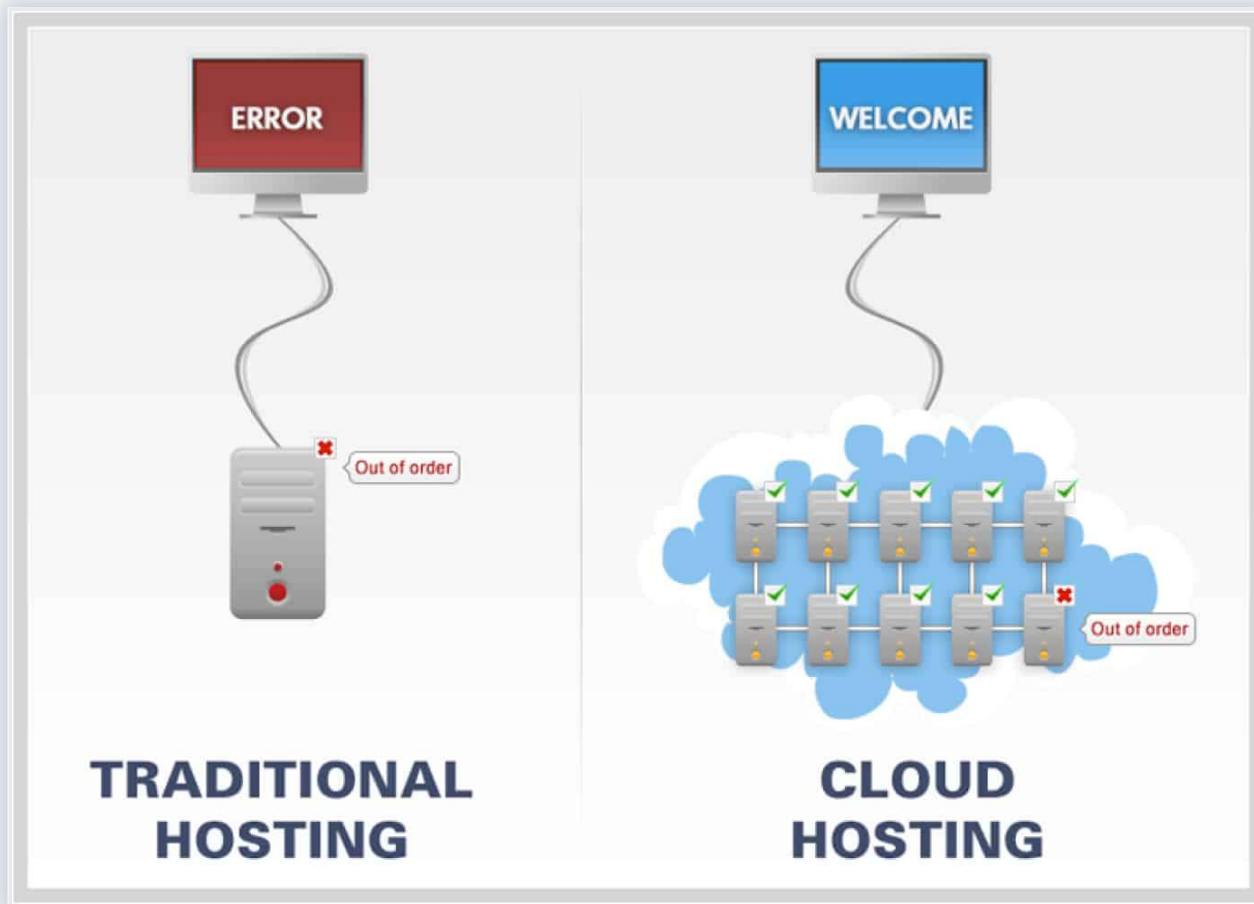
Similar to VPS, you can rent a "slice" of a data center, hosted by the cloud services provider (CSP) to run your web applications on their infrastructure, consisting of distributed servers. So rather than renting space from one shared server and one location, you gain access to distributed resources. This, in turn, reduces latency issues, plus increases resource

availability. For example, if one web server goes down at the vendor's location, your website won't be affected.

Other benefits of cloud-based hosting include:

- Instant scalability
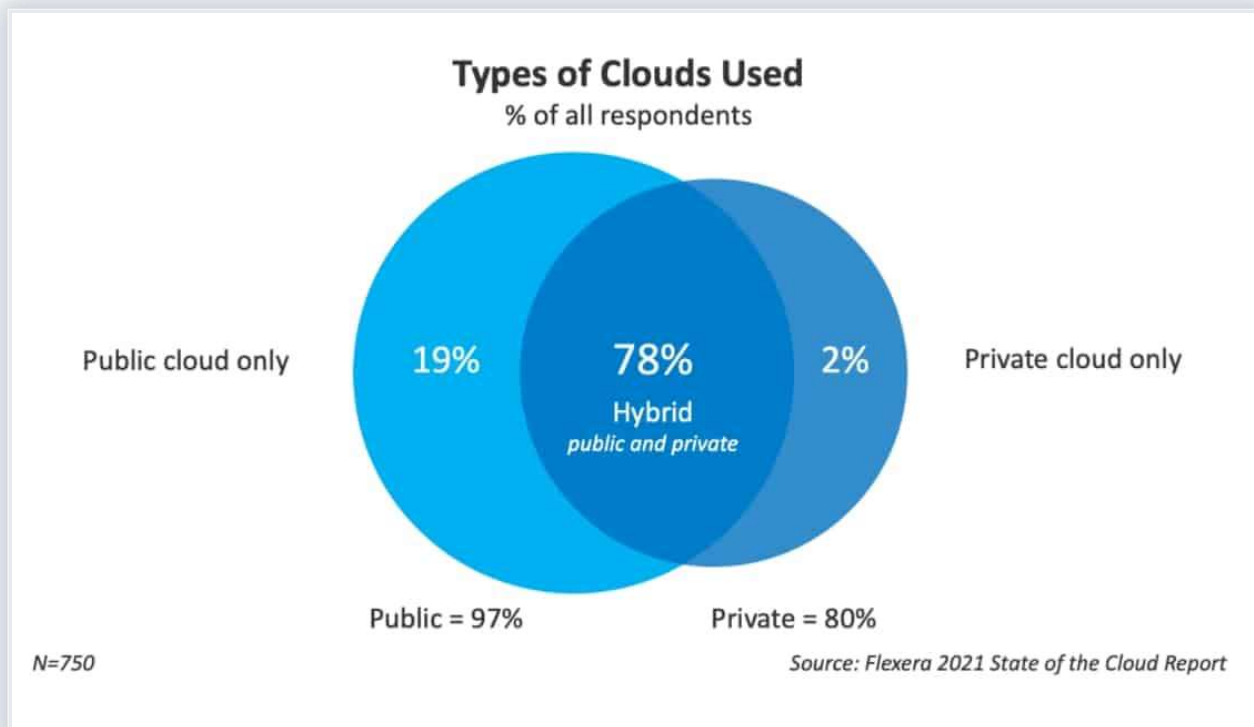
- Higher uptime

- Access to the latest hardware

- Greater security

- Value-added cloud services

The above makes cloud hosting an attractive option for enterprise websites, requiring significant storage and computing capacities. Prompting most to migrate to the cloud. Per IDG's 2020 Cloud Computing Survey, 43% of IT leaders plan to be "mostly" in the cloud within the next 18 months.

What's more, enterprises are also using a mix of public and private clouds to expand their infrastructure. The Flexera 2021 State of the Cloud Report suggests that over 70% of users rely on hybrid cloud (public and private cloud service mixed).

Types of Clouds Used
% of all respondents

Public cloud only   19%   78%   2%   Private cloud only
                                      Hybrid
                                  public and private

Public = 97%   Private = 80%

N=750   Source: Flexera 2021 State of the Cloud Report

Why? Because cloud enables instant, cost-effective scalability.

With standard hosting (including dedicated servers), you pay a monthly fee for a fixed amount of computing and storage resources. Whether you use all of them up or not, you

are still footing the same bill month-over-month. This can make dedicated servers expensive for businesses with varying traffic volumes (for example, due to seasonality).

Cloud hosting, on the other hand, enables instant provisioning (or de-provisioning) of resources to accommodate increased traffic. Respectively, when you have a surge in traffic, you can add more resources to ensure great website performance. But when the tide goes down, you can downscale and pay a smaller monthly bill.

The best part is that you can optimize your cloud hosting in real-time via an admin panel. There's no "wait" period for resources to become available — scaling happens instantly.

> **Verdict:** Cloud hosting offers pay-per-use pricing, which can be attractive for businesses with varying traffic loads. Instant scalability and add-on cloud computing services can come in handy for creating more advanced cloud infrastructure.

Pros

- Limited downtime
- On-demand access to resources
- Lower latency
- Pay-per-use pricing
- Scalability and customization
- Access to value-added services
- Resources pooling

Cons

- Limited customization (depends on the CSP and cloud type)
- Shared security responsibilities
- Cloud expertise required
- Suboptimal resource usage can lead to higher costs

Pricing range: Depends on usage.

Best for: High-growth websites, web applications, enterprise websites, eCommerce stores.

6. Colocation

Colocation is a popular alternative to hosting an in-house data center or renting a dedicated server from a private one.

If you have personal servers, you can host them in a colocation center for a fee. The fee will cover bandwidth, electricity, IP address, cooling, and server monitoring/maintenance.

You, in turn, bring your own servers, storage, and networking equipment. Also, you are still responsible for managing server software, IP/DNS configurations, and hardware replacement should the need arise.

Colocation is a strategy some enterprises may use to reduce the size of their data center since the physical costs of running one are steep. Not to mention that you'd need on-the-ground personnel to service the premises.

Energy Star also notes that some colocation providers offer first-year discounts on electricity. So that's even more savings!

> **Verdict:** Colocation may not be a viable hosting option for most small businesses with a single server. But it's a cost-saving option for larger enterprises who need to host and run certain web applications on owned hardware for security and/or regulatory reasons.

Pros

- Lower costs compared to on-premises data centers
- Full control over equipment
- Great option as a disaster recovery site
- Higher compliance

Cons

- Expensive for smaller businesses
- IT expertise required
- Long-term commitment
- Extra travel costs for on-site visits

Pricing range: $45 to $300/mo on average.

Best for: Enterprises in regulated industries (healthcare, finance, government).

To Conclude

Web hosting is essential for self-hosted websites. Your choice will denote your capacity to handle website traffic and deliver a great experience to web visitors.

Creating a hosting account is easy.

But before you commit to a certain web hosting provider, make sure that your choice well-matches your website growth plans.

Loading Comments...

New to creating a website? Join our newsletter.

| Email Address | First Name | Subscribe |

No spam. Twice a month. Unsubscribe anytime.

WebsiteSetup.org is a free resource site for helping people to create, customize and improve their websites.

About Us
Newsletter
Write for Us
Free Help

Getting Started

How to Make a Website
How to Create an Online Store
How to Start a Blog
How to Register a Domain Name
Online Business Ideas

Categories

[Website Building](#)

[Website Builders](#)

[Web Hosting](#)

[Web Developer Hub](#)

[Blog](#)

Categories