

How Free Hosting Affects Budget Shared Hosting

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Who am I?

- Alex Melen, President of T35 Hosting
- Email: president@t35.com
- Founded T35 Hosting in the late 90's.
 - Over 700,000 clients with over 30,000,000 monthly page views.

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I. Who am I?

II. What's Happening: Evolution and Growth of Free Web Hosting

III. The Problem: Crowding the Marketplace

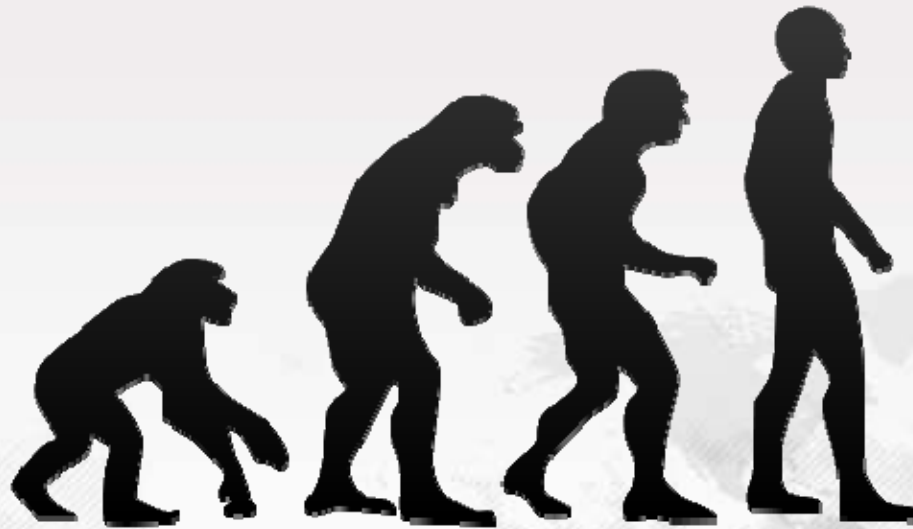
IV. The Truth Behind Free Hosting: What the Hosts Don't Want You to Know

V. The Solution: Working Together

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What's Happening: Evolution and Growth of Free Web Hosting

- Free hosting is improving and evolving – beginning to reach the same quality as paid hosting.



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What's Happening: Evolution and Growth of Free Web Hosting

- Reduced reseller/dedicated/co-location costs are lowering the barriers to entry.
- Pre-made free web hosting scripts are making it easier than ever.

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What's Happening: Evolution and Growth of Free Web Hosting

- Better understanding of abuse has lead to more tolerant ISP's and bandwidth providers.
- Growth and evolution of internet marketing has presented new and better ways to monetize.

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What's Happening: Evolution and Growth of Free Web Hosting

- Many internet users demand and even expect services to be offered for free, making free web hosts very popular.



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The Problem: Crowding the Marketplace

- Many paid hosts see free web hosting as direct competition.



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The Problem: Crowding the Marketplace

- Many customers are foregoing paid hosting for free hosting or social networks for basic sites.
- Some customers don't fully understand the difference between free hosting and paid.
 - How does a paid host respond to a customer that asks why they charge for a similar service they found elsewhere for free?

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The Truth Behind Free Hosting: What the Hosts Don't Want You to Know

- Many free web hosts still have an unstable revenue model.
- Many free web hosts are very understaffed.

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The Truth Behind Free Hosting: What the Hosts Don't Want You to Know

- Many free web hosts are unsecure and operate from unstable servers.
- Even Geocities is now closing down after years of bleeding Yahoo!'s money.



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The Solution: Working Together

- Understand the free hosting demographic:
 - Free hosting users are:
 - Younger
 - Less Experienced
 - Don't have a credit card
 - Make personal sites

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The Solution: Working Together

- Good free hosts understand and specialize for this demographic.
- Although many offer basic paid services, they rarely offer the complete scope of paid hosting solutions.

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The Solution: Working Together

- Building a relationship with free web hosts
 - GM pioneered the model of a life-time customer by attracting them early and upgrading them as they became more affluent.



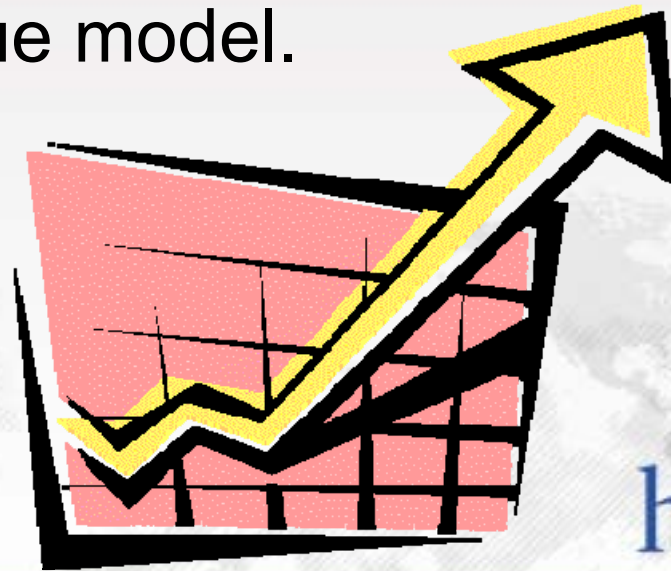
The Solution: Working Together

- Web hosts have the opportunity to build a similar model by working with free web hosts and offering services that the free web hosts might not be offering or might not have the ability to offer.
 - This includes advanced paid hosting, reseller, dedicated...

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The Solution: Working Together

- Your partnership with a free host can generate you a steady stream of customers and generate them the extra income to stabilize their revenue model.



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The Solution: Working Together

- Working Together to Build a Better Experience
 - Free web hosting attracts a much different demographic.
 - The novice free web hosting users become the advanced/professional users with advanced needs that most free web hosts can't fulfill.

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The Solution: Working Together

- Once a free hosting customer outgrows the services offered by the free host, they can be handed off smoothly to a more advanced host that specializes in those services.
- This creates a comprehensive and robust solution (and good experience) for the customer.

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The Solution: Working Together

- Each company can specialize and concentrate on what they do best.



The Solution: Working Together

- What does it mean to partner?
- Free hosts can:
 - Recommend your services on their site.
 - List *upgrade* services in the welcome email.
 - Email their client base on your behalf.
 - Work with you on a custom solution.

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The Solution: Working Together

- In the end, working together benefits the customer, the free web host and the paid host.
- Contact an established free host and get the conversation started!



Please Complete Survey!

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T35 Hosting

Session Track: Emerging Trends

Session Title: How Free Hosting Affects Budget Shared
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