

## THE BLUEPRINT

## SPECIALIZE

Robert Shell's Rock Web Hosting is a hosting business that demonstrates how a company can create its own well-defined vertical market and establish a thriving niche as a means of avoiding price competition

by Dennis McCafferty

"We like to say that our web hosting is cheaper than a set of replacement guitar strings," says Robert Shell, 31, who started playing guitar himself at age 14, and today operates a web hosting business focused on the narrow and uncommon niche of rock bands. "Another slogan of ours is 'Building a website with us is so easy, even a drummer could do it.'"

Shell's Chicago-based Rock Web Hosting demonstrates how – even in the crowded field of hosting, amid the price competition presented by the GoDaddys of the world – a company can create its own well-defined vertical market and establish a thriving niche. Rock Web Hosting now has 500 customers, and at least half of them are involved in the music industry. For \$4.95 a month, the company promises six times the power of its competitors for half the price.

Shell tapped into this market because its customers have unique and sometimes complex website needs that cannot be served adequately by a general, all-purpose host, he says. And Rock Web Hosting's value is its unique understanding of those needs.

"Our hosting is for sites that require a lot of music and video," he says. "That's our customers' main priority, so it's about much more than posting and updating a bunch of concert dates. We let them know that we have a passion for what we do. We get their music transferred and uploaded. We've used a site builder template, and modified it to make it more musically oriented. It's caught on to the point where I was just recently able to quit my full-time job as a

software designer."

Not that Rock Web Hosting is about to go public any time soon. Including Shell, there are only three employees, "and one is my dad," he says. But thanks to aggressive marketing, the customer base is expanding. And there's a unique dynamic of the music lifestyle that also lends itself nicely to sales growth.

"The good thing about bands is that they're always breaking up," Shell says. "So you'll have a band customer with four guys, then they break up, and that one band customer becomes four customers when the individual members join new bands. It just keeps repeating itself."

The celebrity quality of the company's customers remains low-key. Rock Web Hosting's roster will likely never include a U2 or Coldplay among its clientele. "By the time they sign with a label, the label takes over for all the hosting," Shell says. "We're not involved at that point."

Shell's path to this point was uncommon, but fitting. After trying to make it as a professional musician, he needed a "real job." He ended up serving as a jack of all trades for community newspapers in Michigan – working in ad sales, newsroom and circulation departments. By 1998, a newspaper needed someone to run its own hosting business, as it oversaw an ISP. Shell stepped in with next to no training.

"They put me in charge because the people who did it quit a couple weeks before," he says, with a laugh. "I talked to some tech people I knew and tried to educate myself, and found that I liked doing it."

After studying music-industry management at Ferris State in Big Rapids, Michigan, in the early part of this decade, Shell found himself juggling gigs as a software technician, rock-music promoter and fledgling hosting entrepreneur. Often, one fed into the other.

"I'd stage a battle of the bands and then pass my business card out to musicians, letting them know I could handle their hosting needs," he says. "It was just me, working out of my apartment. But I showed them how much more professional they'd look with their own website. Many bands hesitated, saying they could just post their own page on MySpace. But I convinced them that they needed their own site to really distinguish themselves from the rest of the pack."

With Host Gator and Parallels meeting the server needs, Shell grew his business enough to cut out the other vocational duties. One major contributor to growth was tapping into social networking. He started his own community, WestMichiganMusic.com, and at one point the site accounted for about half of his customer base.

Shell views social networking as the prime tool to take Rock Web Hosting to the next level, as a national brand.

"I want to create communities across the country," he says. "There should be a way for a band in Florida to learn the latest about available gigs in Kentucky, if they happen to be heading out that way. And while they're finding this out, I can use a national social network to also tell them there's a cheaper, better way to get hosting for their sites." ■