



News release

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For immediate release

VSBs Say, “Don’t make me read, seeing is believing!”

—Endurance explores how this important segment wants to learn in a new study

In the first phase of a recent study, Endurance International Group (NASDAQ:EIGI) reveals the attitudes and behaviors of the Very Small Business (VSB) — an emerging segment of SMBs that is typically not well defined or understood by many technology companies.

“The SMB landscape is large and diverse,” says Hari Ravichandran, CEO at Endurance International Group. “An SMB may be defined as an enterprise with fewer than 500, or sometimes 1,000, employees. In addition to being overly broad, this definition doesn’t consider the orientation, origin, maturity, or the virtual presence of the VSB, which we define as a business with fewer than five employees. As a result, very little is known about VSBs and how best to serve them as a technology provider.”

Of specific interest to Endurance is to understand the ambitions, challenges and needs of the VSB segment, whose members are equally driven by economics and passion. “Today, VSBs are more likely to be ‘socialpreneurs,’ with a dedication to collaboration, a heightened sense of connectivity and a hopefulness that technology will provide solutions that will help them scale and deliver. They are more fluid in how they move seamlessly between virtual and physical worlds than their enterprise counterparts and would like to use technology as an enabler if they only knew how,” says Mr. Ravichandran.

Michael Kesselman, EVP of Innovation and Strategy, who is leading the exploration, adds, “The mistake many technology companies make is that they assume that VSBs, because of their size, act more like consumers and, as a result, attempt to extract and apply consumer learning. This can point a technology company in the wrong direction.” According to Kesselman, “While consumers are often slow to learn, adopt and apply, VSBs have very rapid cycles of trial, adoption, implementation and abandonment of technology. Their general frustration and disappointment with technology is most likely driven by a poor understanding or inappropriate application of a solution. While we recognize that technology needs to be easier and more accessible in general, VSBs seem to possess a distinct set of needs and learning styles that separate them from the consumer population.”

In the first round of this exploration, 300 VSB participants were asked a variety of questions about how they want to learn. “It became immediately apparent,” says Kesselman, “that this is a segment trying to quickly ascend a steep learning curve without a guide, while operating under tremendous time constraints. 83% of VSBs consider themselves DIYers, with 36% cycling through a trial and error approach to learning and 52% of respondents citing a “lack of time” as

their biggest challenge to learning. It's not surprising that respondents were receptive both to utilizing an online resource center that would provide just-in-time answers and more in-depth learning tools containing relevant content around key issues for when they have more time."

Bite-sized and 'snackable' learning is key. 66% say they prefer to learn through short online videos, 45% say they prefer articles/blogs, and 33% chose webinars as being among their favorite ways to learn. "You can almost feel the speed in which these companies are learning and iterating," says Kesselman. "This is not just a segment that is doing more with less. This is a segment that starts with nothing and invents over and over again."

Unlike consumers, this is a segment that also struggles to connect with its peer group. Almost a third of the survey respondents indicated that they wanted access to a community of people like them to share best practices and get advice. "This research highlights a tremendous opportunity for us to better connect our 3.4 million subscribers, many of whom are VSBs, and to provide the support system that addresses the high pain point issues these businesses face each day. If successful, we will earn permission to offer VSBs a more systematic and leisurely learning approach over time."

The most popular topics of interest focus on 21st century challenges such as how to build a better website (47%), how to drive traffic to websites (61%), how to rise in the Google rankings (49%) and how to use social media effectively (41%).

Copies of the first wave of the panel's responses can be found at endurance.com, with Endurance releasing more learning in the coming weeks. For more information visit www.endurance.com

About Endurance International Group

Endurance International Group is a leading provider of cloud-based platform solutions designed to help small and medium-sized businesses succeed online. Less than 20 years old, Endurance serves over 3.4 million subscribers through a family of brands that includes Bluehost, HostGator, Domain.com, FatCow, iPage and Mojo Marketplace. Endurance is headquartered in Burlington, Massachusetts, has a presence in Asia and the Americas, and employs approximately 2,200 people. Endurance provides a comprehensive suite of over 150 products and services that includes web presence and mobile sites, email and eCommerce solutions, as well as more advanced offerings, such as SEO services, scalable computing, security, storage and backup, online marketing and productivity solutions. For more information, visit www.endurance.com.

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