

WHAT DO THEY KNOW THAT YOU DON'T?

**UNDERSTAND & LEVERAGE
THE POWER OF DOMAIN NAMES**

BY TATYANA GRAMATIKOVA BONNEAU

This book is a collection of resources for entrepreneurs looking to understand and leverage the power of domain names in building a strong digital identity for their brands.

© 2023 by Tatyana Gramatikova-Bonneau. All rights reserved. No part of this publication may be reproduced, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of the publisher, except in the case of brief quotations embodied in critical reviews and certain other noncommercial uses permitted by copyright law.

Tatyana Gramatikova Bonneau
www.markupgrade.com
www.smartbranding.com

INTRODUCTION

In the digital era, where a brand's online presence can make or break its success, the significance of domain names has never been higher. This book serves as a comprehensive guide on the strategic importance of domain names in establishing and elevating a brand in the digital marketplace.

Drawing from extensive research by MarkUpgrade's team over five years, our findings are based on the domain strategies that successful business owners, founders, and branding experts know and utilise — insights that unfortunately many entrepreneurs are unaware of.

The Data

The data underpinning this book is a result of the extensive research conducted by MarkUpgrade's team over five years, by analysing over 80,000 domains across 160+ categories. This includes comprehensive lists we have compiled on SmartBranding.com, detailing domain name choices of funded startups, top global brands in various industries, country-specific businesses, and more.

Enhancing the research, the SmartBranding interviews series features over 200 written and audio conversations with authoritative figures in branding and marketing, as well as first-hand experiences of

entrepreneurs. These conversations have provided us with invaluable insights, lending a comprehensive view on the nuances of domain strategy in the contemporary business landscape. You can learn about what they uncover in a condensed way in this book, and also access them for free on SmartBranding.com.

MarkUpgrade and SmartBranding

MarkUpgrade specialises in premium domain names as key components of a brand's identity and success. Our clients range from first-time entrepreneurs to established global businesses, all seeking to harness the power of a well-chosen domain name.

In collaboration with MarkUpgrade, SmartBranding extends this mission by helping entrepreneurs craft strong, memorable, and meaningful brands online. We recognise that many business owners lack information about the impact of naming and digital asset strategy, leading to significant business challenges. SmartBranding's goal is to fill this knowledge gap, preventing costly mistakes and helping you create robust global brands.

This book encapsulates the collective experience and research of MarkUpgrade's team, offering readers invaluable insights into the world of domain name strategy and its critical role in the success of any business.

CONTENTS

1. The Evolution of Domain Names
2. Domain Names as Brand Assets
3. Common Pitfalls and How to Avoid Them
4. Branding Challenges Rooted in Domains
5. Why .COM?
6. How to value a domain name?
7. Mastering Your Digital Identity
8. Acquisition of Premium Domain Names
9. Case Studies: Successful Domain Strategies
10. What do they know that you don't?
11. Future-Proofing Your Brand

1. THE EVOLUTION OF DOMAIN NAMES: FROM INCEPTION TO INDISPENSABILITY

In the ever-evolving landscape of the internet, domain names have consistently remained at its core. They are the very essence of how we connect and communicate in the modern world. This chapter explores the journey of domain names, from their past, through their present influence, and looking into their future.

Understanding the Basics: Domain Names vs. Websites

An important aspect in the evolution of domain names is distinguishing them from websites. Initially, computers in networks used unique numeric codes, known as IP addresses, for identification. As networks expanded in the early 1980s, remembering and communicating these IP addresses became challenging, leading to the creation of the Domain Name System (DNS). DNS

allowed the registration of domain names composed of letters and numbers, directing these to specific IP addresses. Top-level domain extensions like .com, .edu, and .gov were established to categorise domains. Simply put, a domain name is the online address people type in to reach a website; it is not the website itself. Many established brands recognise domain names as strategic assets, carefully managing their domain portfolios.

A URL (Universal Resource Locator) includes a domain name and other address components necessary to locate specific content on a website. This complete web address is crucial for directing users to precise locations within a website.

A website, on the other hand, is a collection of files – texts and images, displayed using various programming languages. Initially, websites functioned like digital business cards, displaying basic contact and company information. This role has evolved dramatically, with the most valuable and profitable brands now operating predominantly, or even entirely, online.

For many modern businesses, their website *is* their business, making a well-considered domain name strategy a must.

Why does a domain name matter?

Domain names are an intrinsic part of how we communicate and connect with the world nowadays - everything passes through a domain name. We access

online content; we buy and sell things; we communicate with each other for work and leisure. For businesses, domain names are fundamental strategic assets, but unfortunately, many entrepreneurs don't appreciate them for their rightful value. Why is that?

Background

When you look into the history of domain names, it feels like they fell victim to their success in a way, or to be more precise - the speed of their success. We went very quickly from « what is a website? » to « I need a good website » to « I need a good website, and strategy to market my goods/services online », to « my business can not survive without a good strategy online ». See, I didn't drop the « domain name » there by accident. The reality is that many entrepreneurs still don't even know the difference between a website and a domain name. They just didn't have the time to learn that.

Digital acceleration - some perspective

Let's put things in perspective. Do you remember typewriters? Do you know how long it took between the first prototype and them becoming an integral part of every office? Since the machine was prototyped and patented across the world independently by over 50 inventors, it's hard to put an exact number on it, but it's over 100 years, with the most significant gap being 310 years.

Fax machines? Over 100 years. Business cards date back to 15th century China. All that to say, the internet

changed the speed at which progress happens in a big way (not just in the way businesses operate, but let's stick to that as it's our main topic).

The internet was officially « born » in 1983, the first domain name - Symbolics.com, was registered in 1985 and the web became publically available in 1991. In the last 40 years, entrepreneurs have had to learn what is the web, what is what on the web, how to make it work, and how to use it to their advantage at a crazy speed, *as things develop*, and on the fly.

Here's a throwback that will make you think. On New Year's Day 1994, there were an estimated 623 websites. On the entire internet. I repeat, *on the entire internet*. By mid-1994 there were 2,738 websites, according to Gray's statistics; by the end of the year, more than 10,000. There are 1.88 billion websites on the internet in 2021. Let's just write it out, not thousands, not hundreds of thousands, not millions - 1,880,000,000. And counting.

"...there has not been, in the entire history of mankind, anything that has changed so dramatically as computer communications, in terms of the rate of change."

1969, Steve Crocker, Internet engineer

That quote is from 1969. When I started in IT some 17+ years ago, it was still a bit of a struggle to convince some small business owners they even needed a website. « I

have a listing on The Yellow Pages », « Website? No, my clients know where to find me », « I do my business face to face, I don't need that. ». But suddenly everyone has a website. And every client has a phone and if you don't exist online - you don't exist.

As a consumer, you can sit there and watch the show, take what you like, and pass on what you don't. As a business, you can't. Well, you can, but at what cost?

"Companies will need to be digital to play—but they will need the right strategy to win. "

1969, Steve Crocker, Internet engineer

A good domain name strategy is at the heart of a good digital strategy. Yes, you can use third parties and pay them to get you traffic or even sell on third-party platforms. That all depends on your short and long-term goals as a business and has its pros and cons. Global scandals with privacy and security, censorship, high prices, and manipulation techniques are just some of the downsides of building a brand dependent on third parties. That said, being independent is not cheap, nor risk-free so when starting out it's often not even a choice. This is why you often see businesses investing in their brand more as they get more established.

COVID-19 and digital acceleration

Whether we like it or not, our entire lives are now wrapped around the web. Your average three-year-old kid can use a smartphone before they can form a

sentence. And if anyone was sceptical about the fact that you have to build a strategy for your business online in order to survive, the COVID-19 pandemic cleared any doubts.

According to a new McKinsey Global Survey of executives, over the COVID-19 crisis, their companies have accelerated the digitisation of their customer and supply-chain interactions and of their internal operations by three to four years. And the share of digital or digitally enabled products in their portfolios has accelerated by seven years.

Respondents are three times likelier now than before the crisis to say that at least 80 percent of their customer interactions are digital in nature.

McKinsey Global Survey

I believe it is very important to notice that we are talking about digital acceleration. As in, there is a process that has been sped up by the pandemic. That process was real and was already happening before the pandemic. What we saw happen over the course of this crisis is what was happening anyway, just slower. If a business had the time to wonder whether to or how to adapt and develop online, the pandemic accelerated what was going to happen anyway if they didn't - they would struggle and eventually fail. Some were ready for that more than others, but one thing is for sure - those who

survived will take their digital presence a lot more seriously.

The effects of the pandemic are relative to the sector a business operates in, so of course, some industries were more touched than others. What is very interesting though is that across industries, business leaders acted a lot quicker in response to changes, in order to survive. Big and small businesses managed to organise work remotely; figure out how to deliver their services and goods online and where their customers were; adopt new technologies; improve their online security and much more. All that happened literally over months, sometimes days. And you know how we like kicking ourselves with comment like « I should've known... »? When asked what is the reason for not implementing those changes before the pandemic, over half of the executives cited « it wasn't a priority », followed by « the required changes represented too big a shock to established ways of working » and « IT infrastructure was insufficient ». Heard those before? Let me go first, I've actually said those sorts of things myself. What is the moral of the story? Let's try with a classic.

It is not the strongest or the most intelligent who will survive but those who can best manage change.

Charles Darwin

What is a domain name for a business today?

After this quick trip back in time, let's get back to domain names and how their role has evolved and changed over the years. Today a domain name is a lot more than just an easier way to reach your website online. Let's have a look.

Computer object

The purpose of the domain name is literally to find and identify your website online. So at its very basic level, it is an identity. You can choose any domain name to point visitors to your website - it can be long or short, it can have different extensions, it can contain dashes and numbers, you can even have it with different characters - Cyrillic or Chinese for example.

Brand asset

Nowadays many businesses are completely online and even those offering physical products do their promotion and sales primarily online. Online is where your customers spend their time and money. So in a similar way to choosing a location for your business in the physical world, you choose a location for it online. And that location is your domain name. You can have a boutique on 5th Avenue or sell products in your backyard - your choices will be defined by your target audience, the specifics of the product or service you offer, your means, and ultimately - your ambitions.

Your email address is also not to be underestimated - this is the way you and your entire team will connect to your customers, business partners and investors, for the lifetime of your brand. The simpler it is to remember and spell, the easier that communication will be.

All over your marketing and advertising materials, and campaigns - the domain name is the link between any piece of advertising and a visitor landing on your website, thus rendering that advert effective and your money well spent.

Cybersecurity asset

Phishing is one of the most common forms of cyberattacks. Business owners may have not yet realised the importance of domain names, but unfortunately, cybercriminals have. According to research from the Ponemon Institute, the average annual cost of a phishing scam in 2021 is \$14.8 million for a 9,600-employee organisation or slightly more than \$1,500 per employee. If you don't have a solid domain strategy in place, you are risking your own security and that of your clients.

A financial asset

The issue of classification for intellectual property as expenses or assets is not new. When it comes to domain names it gets even more complicated. The infamous case of the French Council of State of December 7th, 2016 against ebay.fr determined that a domain name is in fact an intangible asset if it:

- Represents a constant source of profits for a business

- Has a sufficient durability (is renewed)
- Is transferrable

So in accounting terms, a domain name can be an intangible asset and so has to be placed on your company balance sheets.

What does that mean? Well, on the not-so-bright side, it means that your web designer or IT manager is likely not the right person to make decisions when it comes to such an important company asset (sorry web designers and IT managers).

On the bright side, it means that you should probably start thinking differently about what sort of investment you can make in a good domain name, taking into account the fact that most intangibles are amortised over a 15-year period. Say for example the absolute best domain name you can get for your brand has a price tag of US\$ 500,000. How crazy does that sound as an investment in your brand? What about US\$ 33,334 per year? Or US\$ 2,777 per month?

For an asset that will directly affect your marketing efforts, customer acquisition cost, how your business partners and investors see you, without even mentioning traffic and email leaks, security issues and running the risk of someone else getting the name...who can you hire for US\$ 2,777 a month that would solve all that better?

What's next for domain names

The horse is here to stay, but the automobile is only a novelty – a fad.

The Chairman of the Bank of Michigan in 1903, when discussing investment in the Ford Motor Company.

Funny quote, right? But didn't we think the same thing about the internet, .com domain names, tech companies in the 90s, blockchain...? All are still alive and kicking, creating new opportunities and business models that were not even imaginable before.

Nobody can know for sure how the internet will evolve and how long will it all last. But one thing is for sure - domain names are one of the few things that have been there from its inception and are still here and more important than ever.

The move to digitisation has accelerated, and the benefits will be permanent. There is no going back.

Carl Carande
Vice Chair, KPMG International

2. DOMAIN NAMES AS BRAND ASSETS

Over 84% of Fortune 500 companies for 2020 run their businesses on Exact Brand Match .COM domains (EBMs). More than half of the fastest growing companies for the same year share the same. It seems like the bigger and more successful a company gets, the more they are inclined to invest in their brand and subsequently - their address online.

If you are testing an idea, launching a hobby site online or just playing around, sure, a domain name is a domain name, pretty much any will do. It just serves you to access your site. But if you are building a brand, things change. It's not just about you anymore. What story do you want to tell the world? How easy do you want to make it for your customers to remember and reach you? How much risk are you willing to take with their trust? When your vision goes beyond testing an idea and runs into building a strong, independent brand that you see in the future, then a domain name is no longer just a bunch of letters you type in. It is a strategic asset to your brand.

Strategic assets are the set of difficult to trade and imitate, scarce, appropriable and specialized resources and capabilities that bestow the firm's competitive advantage.

In Lee
Western Illinois University

The value of strategic brand assets like premium domains is directly related to their uniqueness and inimitability. There is only one perfect domain name for your brand and it has no other strategic equivalent with the matching qualities.

Gates and Company, in conjunction with Jahani & Associates analysed over 500 M&A deals in the tech sector in the period 2010 - 2016. Here are some of the findings.

- Google acquired Waze for US\$969 Million and allocated US\$843 Million to goodwill
- Facebook's US\$17.2 billion acquisition of WhatsApp had an astonishing \$15.3 billion recorded as goodwill
- Yahoo! paid \$990 million for Tumblr, with \$750 million going toward goodwill, including \$182 million for customer contracts and relationships
- Microsoft acquired LinkedIn for \$27 billion and allocated \$16.7 billion of its purchase price to goodwill; and when it acquired Skype for \$8.6 billion, \$7.1 billion went to goodwill

In each of these examples, the target company's strategic assets (IP, customer relationships, brand) were valued significantly higher than their tangible/physical assets (plants, property, equipment, etc.)

It looks like creating a strong brand is important not only for reaching and retaining your customers, but also for achieving premium valuations.

A premium name is a source of long-term return

200% repeat customer rate, increased direct traffic, and lower marketing expenses - just to name a few immediate results entrepreneurs share after securing the best name for their brands. You can check more quotes from business owners on SmartBranding.com, or do your own research, but one thing is sure - how many other assets have such returns?

Approximately 91% of all traffic to AirBnB came organically through direct or unpaid channels, reflecting the strength of our brand.

Airbnb IPO prospectus

A premium domain is an asset you can liquidate, should the business fail or change direction

Escrow.com made a comparison of returns across asset classes including stocks, bonds and real estate. They concluded that, unlike other investment instruments such as bitcoin, stocks and bonds, the vast majority of domain name returns over the past 17 years have been positive.

"Unlike other investment instruments such as bitcoin, stocks and bonds, the vast majority of domain name returns over the past 17 years has been positive."

Escrow.com domain investment index report

Premium domains give you unmatched competitive advantage

As per definition, « Brand equity is the value premium that a company generates from a product with a recognisable name when compared to a generic equivalent ». How long does it take a brand to make a name recognisable? How much does it cost over the years? A premium name can significantly accelerate that process and directly increase profit margin per customer, allowing brands to charge more for a product than their competitors for similar products.

There is no doubt that sourcing and securing a premium domain name for your brand is neither a small nor an easy task. It is also a fact that for many entrepreneurs, getting such a name on a startup budget can seem impossible. That said, the upsides of building a strong, independent brand on your name make it well worth the investment in the long run.

3.

COMMON PITFALLS AND HOW TO AVOID THEM

In this chapter we look at the most common mistakes entrepreneurs make when investing in domain names and uncover some insights on how to avoid them.

Common mistakes

Delaying the Domain Name Decision

Many entrepreneurs underestimate the significance of a domain name, often relegating it to an afterthought. The domain name is a long-term asset integral to a company's identity, and its selection should be deliberate and timely. It will be pronounced, spelled, and typed countless times by various stakeholders, so it must be chosen with care and foresight.

A good brand can make or break a business and domain names are a crucial extension of your brand. A brandable domain name will cost some money but will more than pay for itself in the trust you build with your customers. Domain names are investments.

Think of a domain name like internet real estate. It used to be unfathomable that a domain name could be worth millions but now domain names regularly sell for over \$1 million. The domains I've purchased consistently go up in value.

Jordan Fried, serial entrepreneur, Chairman of Immutable Holdings and CEO of NFT.com

Using Dashes, Numbers, and Extra Words

Adding dashes, numbers, or extraneous words to a domain name can diminish its effectiveness. These elements can be easily forgotten or misunderstood, leading to miscommunication and reduced brand recall. A domain name should be concise, memorable, and reflective of the brand without unnecessary additions.

The one word domain gives us instant credibility. This can't be quantified, but people trust us way more than some company with a dash in their domain name or a .co domain.

Adam Robinson, CEO of Retention.com

Trademark Infringement

One critical oversight is neglecting to check for trademark infringement. Domain names, as digital assets, are subject to Intellectual Property laws. Choosing a domain name that infringes on a registered

trademark can lead to legal repercussions, ranging from losing the domain to facing lawsuits for damages.

Registering the business under the name doesn't give you trademark rights. Registering a domain name doesn't give you trademark rights. What gives you trademark rights is filing a trademark application with your relevant jurisdiction, or selling goods and services under the trademark. You don't have a brand if you don't have it legally.

Shane Rumbaugh, Intellectual Property Attorney

Opting Against a .COM Domain

While numerous new top-level domains (TLDs) are available, the .COM extension remains the most recognised and trusted. A significant portion of internet traffic and links are directed to .com domains, underscoring their importance and global mindshare. Choosing a less common TLD has a direct impact on brand visibility and credibility.

The power that a top level domain name, dictionary word has with the general public is phenomenal. It creates that authority automatically, instant trust.

Alex Tew, Co-founder of Calm.com

Not Choosing a Future-Proof Domain

Entrepreneurs must consider long-term business goals when selecting a domain name. The name should be versatile enough to accommodate future growth and changes in the business model, avoiding the need for costly rebranding or expansion into a new domain. As businesses evolve, their domain name should be able to scale with them. Entrepreneurs should consider future business expansions, new markets, and potential shifts in their business model when selecting a domain name. A short-sighted choice may necessitate costly changes and rebranding efforts in the future.

I always struggled to find a way to describe what our tool does in a sentence, but I can easily describe it in a word: monday. In becoming monday.com, our vision is finally encapsulated in our name.

Roy Mann, CEO and Co-Founder of monday.com
(formerly Dapulse)

Settling for Less Than the Ideal Name

Compromising on a domain name can have long-term repercussions. Entrepreneurs should strive for their perfect name, understanding that it represents their business, reputation, and future. Settling for less can undermine the brand's potential and longevity.

Buying Tesla.com took over a decade, \$11M & amazing amount of effort. Didn't like

TeslaMotors.com even when we were only making cars.

Elon Musk, Tesla

Failing to Protect the Chosen Domain

Once the ideal domain name is acquired, it's important to protect it. This includes securing variations and misspellings to prevent traffic loss, scams, or reputation damage. Proactive domain management is a key aspect of maintaining brand integrity. A critical yet often overlooked aspect of domain management is the timely renewal of domain registrations. Losing a domain due to expired registration can be disastrous for a business. Regular monitoring and setting up auto-renewal where possible can safeguard against such risks.

Lacking Creativity in Domain Utilisation

Being creative with domain names can unlock additional value. Beyond serving as an address, a well-thought-out domain name can enhance marketing efforts, improve brand visibility, and contribute to a unique brand experience. Creative utilisation of domain names can significantly enhance brand visibility and marketing effectiveness. Here are a few examples:

- Google's Santa Tracker: Google uses the domain name santatracker.google.com for their annual Santa Tracker, offering a fun, interactive experience related to its brand.

- Dropbox's Short URL: Dropbox created "db.tt" for easy file-sharing, enhancing the user experience with a memorable, short domain.
- Amazon's Kindle Domain: Amazon uses "kindle.com" to direct customers straight to their Kindle product line, simplifying the shopping journey.
- Twitter's Shortened URLs: Twitter implemented "t.co" as a shortened URL for tweets, facilitating easier sharing and tracking.
- Netflix's Fast.com: Netflix introduced "fast.com" as an internet speed testing tool to help users identify if streaming issues are due to their internet speed, not Netflix's service.

Neglecting Brand Consistency Across All Platforms

A common oversight is failing to ensure brand consistency across all digital platforms. The domain name should align with the business's overall brand strategy, including social media handles and online presence on other platforms. Inconsistencies can confuse customers and dilute the brand's impact.

Underestimating the Impact of Domain Name on Marketing Expenses

Many entrepreneurs do not fully appreciate how a well-chosen domain name can positively influence their overall marketing efforts. A relevant, concise, and memorable domain name can improve search rankings, drive organic traffic, and enhance online visibility.

Cars.com is a pretty easy domain name to type in. We get a majority of our traffic directly and organically, which allows us to really invest in other things, which to us is product innovation as opposed to what a lot of our peers have to do is, is they have to keep spending marketing every dollar every day just to stay relevant.

Alex Vetter, Co-founder and CEO of Cars.com

Cognitive Biases

A cognitive bias by definition is a systematic error in thinking that affects how we judge the information we receive, and the decisions we make as a result. We have that ability to create our own subjective reality based on our perception of the information input from the world around us. It is usually as a result of our brains trying to simplify information processing and a lot of those mechanisms have helped us survive over the years.

Today we live in a relatively safe world, with access to a lot of information. It is as easy to create and spread information as it is to get access to consume it. Which means that in many cases most of those cognitive biases are no longer needed to survive, and in some they can actually be detrimental. They can drive us to jump to conclusions without objectively analysing all the information available. We often end up making decisions without having weighed realistically all the options.

If you go over a list of cognitive biases, I am pretty sure you will spot at least a few that you fall victim to on a daily basis, in your professional or personal life. I spotted quite a few when applying those to my daily conversations with entrepreneurs about domain names. Let's go over them and see if you can recognise some.

Anchoring

This cognitive bias describes the tendency to rely too heavily on the first piece of information that we receive (“anchor”) when making decisions. So by now, 30 years since the birth of the internet, we have all come to register a domain ourselves or know of someone who has. And the price is usually about \$10. And that's about all the average person knows about domain names, with many not even making the difference between a domain name and a website. And that's totally ok.

When you are running a business, however, things change a little bit. A domain name is no longer just a domain name. If you are building a brand online (which even the local boutique cheesemaker here does, because we are in 2021) a domain name is no longer just a domain name, it is a strategic brand asset. So be aware of the anchoring bias and don't shoot down opportunities or worse – take risks with your brand, without objectively weighing all the pros and cons.

Sunk cost fallacy

The sunk cost fallacy by definition is the “tendency to continue an endeavour once an investment in money,

effort, or time has been made” (Arkes and Blumer, 1985, p. 124). In simpler terms, it means that we make decisions that are irrational and can lead to inferior outcomes by being focused on our past investments instead of our present and future costs and benefits.

This is something I encounter often when discussing domain names with entrepreneurs. « We have been doing things this way, it has worked for us ». You have built your brand on a name that is not optimal and are now committing yourself, your team and investors, to a decision that was maybe right at the time, but is no longer in your company’s best interests.

Since 2000, 52% of companies in the Fortune 500 have either gone bankrupt, been acquired, or ceased to exist.

Even at that level, you either evolve and adapt, or you cease to exist. Regardless of past investments, at least try to make choices objectively, based on the information you have today because things nowadays change quicker than ever before.

Confirmation bias

Even before the internet we were prone to look for information that confirms our existing beliefs and ways. Today this is even easier to do. I’ll give you a funny example.

When I got my dog (a Doberman), I really wanted to get him a coat. We live in Nice, it doesn't even get cold here but hey, imagine how cute he would be! So there I was, running to my husband going « Look! They all have coats! », sticking my phone with pages of images of Dobermans in coats in his face. « Darling, you typed “Doberman coat” in Google ». Yep, I did. Didn't even occur to me how ridiculous that is. This is an extreme and funny example, but we do that all the time and the internet is making it so easy to back any idea or conviction you have. Not only that, we are surrounded in our bubbles with tailored search results and targeted information.

Now assuming your business is a bit more important than my Doberman's coat, when making decisions about what is the best domain name for it, try to be objective and at least explore viewpoints that are opposing to your current views. Why not? In the worst case if you come out the other side still sure you are making the right choice – then great, you know that really is the best choice because you explored objectively all the options.

Belief perseverance

This is also known as “The Backfire Effect” and is actually fascinating. You would think that when presented with facts and evidence that challenge their beliefs people, being intelligent and rational beings, would take that information and adjust their beliefs. Turns out not only is that untrue, but when people encounter evidence that should cause them to doubt

their beliefs, it often strengthens their support for their original stance.

An easy example is politics – have you tried showing some negative information to family or friends about their preferred political candidate? It can be a fact, it can be even the candidate in question themselves saying it or even agreeing to it. Doesn't matter what it is and how it is presented, you will likely see them digging their heels in. Here comes another bias – the Dunning-Kruger Effect – illustrated with Don Henley's quote "The more I know, the less I understand". Simply put, the more you know about a topic, the more you realise there is more to know. As a result, an expert is usually a lot less confident than someone who is just scratching the surface of that topic, or even more – someone who just has opinions on it but not much knowledge.

Combine the two biases and consider that if a person closes themselves off from the world around them, no amount of evidence will ever make them change their mind. You can just hope for their sake they are right in what they're thinking. Now and in the future, as time goes by and as the world evolves around them.

Let's apply that to brands and domains. What are the beliefs you hold about premium domains? What are they based on? When did they form? When was the last time you fact-checked them? What is your personal experience with premium domains? What is other

people's experience? What is the history of domain names? What do your competitors do?

You may go through the exercise of questioning yourself on that and conclude you don't need a premium domain for your brand. And that is totally ok. Many global brands started this way and rebranded later on. Or maybe you just don't need one at all, at any stage of your brand's development. Whatever the outcome is – it can only be a better one if you judge objectively.

Declinism

If you are over 30 years old this will speak to you. You know when your parents and grandparents were going « music was better when I was young » and then you catch yourself saying the very same thing? « Oh the youth of today, we used to be so much [put any superlative here] than they are now »...heard yourself saying that? Come on, even just in your head. I still believe it's true but that's another story.

Declinism is remembering the past as better than it was while feeling like the present is worse than it likely is, and expecting that the future is going to be even worse.

This is probably one that is really easy to relate to and understand – the past is over, we can't change it so it makes a lot of sense to keep the best of it, even if we sprinkle it with a few lies or stretch the truth a tiny bit. Who wants to look at the past and feel bad about the choices they made? And the future is unknown so it

makes today much easier if we can imagine it brighter. And today? Well, today is where we are, where we have the responsibility to make choices and taking that responsibility is heavy – make a choice and it will be your fault if it doesn't work out. So today is bad too, hard, negative, pretty doomed really, so if I don't make it it's not my fault. It's today that's bad.

Back to your brand and domain name – you are doing just fine without it! You got what was cheap and available and things have been great. Today is not a good day to make decisions about better domain names, you don't need that, your brand doesn't need that, your customers don't need that, your business partners and investors don't need that. You know they don't, it's 100% true (just google it!). And the future? The future is so uncertain, and going the way things are, will you even have a business next year? What's the point of investing in this brand if you might not? Nope, it's all doomed, forget it, you know what, they were better back in the days without the internet, so why don't I just take the website down? Who needs it anyway?

Availability bias

Very simply put the Availability bias is when we tend to think that examples of something that come easily to mind are reliable and representative of the whole. Sharks or spiders are victims of that one – in reality more people are killed each year by flying champagne corks than by sharks and spiders. But you don't hear about that on the news. So when your brain is searching for

information about sharks and spiders, Jaws and Black widows come to mind and bang, you are convinced those are the most evil creatures in existence.

What was the last piece of information you consumed about premium domain names? Or domain names at all? You've probably overheard the IT guys discussing something on the topic in technical jargon and zoned out. Or got some flashy offer from a hosting provider in your mailbox and caught something about free domains with your hosting just before you hit "spam".

Making decisions about your business and its future is important and getting the right domain name will have a direct effect on your brand. Try to get a more objective perspective by running some numbers internally and doing some research instead of jumping to conclusions based on what is easily available as information.

But to hear the Harmons explain it, buying angel.com was the cheaper option by far. "Anything that doesn't pass the stress test ends up being more expensive, not less," Jeff said. "There's a question, every time you share it!" Neal cut in. "'That's a URL?' And as soon as you have a question in your head, there's confusion." They ran the numbers on trying to imprint an.gl or angel.studio in the world's heads, and decided \$2 million was a bargain by comparison. It was .com or bust.

Neal and Jeff Harmon, founders Angel.com for Portal

Very simply put the Availability bias is when we tend to think that examples of something that come easily to mind are reliable and representative of the whole.

Spotlight effect

This is the tendency for us to think that others are observing us more closely than they actually are. That likely takes you back to your teen years when you thought the world was totally going to stop and stare at the stain you had on your shirt, the stupid thing you said three weeks ago or the shoes your mom got you that are were of fashion. You probably think you are over that, but it is very much here today.

What will my employees say if they see I invested so much cash in a domain name? What about my investors? What will our audience think of it? While you can't tell for sure what the answer to this will be, you can think of how a better domain will affect everyone. Will it make it easier for your team members to do their job? Will your marketing be more effective? Will a domain name upgrade boost the confidence in your brand?

If you decide that the answer to those is yes, then there are creative ways to not only present the investment to everyone, but make them feel part of it and get some really good PR out of the whole thing. Just ask the team at Sumo.com.

Should you invest in a premium domain name? I don't know. I don't know your brand, your problems and aspirations, your vision for its future. What I do know though is that if you are in the driving seat for your business, every decision is hard to make and comes with a lot of responsibility. Don't be blinded by « what will they say ». Yes, it's hard, that's why you are a leader and not everyone is.

All the biases above are based on experiences over hundreds of years, some even more. They have come to exist generally for good reasons – it would be very hard, if not impossible, to make all the choices we have to make on a daily basis, if we try to collect and evaluate new information for each one of them, every time we are facing a decision to make. We would simply not have the time.

Those biases affect us in our personal lives and it is good to be aware of them, especially when making important decisions. The same applies to business and in our case – domain names. I am not going to sugar-coat this – it really doesn't matter what I think, or what you think. The overwhelming evidence, be it feedback from entrepreneurs who take their domains seriously, or research on thousands of successful brands and their naming choices, all points to one thing – having a .com domain name exactly matching your brand does have a direct positive effect on your business.

It is not a silver bullet and if your idea is not great or your team can't execute it, even the best domain name is likely not going to save you. But if you do have a business that is solid, a premium domain name can certainly fast-track it to success, improve your marketing efforts and make your clients' lives easier.

4.

ARE YOUR BRANDING CHALLENGES ROOTED IN A POOR DOMAIN CHOICE?

In this chapter, we uncover the often-overlooked link between domain strategies and common challenges brands face. With real-world examples, let's explore how strategic domain name upgrades can effectively address these issues.

The challenges are categorised into four key areas: Brand Identity, Market Positioning and Recognition, Growth and Expansion, and Operational Challenges.

Brand Identity Challenges

Brand identity is directly affected by your domain strategy. Complexities, confusion, misalignment, lack of distinctiveness, and lack of credibility - all those issues often can be linked to naming and domain issues.

Example - Brand Confusion

The name Dapulse seems to have been chosen based on the availability of a corresponding domain rather than

any meaningful connection to the product of the business we today know as Monday.com. This resulted in constant teasing, with some even jokingly comparing the name to that of a hip-hop artist rather than a reputable tech company.

I knew it was really bad when I went to TV for the first time in my life and all the anchor could focus on was how bad the name Dapulse was.

Joel Goldstein, monday.com

The shift to Monday.com solved not only the teasing - the startup quickly gained traction and attracted a large number of new customers. Prior to rebranding in November 2017, the company had 18,000 paying customers, by 2018, that number had grown to 35,000, and by 2019, it had reached 80,000.

Today, Monday.com is widely recognised as a powerful and versatile project management tool that helps teams stay organised and collaborate more effectively. The rebranding from Dapulse to Monday.com was a key factor in the company's success, and it continues to be a valuable asset to the business today. According to investors, "Monday.com stock gains from better branding", as the company went public in June 2021, and MNDY stock popped more than 160% by September of the same year.

Market Positioning and Recognition Challenges

Brands can face multiple issues in distinguishing themselves in a crowded market, especially when competitors have similar names. Securing an Exact Brand Match domain can be a game changer in this case, as it helps the business stand out, reinforces its identity, and ensures it is recognised as the definitive choice in its sector.

Example - Market Recognition

SumoMe's rebrand to Sumo.com is a great example of addressing challenges in market position and brand recognition. The business faced issues with limited recognition and a name that often led to user confusion. The switch from SumoMe.com to Sumo.com significantly elevated its market presence, reduced confusion among users and cemented the brand as a leader in its category.

Do you know how many companies have “Sumo” in their name? It’s a lot. You may find yourself in the same situation where there are tons of variants of your name. Standing out just gets harder when people confuse you with other companies. That’s why we went right to the source. There are many copycat Sumo names in the market but by

owning Sumo.com we're positioned as the original. We are the Sumo.com.

Noah Kagan in an interview for Entrepreneur.com
The Sumo team made a great PR out of the rebrand, covering it across media globally, and even dedicated a creative page explaining the reasoning behind it on their website.

We spent \$1.5 million on our name to show you how serious we are about being around forever.

Sumo.com website

Growth and Expansion Challenges

Growth and adaptability are key to brand longevity. Challenges like limited growth potential, restrictive branding, and adaptability of the brand's name and domain name can limit progress by confining the business to a particular geographical market, product, service or type of audience.

Example - Expansion

TransferWise, established in 2011 with a focus on money transfers, evolved into Wise in 2021, reflecting its expansion beyond just transfers. The company invested in the Wise.com domain, matching its bigger vision and broader service range.

Today, our name catches up with who we're already building for: a community of people

and businesses with multi-currency lives. That community now even includes the banks themselves.

Wise Co-Founder & CEO Kristo Käärmann

Wise's rebrand and domain upgrade are a great example of a common phenomenon where companies outgrow their initial names as they grow. Wise debuted on the London Stock Exchange in July 2021, achieving an \$11 billion valuation, marking its transition from a niche service to a multifaceted financial platform.

Operational Challenges

Operational efficiency is one of the areas that is highly affected by your domain strategy but unfortunately goes unnoticed by many entrepreneurs. Reduced efficiency of all marketing efforts, higher customer acquisition cost, decreased conversion rates, traffic and email loss - all ultimately cost your business money. And all are directly affected by your domain name strategy.

Example - Cost Efficiency

When VidAngel rebranded to Angel Studios, the reasoning was simple.

Your name is an extension of your brand, and it can reinforce the value you provide or distance you from it. Make sure you have the best one. VidAngel passed about 58% of the

time, which wasn't enough..We've seen over time, that about 50% of our traffic comes through word-of-mouth. People hear about it, but then they end up having to type the domain." One name did much better: Angel. A full 95% of people could remember, share and find that name.

Neal Harmon, Co-founder of VidAngel

With the name chosen, the domain name was the next step for the Harmon brothers. They had the option to register various unique domain names like angel.inc, angel.fun, angel.buzz, all at significantly low prices. Instead they paid \$2 million for Angel.com.

Why? Because it was the most cost-effective choice. In their words, non-standard domains would fail the "stress test," creating confusion and inefficiency. The clarity and recognisability of a .com domain exactly matching their brand name, justified the investment.

They ran the numbers on trying to imprint an.gl or angel.studio in the world's heads, and decided \$2 million was a bargain by comparison. It was .com or bust.

David Pierce, Protocol.com

5.

WHY .COM?

Since its launch on January 1st 1985, the .COM domain extension has been through a lot. It experienced wide global adoption and became synonymous with the internet, but then came the dot-com bubble. The burst of the dot-com bubble was supposed to kill the .COM. Then Internet browsers were supposed to kill the .COM. Then search engines. Mobile apps. Social media platforms. Other domain name extensions. Despite these challenges, here we are, almost 40 years later, and the .COM is alive and thriving, remaining the domain of choice for the majority of successful brands globally. Why?

Established Trust

In the early days of the internet, the .COM domain quickly garnered trust due to its pioneering presence and clear association with commerce and professionalism. As one of the original top-level domains, and the only one open for anyone to register, it held a first-mover advantage, quickly becoming synonymous with the internet itself.

Its universal appeal, not bound by geographical or sector-specific constraints, made it a versatile and accessible choice. Additionally, its memorability and prevalence in the limited domain space of the time further cemented its position as a trustworthy and go-to domain extension in the early Internet era.

After four decades of trust, it's not a surprise that consumers inherently associate .COM domains with established and legitimate businesses.

Aspect	.COM	Other Extensions
Pioneering Presence	One of the original top-level domains, open for anyone to register.	Lack the first-mover advantage, not as universally recognised.
Association with Commerce and Professionalism	Strong association due to its early and prevalent use by businesses.	Associations vary, often not as strongly linked to commerce and professionalism.
Visibility and Marketing	High visibility due to extensive marketing by major companies.	Visibility and recognition can vary based on marketing efforts.

Universal Appeal	Not bound by geographical or sector-specific constraints.	Geographically or sector-specific, limiting universal appeal.
Consumer Trust	Consumers inherently associate .COM domains with established and legitimate businesses.	Do not command the same level of inherent consumer trust.

Global Recognition

.COM's global recognition started with its early introduction, establishing a deep-rooted association with commerce and online businesses. The late 1990s and early 2000s further spotlighted it, with major global companies adopting and heavily promoting their .COM identities.

.COM is universally recognised and remembered, making it easier for brands to connect with a global audience.

Unlike region-specific domains, the universal appeal of .COM made it accessible to entities worldwide. Combined with its memorability .COM solidified its position as the universally recognised and trusted domain extension across the globe.

Aspect	.COM	Other Extensions
Association with Global Companies	Adopted and promoted by major global companies, enhancing recognition.	No strong association with major global entities.
Universal Recognition	Universally recognised and remembered, supporting global brand connections.	Recognition may vary, potentially affecting global brand connections.
Accessibility Worldwide	Accessible and appealing to entities worldwide due to universal appeal.	May be limited by regional or sector-specific associations, affecting accessibility.

Mindshare Advantage

For generations now major corporations and businesses globally have continuously endorsed and utilised .COM, investing substantial resources in marketing and establishing it as the default domain. The constant visibility of .COM domains in advertisements has promoted mainstream adoption and familiarity that is not matched by any other domain name extension. It plays a significant role in publicising not just individual brands, but the .com domain itself as a trustworthy choice.

The significant collective investment over the lifetime of the internet channelled into promoting .COM domains has cemented their dominant position in the public's mind.

Consequently, this has erected substantial barriers, making it exceedingly challenging for new or alternative domain extensions to compete with the established dominance and widespread recognition of the .COM domain.

The majority of successful global brands don't need to explicitly include the .COM extension in their marketing materials - it's implicitly understood. Internet users presume that a reputable brand's website will reside at a .COM domain.

The inherent trust and straightforward accessibility of .COM enhances the capital efficiency of online marketing and branding strategies, optimising return on investment.

Aspect	.COM	Other Extensions
Endorsement by Corporations	Heavily endorsed by global corporations, solidifying its place as the default domain.	Lack the extensive global corporate endorsement, affecting their popularity and trust.
Investment in Marketing	Major marketing investments have been made to establish its dominance and familiarity.	Less marketing investment, making them less familiar and dominant.
Barrier to Entry	High, due to established dominance, making it hard for new extensions to compete.	Lower, as they are not as firmly entrenched in the public's mind.
Implicit Understanding	Commonly associated with reputable brands; users inherently expect brands to have a .COM domain.	Lacking the implicit trust and association with success that .COM domains have.

Efficiency in Marketing	Enhances capital efficiency in online marketing and branding strategies.	Do not provide the same level of efficiency and optimisation in marketing investments.
-------------------------	--	--

Ease of Recall

The .COM extension possesses an intuitive ease of recall that enhances the overall user experience, acting as a default in the minds of internet users when thinking of a domain.

This natural inclination minimises effort on the part of consumers in finding, remembering and sharing the brand's online presence, thereby increasing user visits and interactions.

For brands, having a .COM domain becomes a valuable asset in establishing a seamless and easily accessible online identity, which is crucial in the competitive digital space. This facilitation of consumer access can help in bolstering a brand's online visibility and engagement.

The enhanced brand credibility and memorability of .COM is driving customer acquisition and retention, directly improving marketing efficiency, optimising advertising expenditures, leading to increased organic traffic and revenue.

Aspect	.COM	Other Extensions
Ease of Recall	Intuitively easy to recall, acting as a default in people's minds.	Not as easily recalled or considered a default option.
User Experience	Enhances user experience by making brand websites easy to find and remember.	Do not offer seamless recall, affecting user experience.
Brand Visibility and Engagement	Facilitates increased brand visibility and engagement due to ease of access.	May not bolster visibility and engagement to the same extent due to lesser recall value.
Marketing Efficiency	Improves marketing efficiency and optimises advertising expenditures.	Do not optimise marketing and advertising expenditures as effectively.
Customer Acquisition and Retention	Drives customer acquisition and retention due to enhanced credibility and memorability.	Lesser recall value affects negatively customer acquisition and retention.

Marketing Efficiency

A .COM domain inherently brings with it a level of marketing efficiency that can be financially advantageous for businesses.

The universal recognition and ease of recall associated with .COM reduce the necessity for extensive marketing efforts to promote and embed the domain in the minds of consumers.

This allows companies to allocate marketing resources more strategically, focusing on various other aspects of promotion and branding, rather than emphasising and familiarising consumers with an unconventional or less recognised domain. In this way, a .COM domain can streamline marketing strategies, making them more focused, efficient, and effective.

Entrepreneurs can use their marketing budgets on other aspects of their business, rather than emphasising an unconventional domain.

Aspect	.COM	Other Extensions
---------------	-------------	-------------------------

Marketing Efficiency	Inherent marketing efficiency, reducing the need for extensive marketing efforts.	Require more marketing efforts to achieve the same level of recognition and recall.
Strategy Streamlining	Helps in streamlining marketing strategies, making them more focused and effective.	Do not allow marketing strategies to be as streamlined and focused.
Entrepreneurial Benefit	Enables entrepreneurs to use their marketing budgets more efficiently on other aspects of their business.	May necessitate entrepreneurs to spend more on promoting an unconventional domain, and embed it in the minds of consumers.

Enhanced Brand Perception

Operating on a .COM domain substantially contributes to enhancing a brand's overall perception and image in the market. It acts as a powerful tool that depicts the brand as an authoritative figure and market leader in its niche, signifying a sense of establishment and credibility.

Unless you're so big that your reputation precedes you, a marginal domain suggests you're a marginal company.

Paul Graham

The .COM extension augments the perceived professionalism, seriousness and commitment of a brand, enabling it to stand out and be more appealing and trustworthy to consumers. This enhanced brand perception can lead to improved customer trust and loyalty, facilitating better market positioning and competitive advantage.

Aspect	.COM Domains	Other Extensions
Authority and Market Leadership	Depict brands as authoritative figures and market leaders, signifying establishment and credibility.	Require more effort to convey a similar level of authority and market leadership, hindering the immediate perception of credibility.

<p>Professionalism and Seriousness</p>	<p>Enhances the perceived professionalism and seriousness of a brand, contributing to its appeal and trustworthiness.</p>	<p>Perceived as more contemporary or trendy, which might not always align with an image of professionalism or seriousness in certain industries.</p>
<p>Customer Trust and Loyalty</p>	<p>Lead to improved customer trust and loyalty due to their established reputation.</p>	<p>Being relatively newer or less common, might take longer to build substantial customer trust and loyalty.</p>
<p>Market Positioning and Competitive Advantage</p>	<p>Facilitate better market positioning and competitive advantage due to enhanced brand perception.</p>	<p>Face challenges in market positioning due to lesser familiarity among consumers, making it harder to achieve a competitive edge based on domain choice alone.</p>

Supports Brand Longevity and Consistency

The .COM is a timeless and widely accepted extension that avoids the volatility or trendiness associated with less popular or newer domain extensions. This choice minimises the risk of needing future rebrand or domain changes, which can disrupt brand continuity and customer recall.

.COM ensures a stable and consistent online presence, safeguarding the brand from disruptions that could adversely impact customer relationships and overall market positioning.

By fostering a stable and enduring online presence, a .COM domain ultimately supports sustained brand growth, adaptability, and a lasting imprint in the consumers' minds.

Aspect	.COM Domains	Other Extensions
Timelessness	Timeless, avoiding the volatility or trendiness associated with newer domain extensions.	May be seen as trendy or temporary, potentially making them seem outdated or irrelevant as trends evolve.

<p>Stability and Consistency</p>	<p>Ensures a stable and consistent online presence, minimising the risk of needing future rebrands or domain changes.</p>	<p>Do not offer the same level of stability, potentially requiring more frequent updates or changes to align with evolving internet trends.</p>
<p>Impact on Customer Relationships</p>	<p>Safeguards brands from disruptions that could adversely impact customer relationships and overall market positioning.</p>	<p>May face challenges in maintaining customer continuity due to potential changes or rebrands, affecting customer relationships and market position.</p>
<p>Supports Sustained Brand Growth</p>	<p>Supports sustained brand growth, adaptability, and a lasting imprint in consumers' minds.</p>	<p>Not as effective in supporting long-term brand growth due to their perceived volatility and trendiness.</p>

Risk Mitigation

Operating on a .COM domain acts as a powerful risk mitigation strategy for brands. It essentially safeguards the brand's online identity, ensuring that consumers will not be redirected to counterfeit or competing sites, thereby protecting the integrity of the brand and its customer relationships.

Possessing a .COM domain fortifies the brand's official online presence, instilling confidence in consumers regarding the authenticity of the website they are engaging with, and thereby helping maintain the trust and loyalty of customers in the long term.

Not owning a .COM domain can pose financial risks for businesses due to potential customer confusion and vulnerability to cyber security risks. Customers often associate .COM with established businesses, and lacking this domain could divert traffic to competitors or counterfeit sites, leading to lost revenue.

Businesses operating on less established domain extensions are susceptible to incurring costs from confusion, market limitations, traffic and email leaks, potential legal battles, and rebranding, all affecting profitability and brand reputation.

Aspect	.COM Domains	Other Extensions
Brand Integrity and Online Identity	Safeguards the brand's online identity, protecting it from counterfeit or competing sites.	More susceptible to imitation, leading to potential brand dilution and customer redirection to counterfeit sites.
Consumer Confidence	Instills confidence in consumers regarding the authenticity of the website, helping maintain customer trust and loyalty.	Not as readily recognised as authentic by consumers, possibly leading to scepticism and reduced trust.
Risk of Customer Confusion and Cybersecurity Vulnerability	Minimises customer confusion and vulnerability to cybersecurity risks.	Brands using other extensions might be more exposed to risks such as traffic and email leaks, creating potential vulnerabilities.

Financial Risks	Mitigate financial risks by preventing customer diversion to competitors or counterfeit sites.	Might incur higher costs due to confusion, market limitations, potential legal battles, and rebranding, affecting profitability and reputation.
-----------------	--	---

The .COM Legacy

The .COM legacy carries unparalleled trust, global recognition, and marketing prowess. Still, the ultimate choice resides with business owners, where the selection of a domain reflects their unique vision and strategic direction they envision for their brand.

A well-chosen domain acts as the foundation, supporting a brand's online identity and contributing to its enduring success and evolution in the interconnected global marketplace.

So, what domain will best support your brand's vision and trajectory?

6.

HOW TO VALUE A DOMAIN NAME FOR YOUR BUSINESS?

What is the value of a domain that can simplify your message, increase sales and direct traffic, open global markets, and save you money on marketing and advertising?

Domain names are pivotal to a business's online identity and reputation. Premium .COM domain names, in particular, carry immense significance due to their simplicity, recall value, and brand alignment. But how does one calculate the worth of their ideal domain name, especially when they don't possess it?

The assessment of domain name worth frequently relies on automated appraisals, industry standards, market dynamics, and comparable sales. However, these valuation methodologies do not consider the specific attributes of your business and your distinct vision. For companies intending to adopt a domain for their brand, these models fall short. The true value of a domain can

only be determined by You, the business owner. You possess unique insights into your past, present, and future. You alone are privy to your brand's current status and the path you envision for its future.

When trying to define the worth of a domain, business owners must use their unique insights, combining objective data with their subjective vision, to arrive at a valuation that genuinely reflects the domain's significance for their brand's future trajectory.

The Power of Strategic Domain Choices

While the ultimate choice rests with business leaders, it's a fact that the majority of successful brands prioritise a robust domain name strategy, investing in securing domains that reinforce their brand, minimise risks, and optimise both immediate and long-term revenues. It's not solely about immediate recognition; it's about laying a solid foundation for lasting trust and credibility in a competitive digital landscape.

The Hidden Costs of a Misaligned Domain Name

The below analysis underscores the profound effects, both overt and subtle, of a misaligned domain on key business metrics.

1. Direct and Tangible Costs

One of the first and most obvious impacts of a misaligned domain is the immediate added expenses to the marketing budget. From increasing digital advertising costs due to reduced click-through rates to potential confusion in content marketing and SEO, a compromised domain name can considerably inflate the marketing expenditures.

Marketing Cost Impact = Marketing Budget × Percentage Increase Due to Misaligned Domain

Impact of misaligned domain name on various marketing channels, leading to revenue loss and increased cost:

Marketing Channel	Potential Negative Impact
Digital Advertising	Reduced click-through rates and trust, increasing ad spend without a commensurate rise in conversions.
Content Marketing & SEO	Lower search engine rankings, increased confusion, diluting the effectiveness of content distribution efforts.

<p>Public Relations & Branding</p>	<p>Inconsistent branding due to a misaligned domain can weaken core messaging, require redundant communication, and necessitate additional stakeholder education.</p>
<p>Events & Sponsorships</p>	<p>At events, a domain not matching the brand might lead to confusion, potential misinformation, and hurdles in promoting the business effectively.</p>
<p>Sales Enablement & Collateral</p>	<p>Sales teams might experience clarity issues, especially in print materials, where readers cannot click through for clarification. This can lead to more frequent clarifications, potential missed opportunities, added training sessions, and wasted print materials that don't drive the desired action.</p>

Market Research & Analytics	Misaligned domains can skew data insights, leading to inaccurate analyses and increased consultancy time to interpret findings correctly.
-----------------------------	---

2. Risks and Subsequent Costs

Beyond the tangible costs, there are several risks associated with a domain-brand mismatch. Loss of direct traffic, misdirected emails, reduced word-of-mouth referrals, decreased trust and credibility, security risks, loss of potential partnerships or investment opportunities, and a barrier to global expansion just to name a few.

These are not only monetary losses; they also represent significant missed opportunities, damaged reputation, and potential long-term harm to the brand's positioning in the market.

Risk Cost Impact = Annual Revenue × Percentage Loss Due to Misaligned Domain Risks

Below we've listed the ways a misaligned domain can result in risks for your brand:

Issue	Consequences
Loss of Direct Traffic	People might end up on a different website, reducing potential visits and conversions. Assume the loss of direct traffic leading to a % loss in potential sales.
Misdirected Emails	Important emails might go to the wrong address, leading to data breaches or missed business opportunities. If another company owns the matching domain, they could receive sensitive information.
Reduced Word-of-Mouth Referrals	Powerful referrals might be ineffective if the domain doesn't match the brand, leading to lost sales and engagement. Assume the % loss in sales due to ineffective referrals.
Decreased Trust and Credibility	Mismatch can be perceived as unprofessional, damaging reputation. Assuming loss of clients due to the perceived lack of credibility.

Security Risks	Cybercriminals can target misaligned domains for phishing. Emails can be misdirected, risking the sharing of sensitive
Loss of Potential Partnerships or Investment Opportunities	Potential partners or investors might be deterred by the domain-brand mismatch. Assuming a loss in potential growth opportunities or deals.
Barrier to Global Expansion	Misaligned domain can create confusion in new markets and may not resonate effectively with a global audience. Assuming the % reduction in potential global sales and additional marketing costs.

3. Customer Acquisition Cost (CAC) Impact

Customer acquisition cost (CAC) is a crucial metric that measures the total marketing and sales expenses a business incurs in acquiring a new customer. Here is an example of averages for CAC per industry. A domain name can significantly influence the Cost of Customer Acquisition (CAC).

CAC Impact = Original CAC × Percentage Increase Due to Misaligned Domain

Negative impact of a misaligned domain name on Customer Acquisition Cost (CAC):

Aspect	Implication
Brand Recall and Direct Traffic	A better domain improves brand recall, reducing costs from search engines or ads. A poor domain decreases direct traffic leading to an approximate increase in CAC. Put a value of % you assign to that increase.
Trust and Credibility	Professional domains enhance trust, affecting conversion rates. A misleading domain can cause drop in conversion rates, thus increasing CAC by %.
Ad Costs	Trustworthy domains have higher CTRs, lowering ad costs. Put a value of the decrease in CTR from a poor domain.

Word of Mouth	A memorable domain facilitates word-of-mouth promotions. A drop in referrals from a misaligned domain directly affects CAC by %.
Localisation	Ineffective domains for a global audience can reduce conversions and limit reach, resulting in % rise in CAC.
Affiliate and Partner Trust	A professional domain might lower CAC via affiliates. Reduced trust could cause a decrease in conversions from affiliates, resulting in a % CAC increase.
Email Deliverability	Recognised domain extensions, domain name matching the brand, ensure better email delivery and conversion. A decrease in

4. Impact on Customer Lifetime Value (CLV)

One of the most significant metrics for businesses: Customer Lifetime Value (CLV).

A misaligned domain can have a cascading effect on the overall value a customer brings over their lifetime.

Reduced Trust and Credibility, Lower Initial Conversion, Increased Churn, Decreased Referral Rates, Barrier to Effective Marketing, Lost Upselling/Cross-Selling Opportunities - those are a few key effects of a bad domain strategy on Customer Lifetime Value.

CLV Impact = Original CLV × Percentage Drop Due to Misaligned Domain

A misaligned domain can critically and negatively skew the long-term metric of Customer Lifetime Value (CLV):

Aspect	Implication
Reduced Trust and Credibility	Lowered transaction frequency and amount due to decreased trust.
Lower Initial Conversion	Fewer customers entering the lifecycle.
Increased Churn	Existing customers leaving the company prematurely.
Decreased Referral Rates	Reduced acquisition of new customers through referrals.

Barrier to Effective Marketing	Customers less aligned with the core brand proposition.
Lost Upselling/Cross-Selling Opportunities	Reduced additional purchases due to lowered trust.
Increased Customer Service Costs	Increased operational costs affecting profitability.
Potential SEO Impacts	Reduced organic traffic leading to changed CLV dynamics.
Global Expansion Challenges	Reduced CLV from international customers due to domain irrelevance.

How Prepared Are You?

In today's digital age, the sharpest businesses recognise that a strong domain strategy is not only an advantage; it's a necessity.

Premium domain names like .COMs are no longer luxuries but rather strategic assets that enhance brand recall, trust, and alignment. This goes beyond having a catchy web address - it's about cementing your brand's position in a crowded marketplace.

How ready is your business to seize opportunities in the digital landscape? How competitive is your brand without that optimal domain? When online challenges arise, how strong is your domain strategy to face them.

7.

MASTERING YOUR DIGITAL IDENTITY: THE POWER OF DOMAIN NAME STRATEGY IN BRANDING

The concept of a "Brand" is rich and multifaceted, with a variety of expert interpretations over the years. Renowned marketing expert Philip Kotler defines a brand as more than just a name or design; it's a distinct identifier meant to separate one seller's offerings from another's in the consumer's mind, as elaborated in his seminal work, "*Principles of Marketing*."

Interbrand, a leading global brand consultancy, takes it a step further by personifying the brand as a "living business asset" that thrives on interaction and management across all customer touchpoints, culminating in a unique identity, differentiation, and value.

Jeff Bezos, the visionary founder of Amazon, distils the essence of a brand to its reputation - what people say

about you when you're not present - encapsulating the brand's enduring impact on customer perception and market influence.

A brand is a complex construct that creates unique identity, differentiation, and substantial business value.

In our hyper-connected era, the importance of brands as distinctive business assets has never been more present. They shape company performance significantly, influencing everything from customer loyalty to market valuation.

Crafting a Future-Proof Identity: The Critical Role of Domain Name Strategy in Brand Evolution

Central to establishing a potent digital brand is the implementation of a Domain Name Strategy. This aspect of brand identity is critical in an increasingly digital-centric economic landscape. The meteoric rise of digitally transformed enterprises — from contributing \$13.5 trillion to the global nominal GDP in 2018 to a projected \$53.3 trillion by end of 2023 — signals a nearly dominant digital economy era. This unprecedented growth highlights the role that a thoughtfully chosen domain name plays in cementing a brand's digital authority and market success.

A Domain Name Strategy goes well beyond just selecting an available domain; it is the art of choosing a name that resonates with the brand ethos, is easy to remember, enhances online visibility, and aligns with the long-term vision of your business.

In an era of digital dominance, a Brand's Domain Name Strategy is a safeguard against the risks of a rapidly changing online landscape.

As the digital frontier expands, the intersection of domain names and brand strategy becomes a critical juncture for businesses aiming to survive and thrive in the global marketplace.

Domain Name Choices: Impact

The domain name selected for your business has a measurable impact on a website's performance. Research supports that domains ending in .COM tend to outperform their .NET counterparts, with a significant difference in user traffic. A study found that on average, a .NET domain may suffer a 4.42% drop in rank compared to a .COM domain, and the presence of a hyphen is linked to a further 2.9% dip. Cumulatively, these factors can lead to a 10-20% variance in web traffic, a substantial margin by any marketing standard.

A comparison of different domain variants for a hypothetical website, labnest.com, which attracts around

150,636 unique visitors annually, illustrates the point. Alterations such as labnest.net or lab-nest.com predict an average traffic deviation of 13,169 visitors from the original. This suggests that a domain like topnet3.com might see an increase to 164,338 visitors, whereas a less optimal name such as lubnest.net could plummet to just 84,872 visitors.

Domain name choice is crucial for website performance, influencing user traffic and engagement through extension type and simplicity.

These findings underscore the importance of a strategic approach to domain naming, considering not only the psychological impact on recall and trust but also the choice of extension and inclusion of elements like hyphens or numerals. Businesses must carefully weigh these factors, understanding that the right domain name and extension can significantly influence online visibility and traffic, ultimately affecting the brand's digital success.

Optimising Domain Name Strategy: The Synergy of .COM and Exact Brand Match

In Domain Name Strategy, the optimal choice combines the inherent trust and familiarity of a .COM extension with an Exact Brand Match for the domain name. Cognitive research, including studies by Tehan & Tolan (2007) and Lowrey, Shrum & Dubitsky (2003), highlights

that a domain's memorability is significantly enhanced by clear, distinctive spellings and direct brand relevance. This is further supported by findings from Alter & Oppenheimer (2006) and Song & Schwarz (2009), showing that easily pronounced names bolster trustworthiness and reduce perceived risk.

A .COM domain, renowned for its universal appeal and credibility, serves as the intuitive default in users' minds, eliminating the need for additional effort in communicating and memorising the domain extension. An Exact Brand Match domain with the .COM extension ensures maximum effectiveness in brand consistency, recall, and credibility.

Securing a .COM Exact Brand Match domain is key for optimal brand strength and avoiding risks of confusion and trust erosion.

Neglecting to secure a .COM domain that exactly matches the brand can result in security risks, a diluted and fragmented brand, customer confusion, weakened online presence, negatively impacting traffic, sales and consumer trust.

How much risk are you willing to take with your Brand? Brand Integrity vs. Domain Trends

When crafting their Domain Name Strategy, businesses often confront a critical decision: maintaining brand integrity versus following domain trends. On one hand,

there's the growing trend of adopting new, niche top-level domains (TLDs) like .APP, .AI, or .IO, alongside the more established .COM. These modern TLDs can provide immediate insight into the nature of the business, and are especially appealing to startups aiming to make their mark, or businesses with tighter budgets.

Another dilemma faced by startups is how to adapt when their ideal domain name is out of reach. Frequently, the solution involves appending descriptive words to the domain name. Although this might seem like a practical fix, it can lead to unintended consequences such as diluted brand messaging, customer confusion, and practical issues like lost traffic and misdirected emails. This approach can also impose limitations, as the added words may not align with future brand expansions or shifts in strategy.

A domain name should seamlessly mirror the brand's name and ethos, serving to enhance, not detract from, brand identity.

Discrepancies between a brand's name and its domain not only create confusion online but also impede marketing effectiveness across all platforms. Brands with an exact brand match .COM domain benefit from more efficient marketing, as there is no need to heavily promote their web presence – it's naturally presumed by the audience.

Consider iconic brands like Dior, Nike, Chanel, or Apple, which rely simply on their names in advertising across print, TV, and radio, confidently assuming public recognition of their domains. A strong domain strategy should prioritise this seamless alignment, balancing current digital trends with the need for consistent brand identity and clear, efficient marketing across all mediums.

Exact Brand Match .COM domains are fundamental for businesses aiming to establish a compelling brand strategy, unifying their identity seamlessly across all platforms.

Businesses not securing such domains risk missing out on enhanced brand recognition and trust, potentially lagging behind forward-thinking competitors. This strategic choice helps prevent the confusion and fragmentation often seen with less optimal domains, fortifying the brand's digital and offline presence. Overlooking the alignment of domain name with brand name can lead to significant missed opportunities in clear communication, effective marketing, and hindered growth in a constantly competitive market landscape.

8.

MASTERING THE ACQUISITION OF PREMIUM DOMAIN NAMES

Investing in a premium domain is a critical decision for any business. This chapter offers a guide through the process of selecting and securing a premium domain, covering the essential considerations and strategies to make an informed choice.

Time is your friend

Most domain owners are more likely to give you a better price if you have a firm date when you wish to go ahead with a deal. So think carefully about whether or not your desired domain name is exactly what you need but once you make that choice don't play around.

Use skilled professionals

There are many reputable professionals with years of experience in the field. Don't hesitate to consult them. Just as in any market, domains have a lot of specifics and you can't always know what is best unless you've either been there from the start or/and spent quite a bit

of time learning about naming, brands, and domains. You wouldn't invest in property blindly, would you? So don't do that with one of the most important assets to your brand, speak to a buyer agent.

If it's too good to be true, it probably is

Don't fall for low prices. If someone is trying to sell you a "premium" domain for less than 5 figures you either got very, very lucky or it simply isn't premium. Goes back to the point above — speak to an expert or do some extensive research on the topic.

Spread your net

If you are upgrading from an inferior name your choices are pretty limited. If, however, you are picking a name for a new business, product or service, look around! Spend the time to study different names, play around with them, put them to the test with friends, colleagues and family, try to learn as much as you can about what makes a brand name successful. And if you don't have the time for that or just don't want to take the risk — there are people who do.

Don't make emotional choices

It is oh, so easy to fall in love with a name, to get stuck in a negotiation based on personal traits of character or past experiences, to fall out of love with a name, to get influenced by the seller, your colleagues, friends or that guy who said he knows a thing or two about domains. Don't make irrational choices. Think clearly, do the math, weigh up all the pros and cons. Then do it again. " This

price is crazy! “ Is it? What if you get 10% more traffic instantly to your site? What if your marketing expenses go down by 20%? What if you get 15% more clients this year because of word of mouth? Is it still crazy?

Check the domain’s history

Even digital assets have a history. In some cases, it might not matter and in others — it can mean everything. Was the domain ever in use? What was it used for? Was it ever blocked for any reason? Where and why if so? You are making one of the most important choices for the future of your brand so take it seriously and do your homework. Or (you guessed it right) — get an expert to do it for you.

Look at it as a long-term investment

Of course, you will do all it takes for your business to succeed. But you have to be prepared for everything and premium domains are one of those long-term assets that have proved to appreciate in time (if you get the right one). If you do your job well, you will be acquiring an asset that you can resell at a profit at any point in the future.

Look after your money

Make sure you use a reliable third party for any money transactions. We use Escrow.com, there are several other providers that you can pick from. In all cases, don’t transfer any funds blindly. Make sure the seller is really the owner of the domain name you are buying or an

authorised representative. A good buyer agent will take care of that for you.

Dare to ask

Can't afford the domain name of your dreams? Having cash issues? It's not the end of the world! Ask for a payment plan, offer equity or profit share, try to negotiate leasing with an option to buy — there is (almost) always a way. If you work with a buyer agent, they may even have connections in the field and could pull some strings in your favour. You won't get what you don't ask for, that's for sure, so don't be afraid to ask!

Investing in a premium domain is a nuanced and strategic process, requiring careful consideration, research, and, sometimes, expert advice. By understanding these key aspects, you can navigate the domain market effectively, securing a domain that resonates with your brand and serves as a valuable long-term asset in your digital strategy.

9.

CASE STUDIES: SUCCESSFUL BRANDS DOMAIN STRATEGY

Investing in a premium domain is a critical decision for any business. This chapter offers a guide through the process of selecting and securing a premium domain, covering the essential considerations and strategies to make an informed choice.

Case Study: Mint.com

Mint was founded by Aaron Patzer. It started as a platform to help people manage their personal finances more efficiently. Patzer invested his own savings and dedicated countless hours to develop the initial prototype of Mint, showcasing his commitment and belief in the project's potential.

Naming and Domain Acquisition

Initially, Mint operated under the domain mymint.com. Investor Josh Kopelman of First Round Capital, recognising the importance of a strong, credible domain name for building consumer trust, advised Patzer to

acquire mint.com. Patzer noted that mint.com was much more valuable than mymint.com, suggesting a level of trust and quality. The acquisition of the mint.com domain took three months of negotiation, underlining its perceived importance for the brand's image and credibility.

Then I was able to do a demo in front of an investor, Josh Kopelman (First Round Capital), who's the founder of half.com. He said, yes, I think this might work, but, to help with the trust aspect, don't use the domain mymint.com, which is from before; mint.com is much more valuable. We spent three months negotiating for mint.com because that's a much better and a more trustworthy name.

Aaron Patzer, founder and CEO of Mint.com

Impact on the Business

Switching to mint.com was a strategic move that significantly bolstered Mint's branding and market positioning. The premium, exact brand match .com domain lent an air of authority and simplicity, making it easier for users and business partners to find and remember the site. This change contributed to the business's rapid growth and popularity, as users could more easily share and recommend the platform.

Summary

The Mint.com case study demonstrates the significant impact a well-chosen domain name can have on a brand's success. The upgrade from mymint.com to mint.com not only enhanced Mint.com's credibility and user recall but also significantly contributed to its market appeal and eventual acquisition. It highlights the critical importance of a domain name in shaping a brand's digital identity and future growth trajectory in the competitive online landscape.

Case Study: Sumo.com

SumoMe, now Sumo, is a suite of online tools designed to help websites grow their traffic, email subscriber lists, and social media following. The company, known for its innovative marketing tools, has been a favourite among entrepreneurs and marketers.

Rebranding and Domain Acquisition

SumoMe's decision to rebrand to Sumo.com was a strategic move aimed at creating a more concise, memorable brand. The original domain, SumoMe.com, while effective, carried the potential for limitations, as it suggested a focus only on the "Me" or individual aspect of the service.

Another issue was customer confusion - riding on the success of the business, many new companies popped up using similar names for their brands.

Customer confusion was a strong motivator for us. Several sites popped up after us in the SaaS space that utilised “sumo” in their name. We were the original and now we are positioned as the original.

Sumo Team

By transitioning to Sumo.com, the brand embraced a broader, more inclusive identity, suggestive of strength and comprehensive capability – qualities that resonate well with the robust suite of tools they offer. The rebrand established Sumo’s leading position in the market and cemented it as a leader by providing a solid foundation for future growth and brand evolution.

We spent \$1.5 million on our name to show you how serious we are about being around forever.

Sumo.com website

Impact on the Business

Acquiring Sumo.com had a significant positive impact on the business. Today, Sumo.com continues to be a prominent player in the online marketing space, with its domain contributing to a strong, easily recognisable brand. The switch from SumoMe.com to Sumo.com demonstrated the company's commitment to growth and adaptability, key traits in the ever-evolving digital marketing industry.

The Sumo team went even further using the rebrand and domain acquirer for a great PR campaign. Posts appeared all over - from social media platforms to Entrepreneur, they even dedicated a creative page on their website, sending a strong message to their customers.

We spent \$1.5 million on our name to show you how serious we are about being around forever.

Sumo Team

Takeaway

Sumo.com's strategic transition from SumoMe.com demonstrates the value of a premium, concise domain name in rebranding efforts. This case illustrates the power of a domain name in encapsulating a brand's essence, enhancing its market presence, and paving the way for expanded business opportunities. It serves as an insightful example for businesses considering a domain upgrade as part of their growth and branding strategy.

Case Study: Calm.com

Calm.com is a leading meditation and relaxation app, renowned for its effectiveness in promoting mental wellness. The app was co-founded by Alex Tew and Michael Acton Smith, who recognised the increasing need for digital tools to aid in stress reduction and mental health.

Naming and Domain Acquisition

The business launched on Calm.com - a huge advantage for a startup, as well as a risk in terms of investment in a one-word .com domain, had the brand not survived. The founders chose a name and the matching domain that reflected the essence of their service: simplicity, serenity, and ease.

The choice of the domain 'Calm.com' caught the attention of investors and users for its directness and relevance. Jason Calacanis, a notable investor, and one of Calm's first backers, highlighted the significance of this decision.

So you made a big investment getting that domain name which means you have a big idea.

Jason Calacanis,
in an interview with Calm's founder, Alex Tew

Jason also listed the Calm.com domain as one of the three reasons he chose to invest in this startup.

Impact on the Business

Launching on a domain like Calm.com significantly impacted the business, attracting early investors like Jason Calacanis, drawn by the commitment it shows. Calm.com established this newly launched startup as a credible authority in the digital wellness market, simplifying marketing efforts and enhancing brand recognition. It fostered immediate user trust, aligning

perfectly with the app's purpose. Today, Calm.com is a global leader in the meditation and wellness space.

Summary

Launching with the premium domain Calm.com, Calm established early credibility in the digital wellness market, attracting notable investors and building immediate user trust. This strategic choice was key in driving the brand's growth and market authority, showcasing the power of a well-chosen domain name in creating a strong digital identity for a startup.

Case Study: Monday.com

Before becoming a prominent name in project management tools, Monday.com was Dapulse. Roy Mann, CEO and founder of the company, explained that the initial focus was more on developing an excellent product rather than on the name. The choice of 'Dapulse' was influenced by the availability of domain names and the company's intention to create a platform that helped teams keep their "finger on the pulse." Frequently misunderstood, Dapulse soon became a subject of jokes. The name was often confusing, to the point where even a TV anchor laughed during an interview with a Dapulse employee, unable to grasp the brand name's meaning.

I knew it was really bad when I went to TV for the first time in my life and all the anchor

could focus on was how bad the name Dapulse was.

Joel Goldstein, Monday.com

Rebrand and Domain Acquisition

The founders sought a generic, yet memorable domain, settling on Monday.com for its simplicity and relevance to enterprise collaboration and project management. The name, evoking the start of the workweek, was seen as a perfect fit for their product.

In becoming Monday.com, our vision is finally encapsulated in our name.

Roy Mann, CEO of Monday.com

Impact on the Business

Post-rebranding, Monday.com experienced a significant surge in growth, especially in the US market. The customer base expanded rapidly from 18,000 in 2017 to 80,000 by 2019. Financially, this translated into substantial increases in revenue, with a reported \$161 million in 2021. The rebrand not only helped shed the negative connotations associated with the old name but also played a crucial role in securing venture capital, culminating in a successful IPO filing in 2021.

Similar to Sumo, Monday.com team used the rebrand to their advantage with a brilliant PR campaign, collecting

and sharing users' quotes about how confusing Dapulse was as a brand name.

Takeaway

Monday.com's rebrand from Dapulse underscores the power of a well-chosen name and the matching .com domain name in aligning a company's identity with its business goals and market perception. This case study exemplifies how a strategic rebrand can catalyse business growth, enhance market presence, and open new avenues for funding and expansion.

Case Study: Fortnite.com

Epic Games' strategy to offer Fortnite directly through its website, bypassing the Google Play Store and Apple App Store, is a significant case of a company asserting brand independence and challenging the norms of digital distribution by fully leveraging the power of a great exact brand match .com domain.

Strategy Overview

In 2018, Epic Games debuted Fortnite for Android users via direct download from its website on Fortnite.com, instead of using the Google Play Store. This approach enabled the sale of the game's in-game currency, V-Bucks, without incurring the usual fees imposed on transactions made through Play Store applications.

Financial Impact

In 2021, Fortnite generated \$5.8 billion in revenue for Epic Games, surpassing its previous records. Before its

removal from mobile platforms, Fortnite had achieved \$1.1 billion in lifetime mobile revenue.

Strategic Decisions and Outcomes

- **Rejecting Google's Offer:** Epic initially turned down a \$147 million deal from Google to put Fortnite on the Google Play Store, citing the 30% store tax as a high cost. This decision was in line with Epic's strategy to maintain control over its revenue and distribution.
- **Projected Loss for Google:** Google estimated that Fortnite's absence from the Play Store could result in a direct revenue loss of \$130 million to \$250 million for the marketplace, with a potential downstream impact of up to \$3.6 billion if other developers followed Epic's lead.
- **Subsequent Listing on Google Play Store:** Despite its initial resistance, Epic Games later listed Fortnite on the Google Play Store in April 2020. However, this was short-lived as the game was removed five months later due to the implementation of direct payments, leading to Epic's antitrust lawsuit against Google.

Takeaway

Epic Games' strategy with Fortnite showcases a bold move towards brand independence, challenging the established norms of app store economics. By introducing direct payments, the company not only bypassed significant app store fees but also engaged in a broader battle against the perceived monopolistic practices of major app platforms. This approach, while not without challenges, demonstrated Epic's

commitment to controlling its revenue streams and offering more competitive prices to its users. The financial success of Fortnite, despite these challenges, underscores the effectiveness of this strategy.

More Case Studies

Still wondering how a domain change can redefine a company's success? The following short showcases show various businesses that significantly improved their brand identity and market presence through strategic domain acquisitions.

- **Google.com** (Originally BackRub): Google's original name, BackRub, was changed to Google in 1997. The name derived from the mathematical term 'googol,' reflected the company's mission to organise vast amounts of information. The domain acquisition was a pivotal moment in establishing Google as a household name.
- **Facebook.com** (Originally TheFacebook): Facebook, initially launched as TheFacebook.com in 2004, bought the domain Facebook.com in 2005 for \$200,000. This change simplified the brand and made the site more accessible.
- **Tesla.com** (Originally TeslaMotors.com): Tesla initially operated under TeslaMotors.com. The acquisition of Tesla.com in 2016 reflected the company's broader focus beyond just electric cars, encompassing energy solutions and other technologies.
- **Zoom.us to Zoom.com**: Zoom operated under Zoom.us but transitioned to Zoom.com as it grew in

popularity. This change coincided with the company's rapid growth and expansion, especially during the increased reliance on video conferencing due to the COVID-19 pandemic.

- **Salesforce.com** (Former SalesforceAutomation.com): Salesforce's original domain, Salesforceautomation.com, was cumbersome. The switch to Salesforce.com played a significant role in the company's branding and marketing strategy, making it a leader in cloud-based CRM solutions.
- **Dropbox.com** (Originally GetDropbox.com): Dropbox started as GetDropbox.com. The acquisition of Dropbox.com was a strategic move to simplify its brand and make its service more memorable. This change was integral to the company's growth and brand recognition in the cloud storage market.
- **Match.com** (Originally ElectricClassifieds.com): Match.com started as ElectricClassifieds.com. The transition to Match.com provided a direct, easy-to-remember name that perfectly encapsulated the service's purpose, significantly contributing to its widespread adoption and success.
- **Shopify.com** (Originally JadedPixel.com): Shopify, now a giant in e-commerce, began as JadedPixel.com. The shift to Shopify.com aligned the brand with its core business of offering an easy platform for setting up online shops, contributing to its global recognition and success.
- **Ring.com** (Originally Doorbot): Ring, now a prominent home security brand, originally started as Doorbot. The shift to Ring.com transformed

the brand's identity. This concise, memorable name contributed to Ring's rapid growth and appeal, culminating in its acquisition by Amazon.

- **Lyft.com** (Originally Zimride):
Originally Zimride focused on long-distance carpooling. The company pivoted to Lyft.com, targeting urban, short-distance rides. This strategic rebrand and domain change underscored their new direction, resonating with a friendly, accessible transportation service. The rebrand significantly boosted Lyft's market presence, establishing it as a major competitor in the ride-sharing industry.

10.

UNVEILING THE SECRETS OF SUCCESSFUL OWNERS - WHAT DO THEY KNOW THAT YOU DON'T?

What distinguishes entrepreneurs who invest in premium domains and achieve remarkable success from those who overlook this asset? This chapter will give you the experiences of savvy business leaders who have realised the transformative power of premium domain names. Their thoughts on domain names may make you question your own domain strategy. How are you exploiting the potential of domain names to elevate your business? Could a strategic domain acquisition open new doors for opportunity and growth?

This chapter is an invitation to rethink, reassess, and potentially redefine your approach to domain selection, equipping you with the insights necessary to leverage domain names as a cornerstone of your business's success.

The one word domain gives us instant credibility. This can't be quantified, but people trust us wayyy more than some company with a dash in their domain name or a .co domain.

Adam Robinson, CEO of Retention.com

Cars.com is a pretty easy domain name to type in. We get a majority of our traffic directly and organically, which allows us to really invest in other things, which to us is product innovation as opposed to what a lot of our peers have to do is, is they have to keep spending marketing every dollar every day just to stay relevant.

Alex Vetter, co-founder & CEO of Cars.com

*Chat.com is absolutely brilliant in terms of simplicity, shortness and being totally *on point* and meeting the moment. It immediately creates user trust. Somebody (not me) will build a massively successful product/company on it.*

Dharmesh Shah, Founder and CTO of HubSpot

The transition to Cats.com reflects our commitment to being the web's most extensive and trustworthy source of cat knowledge. There could not be a domain name better representative of our intentions for this community, and it's a privilege to call it home.

Doron Wolffberg, Founder of Cats.com

I always struggled to find a way to describe what our tool does in a sentence, but I can easily describe it in a word: monday. In becoming monday.com, our vision is finally encapsulated in our name.

Roy Mann, CEO and Co-Founder of monday.com

The power that a top level domain name, dictionary word has with the general public is phenomenal. It creates that authority automatically, instant trust.

Alex Tew, Co-founder of Calm.com

We felt as a company that Jets.com was tremendously powerful for our industry and the product that we're selling. We figured that anyone who's going to search for private jets is likely to go to Jets.com. Now when we tell

people in general on the phone or in a meeting that we're Jets.com, the credibility alone by saying Jets.com is worth it.

Damian Klinger, President and Co-Founder of Jets.com

If the word that you own is not on the dotcom domain, it falls off in value. People have a harder time remembering it if it was dot io, dot org, or dot tv. Moreover, if the word is too long, it falls off in value too. If 65%~ 80% of the money on commerce around the world is in English, and if you own one of the 1000 most important words in the English language, you can treat the domain as a business.

Michael Saylor, Chairman & Co-founder MicroStrategy

If you own a word that is easy to spell and remember with positive connotations, like Apple, Amazon, etc., it will be very useful. If you own such a word, you can put a business on it. The logic of this is if a billion people see the name and they can remember and spell it, surely, they will be able to type it. If I have a company name that has a difficult name with

no positive connotation, people will have a harder time remembering it.

Michael Saylor, Chairman & Co-founder MicroStrategy

Having Trainual.com and not .co or another TLD has made us easier to search. We've also purchased a few misspellings of Trainual.com since it's a made-up word. We want to make sure we capture all the traffic that's searching for us.

Chris Ronzio, Founder and CEO of Trainual.com

Recruiter.com is a powerful brand, and we consider our name recognition and high web traffic to be a powerful differentiator and asset for our business. We have top search placement and generate thousands of leads and referrals every month.

Miles Jennings, Founder, and COO of Recruiter.com

I am pleased to have completed the acquisition of the Chill.com domain name. We are the proud owners of a highly brandable, premium domain asset reflective of a word that is pervasive in the everyday lives of consumers and is easy to say, spell, and remember.

Callum Sommerton, CEO of Chill Brands

Switching to Paw.com has had a tremendously positive impact on our company. First of all, as mentioned before, we no longer are limited to dog products. As “Paw.com” we have the opportunity to build a major pet industry brand, across a wide range of pets and products. There’s a sense of trust and authority that comes with a great name like Paw.com, and that seems to give a positive boost to just about everything.

David Gimes, Founder and CEO of Paw.com

For the 25+ years I’ve been emailing, I’d say close to 95% of those emails began with some variation of “Hey [Name]”. So when it came time to think about a name for a new email system we’d be building, HEY was a natural.

Jason Fried, Founder of Hey.com

At that time, we were six people in an office above a fried chicken restaurant. \$400K was a lot of cash. We only went for it because we had raised a \$3M seed round, and I believed that the long-term branding benefit

outweighed the short-term cost. I definitely don't regret it.

Waseem Daher, CEO of Pilot.com

Operating through stoggles.com helps us to reach more people and follow our purpose of inspiring the importance of everyday eye protection through innovative and seamless design.

Max Greenberg, CEO of Stoggles.com

This is the company's most significant evolution in a nearly 50-year history of serving the rental industry. This is much more than a name change. It is the outward signal of our evolution from an advertising company to a technology and software driven company.

Jon Ziglar, CEO of Rent.com

We didn't have much cash at the time, we've just raised a little round of capital but what I knew was that this name would allow us to be taken a lot more seriously by future investors because it is a lot easier to raise venture capital when you've got a domain name like we have because the first thing you see on

the deck is the title, and if it says Scan.com it is making them turn to the next page.

Charlie Bullock, founder of Scan.com

It was important for us to have the top level domain (TLD) for our brand strategy, so we secured Denim.com. Our experience has been incredible. It may seem trivial, but people take you a lot more seriously when you have a clean, one word .com domain with no prefixes or suffixes.

Bharath Krishnamoorthy, CEO and Co-Founder
Denim.com

We saw our conversion rate dramatically jump when we rebranded from usefedora.com to teachable.com.

Ankur Nagpal, Founder of Teachable.com

Our domain name was initially CHILLI.tv but we changed to CHILLI.com in order to become more international and to emphasise our presence on all devices.

Giorgio Tacchia, CEO and founder of CHILLI.com

Our plan is to build a strong, memorable brand. Cal.com is the kind of domain/brand name that achieves exactly that.

Bailey Pumfleet, Co-Founder & Co-CEO of Cal.com

Standing out just gets harder when people confuse you with other companies. That's why we went right to the source. There are many copycat Sumo names in the market but by owning Sumo.com, we're positioned as the original. We are the Sumo.com.

Noah Kagan, Co-Founder

Beyond just the benefits of properly aligning our brand with the .com name, we knew that owning this domain would illustrate to future customers that we're here to stay for the long haul.

Steli Efti, CEO of Close.com

You will lose all word of mouth marketing if you don't have a good name. Most people choose their name because the domain is available. That's a really bad idea. I spent 3 months and \$182,000 negotiating for Mint.com, and it was the best purchase I ever made.

Aaron Patzer, MINT.COM

If you're talking to someone at a bar about your company, they just won't remember TeamworkPM.net. One of our competitors is Basecamp, which has Basecamp.com. If someone is comparing Basecamp.com against TeamworkPM.net, many will choose the .com because it has credibility and the right image.

Peter Coppinger, CEO teamwork.com

Over the decades, I've learned about the importance and value of domain names. WordPlay.com (my word-game) has hit 150 million games played and 16 million users. I know for a fact that a lot of this is because the domain is easy, memorable and fun.

Dharmesh Shah, Founder and CTO of HubSpot

Buying Tesla.com took over a decade, \$11M & amazing amount of effort. Didn't like teslamotors.com even when we were only making cars.

Elon Musk, CEO of Tesla

Compared to the earlier domain XAircraft.com, XA.com is simply more than a memorable, easily recognisable online identity. It undoubtedly better carries XAG's brand value and prospect to shape the future of sustainable agriculture for 7.6 billion people, by unceasingly exploring smart farming technology.

Chinese Agri-Tech Company XAG

We've grown over the years – and we're now much more than a taxi app. This new brand is an important evolution that represents our goal to outserve our customers. We are not only providing passengers with a transport service, we are saving them time and ensuring they have a safe ride.

Anthony Tan, Group CEO and Co-Founder, Grab

We started with PerchHomes.co and then moved to Perch.com when we had an opportunity to get the domain. Ultimately, your website domain is a big part of your brand, particularly for a B2C company.

Phil DeGisi, Co-Founder at Perch.com

If we didn't own RTS.com we probably would have changed the company's name. It was very important for us to have a simple brand that has the ability to be recognised and understood globally.

Greg Lettieri, Recycle Track Systems co-founder & CEO

People are trusting us with their finances and TryDave just didn't seem to give me the same confidence as Dave.com.

Jason Wilk, Co-founder and CEO of Dave

We saw a big growth with our repeat customers. We had an average return of repeat customers of over 200% from where it originally was and that was definitely attributable to the brand. When you are Pacific Pillows, you can stumble across a bunch of pillow sites, but when you are Pillows.com, it's pretty clear that there is only one Pillows.com.

Craig Clark, Pillows.com

About 70% of traffic comes from the domain directly – we don't have to purchase the keywords as much any longer. The domain name is pretty valuable in and of itself.

Tor Sweeney, Owner of Dresses.com

We saw a 40% increase in traffic immediately after securing our preferred domain.

John Furneaux, Hive.com

We saw our customers confusing us with some of the other companies in the industry, and wanted to remedy that issue. Our service is so different and unique in comparison with the competition that these confusions might cost us a lot of opportunities.

Oliver Dlouhy, CEO of Kiwi.com

We have seen a 5x in our web3 calls to our Alchemy instances that coincided with the procurement of sushi.com. I think from a branding perspective it has been a boon.

Joseph Delong, CTO of SushiSwap

As Badger expands to become the most trusted place for anyone to put their Bitcoin to work, it's important that the first experience for non native crypto users is comfortable and that we help them quickly overcome the common stigma that surrounds the cryptocurrency industry today.

Chris Spadafora, founder of BadgerDAO

As the founder of the branded payment platform Recharge.com (500 million annual revenue), I know how to launch a worldwide fintech platform and how important it is to have a good domain name that is easy to remember.

Robin Weesie, Founder and CEO of Exclusive.com

Fleksy.com acts as a primary touch point between us and potential customers, our website is a representation of who we are and what Fleksy is all about.

Olivier Plante, CEO of Fleksy.com

It was important to us to have a brand name that consumers could get to easily without having to come up with some clever derivative or other domain that's close, but not really. Autonomy.com we think obviously handles that.

Scott Painter , Founder and CEO at Autonomy.com

Having a strong keyword .com domain name brings a lot of inherent value, such as trust and a sense of being well-established, recognisable and not to mention web-based.

Rolf Larsen of CEO desktop.com

Having the right domain is very important, and having a short, unique name that resolves in a .com has been super helpful versus, I don't know, modern-dresses-best-shop.com or something.

Elena Silenok, Founder and CEO of Clothia.com

Since Yought was a unique name, buying the .com was straightforward and was one reason we wanted to go with something unique. As a marketer, I understood having a .com presence would be beneficial in the long run, especially as a SaaS product.

Richard Liu, Co-Founder at Yought.com

After a few years of effort, we landed our dream web address of Ahead.com, replacing ThinkAhead.com. Our name finally matches our domain!

The team behind AHEAD.com

Acquiring the aura.com domain is an investment in the Aura brand as we grow our business and build the best all-in-one digital protection platform for consumers.

Lark-Marie Anton, Chief Communications & Branding
Officer

Don't be cheap! A good brand can make or break a business and domain names are a crucial extension of your brand. A brandable domain name will cost some money but will more than pay for itself in the trust you build with your customers. Domain names are investments. Think of a domain name like internet real estate. It used to be unfathomable that a domain name could be worth millions but now domain names regularly sell for over \$1 million. The domains I've purchased consistently go up in value.

Jordan Fried, Chairman of Immutable Holdings and CEO
of NFT.com

11.

FUTURE-PROOFING YOUR BRAND: DOMAINS IN A SHIFTING INTERNET LANDSCAPE

In this digital age, where change and uncertainty are constants, a domain name stands as a unique stabiliser for businesses. Unlike social media or other third-party platforms, a company's domain remains a controlled space, immune to external shifts. This chapter highlights the role of domain names in offering stability, facilitating direct audience connections, and ensuring independence from third-party changes.

The Stability of Domains Amid Platform Changes

A well-crafted Domain Name Strategy provides a consistent, independent platform unaffected by the algorithmic and policy changes common on social media platforms and search engines. This stability is key in maintaining uninterrupted and consistent communication with your clients and business partners.

Direct Connection with Audiences

Today the ability to establish a direct connection with audiences is paramount for businesses, and a strong Domain Name Strategy is instrumental in achieving this. The right domain acts as a unique and personal channel, free from the constraints and unpredictability of third-party platforms. This direct line allows companies to communicate their brand story, values, and offerings in an unfiltered and consistent manner. It fosters a sense of trust and authenticity with the audience, as interactions are not mediated by external algorithms or policies. By maintaining a direct line of communication, you can effectively engage with your customers, gather valuable feedback, and build lasting relationships while having full control of the narrative around your business.

Enhancing Brand Identity and Marketing

First impressions are increasingly digital, making a domain's impact crucial for a lasting, memorable presence. Beyond its technical role, a domain shapes a company's online persona and supports all facets of the marketing process. A strategic domain choice enhances your brand's current visibility and ensures its relevance and adaptability in the future. A well-selected domain is a key asset in maintaining marketing coherence and competitive edge in a rapidly changing digital landscape.

In the relentless pace of the digital era, a domain name is your platform for sustainable growth, authentic audience

engagement, and an enhanced brand narrative, proving indispensable for any forward-thinking business strategy.

What is Your Domain Name Strategy?

How does your Brand's Domain Strategy stand up in the face of the ever-evolving digital trends? How does it reflect your brand's essence and protect its integrity? What vulnerabilities do you see in your current approach that might compromise your company's future success and limit its growth?

Ensuring that your Domain Name Strategy is robust and attuned to your Brand's ethos is not just a task for today; it's an investment in your business's future success. Nowadays, a strong, coherent Domain Name Strategy goes beyond an advantage – it's a necessity.

Final thoughts

Thank you for reading. If this book helps you avoid even one mistake that can hurt your business, I'll consider it a success.

If you have any questions or need assistance with your domain strategy, please feel free to reach out.

Acknowledgements

Special thank you to our dedicated team, their tireless work is what made this book a reality.

Tsani Gramatikova contributes her analytical prowess, honed from her mathematics background, ensuring precision in the team's research efforts. Tsani finds balance in her tranquil countryside life with her family and loves immersing herself in good books and music.

Monica Stankova, a content specialist with a passion for technology and research, enriches the team with her expertise in content creation. Outside of her professional role, Monica loves spending time in the mountains and embracing motherhood.

Arnaud Petit brings a Parisian charm and a global perspective to the team's marketing and communication efforts with his flair for history and engaging storytelling. His dedication to fitness and vibrant personality add a unique dynamism to the team's efforts.



About the author

Tatyana Gramatikova Bonneau, with over 18 years of expertise in marketing, IT, and digital branding, has led MarkUpgrade since 2018, guiding brands in domain strategies. Passionate about ultra running and travel, she enjoys her family time with her husband, four children, two dogs and a cat.

Sources

All content on SmartBranding.com and MarkUpgrade.com

<https://www.amazon.com/Web-Startup-Success-Guide/dp/1430219858>

<https://domainnamewire.com/2017/02/08/sumome-pays-1-5-million-sumo-com-domain-name/>

<https://nameexperts.com/blog/rebranding-of-monday-com/>

<https://www.businessinsider.com/the-true-story-behind-googles-first-name-backrub-2015-10>

<https://www.salesforce.com/news/stories/the-history-of-salesforce/>

<https://electrek.co/2016/02/18/tesla-motors-domain-tesla-com/>

<https://growthbadger.com/top-level-domains/>

<https://domaininvesting.com/zoom-com-acquired-by-zoom-video-communications/>

<https://www.domaingravity.com/GetDropBox.com-DropBox.com.htm>

<https://en.wikipedia.org/wiki/Match.com>

<https://www.shopify.com/blog/marketing-campaign>

[https://en.wikipedia.org/wiki/Ring_\(company\)](https://en.wikipedia.org/wiki/Ring_(company))

<https://en.wikipedia.org/wiki/Lyft>

<https://www.mckinsey.com/capabilities/strategy-and-corporate-finance/our-insights/how-covid-19-has-pushed-companies-over-the-technology-tipping-point-and-transformed-business-forever>

<https://sumome.com/sumo-name-change>

<https://finance.yahoo.com/news/project-management-startup-dapulse-changing-150000836.html?guccounter=1>

<https://www.tandfonline.com/doi/full/10.1080/13691066.2017.1334369?scroll=top&needAccess=true>

<https://medium.com/@jason/why-i-we-invested-378-000-in-calm-com-aa63aeff3118>

<https://www.youtube.com/watch?v=KYTJXiyyytQ>

<https://www.theverge.com/2018/8/3/17645982/epic-games-fortnite-android-version-bypass-google-play-store>

<https://www.xda-developers.com/fortnite-circumvents-google-play-fees-direct-payment-option/>

<https://www.businessofapps.com/data/fortnite-statistics/>

[#:~:text=,million%20play%20once%20a%20month](https://era.ed.ac.uk/bitstream/handle/1842/2288/85_waeldetrademarks00.pdf?sequence=1&isAllowed=y)

https://era.ed.ac.uk/bitstream/handle/1842/2288/85_waeldetrademarks00.pdf?sequence=1&isAllowed=y

<https://www.mckinsey.com/capabilities/strategy-and-corporate-finance/our-insights/how-covid-19-has-pushed-companies-over-the-technology-tipping-point-and-transformed-business-forever>

<http://gatesandcompany.com>

<https://markupgrade.com/docs/Escrow.com-Domain-Investment-Index-report-Alternative-Investing.pdf>

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1714992