Trends Report

Conference Notes
HELLO!
We captured every actionable takeaway, tweetable phrase and inspiring quote from the NamesCon Europe stage.

Enjoy!

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Welcome Address
Akram Atallah, ICANN
Thursday June 7

¡Bienvenidos a Valencia! This year, NamesCon takes you to where the Turia River meets the Mediterranean Sea. Valencia is known as Spain’s city of the arts and sciences. As the iconic Domaining Europe conference enters its 10th year, founder Dietmar Stefitz is handing the reins to the NamesCon team. Akram Atallah, President of the Global Domains Division at ICANN, welcomed the crowd to the Sorolla Palace Hotel on a glorious early-summer morning to kick off NamesCon Europe 2018.

The evolution of the global market and the addition of new top-level domains calls for continuous attention toward new marketing and monetization methods. This is where we meet to learn new things, formulate new business strategies, and make new friends.

This is an event where top-level decision makers from the global domain industry come together to share new ideas. It enables the communication between registrars, registries and—most importantly—registrants.

“ccTLDs have expanded from 70 million in 2008 to over 110 million today,” said Atallah. This expansion not only ensures we have a lot to talk about at NamesCon, he said, but it also encourages innovation, competition, and technological evolution: “Change is and will be the only thing we can count on the future.”

“public interest,” said Atallah. It would be extremely difficult—if not impossible—to track down the bad guys online, as well as make sure domain ownership and responsibility remain transparent.

ICANN, as an institution, has to be compliant with the newly-implemented GDPR, which is a featured topic at NamesCon Europe this year. The WHOIS should be tiered in order to pass muster at GDPR, and even agreeing on what the tiers should look like is a major achievement, said Atallah. We’re moving towards greater clarity on the future of WHOIS, he said, which goes a long way towards keeping contracted parties out of trouble. “We want to be as transparent as we can,” said Atallah, so that the domaining community is in the driver’s seat in determining the future of regulation.

“I think it’s very important for all of you to get involved in ICANN,” he said. “Your voices are as important as anyone using the internet, and you should be heard!”

He added that this business community needs to be as inclusive as possible in order to be seen as reliable, trustworthy, and mainstream: “We all need to work together.”

In closing, Atallah thanked Stefitz for all his heavy lifting in making this European conference what it is today. As Domaining Europe becomes NamesCon Europe, Stefitz is here to ensure a smooth transition before stepping into an advisory role as brand ambassador for future NamesCon Europe events.
Akram Atallah is the president of the Global Domains Division at ICANN and has over 20 years of technology management experience. He oversees ICANN’s globally integrated business operations comprising over 70 professionals in Los Angeles, Singapore, Istanbul, and Brussels, managing relationships and services for 2,000+ domain name distributors and resellers in 60+ countries. Akram also manages the IANA functions that operate and secure the Internet’s most critical global logical infrastructure as well as built the Global Domains Division from the ground up to professionalize and expand ICANN’s business operations.
Fake words in names can be like fake news—they can lead you to something other than what you really need. Jeff Sass, CMO at .CLUB, walked NamesCon Europe attendees through how keyword-based domains can generate value for investors and end-users alike: “It doesn’t make sense to make shit up!”

Sass acknowledged that “there’ll never be another .COM, just like there’ll never be another Michael Jackson.” However, there is still opportunity in other TLDs if those names effectively reflect the value of clicking through. Naming, however, can be tough for companies with easy-to-pronounce but hard-to-spell names. “Dropping vowels is so 2004,” said Sass. So-called “brandable” domains—often words that are made up or misspelled—rarely pass the “radio test” [When you say it, can a listener spell it accurately?], and can be costly to build into a memorable and SEO-friendly brand. On the other hand, a domain comprised of a real keyword or keywords can create a powerful brand that is easy to identify and ranks well in organic search.

“You want words to the left of the dot to be spelled correctly,” said Sass: using a made-up word starts you off with one hand tied behind your back. Building a brand out of nothing is playing life on Hard Mode, requiring investment resources that startups tend not to have. There’s no inherent SEO value in spurious names, said Sass, “no Google-juice, so to speak!”

Sass gathered some company names from Y Combinator, the well-known startup incubator, for a quick game of “WTF does it mean?” If you had to guess what bloomjoy.com does, would you be able to? Turns out it’s “the Associated Press for lifestyle content”. What about sobump.com? If you guessed that it was peer-to-peer streetwear marketplace, you are correct. If you guessed anything else, nobody could really blame you.

How about onederful.co? It’s an API for dental insurance. Oh. Also, zyper.com is a startup that recreates social networks for brands. “It’s very difficult to figure out from these made-up words,” said Sass, “what business these companies are in.” If you can’t get a customer’s attention quickly, he said, you’re missing out on many business opportunities. With all the TLD options out there, said Sass, it makes zero sense to “make shit up” just to score a .COM name. For example, onederful.dental would be a clearer value proposition, even when the word left of the dot is made up.

Work those extensions as keywords in their own right, suggested Sass: holistically-conceived domain names that have keywords on both sides of the dot set their owners up to succeed, either as companies or investments. For example, Vacation.Rentals sold for $500,300. Home.loans? Half a million dollars. This, said Sass, is why .CLUB launched Names.Club (which has its own broker and affiliate program): to make it easier to turn brandable keywords into memorable and common-sense domain names, looking beyond .COM and into those tasty new TLDs that can go overlooked. The microsite’s motto is “Build a brand. Change the world.”

Cut the BS, said Sass, and go for domain names that pass the radio test and accurately reflect a product or service. That goes for startups and domain-name investors alike. “What gets us excited,” said Sass, “is what entrepreneurs are doing with these new names.” To that end, .CLUB is launching its own startup incubator called StartUps.Club, which will mentor and nurture budding entrepreneurs. This harrowing aspect of the tech world will also be filmed as a documentary, so outsiders can see what it really takes to build a successful startup.

“Let’s Get REAL: Brandable Names vs. Keyword Domains”

Jeff Sass, .CLUB
Thursday June 7

Spoiler alert: start with a great name. There are millions of happy end-users out there, said Sass, using nTLDs that work well for them. “Be smart about it, and get a name that’s meaningful and memorable.”
Thursday June 7

Let’s Get REAL: Brandable Names vs. Keyword Domains

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KEY CONCEPTS

• SEO
• nTLDs
• Keyword leverage
• Entrepreneurship

TAKE ACTION

• Startups, choose a name that’s easy to spell.
• Investors, understand that alternative spelling is outdated.
• Research the contextual keyword potentials of the newer TLDs.

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Jeff Sass has over 30 years of experience in the technology and entertainment industries, and has co-founded several startups, including mobile commerce pioneer BarPoint.com. Since joining the .CLUB team he has led the company’s marketing efforts throughout the process of acquiring and launching the .CLUB top level domain. Previously at Myxer, Sass played a significant role in growing the mobile entertainment company into one of the top 15 mobile websites in the U.S. He is a co-founder of EntrepreneurWiki and Social Object Factory. He also served as an Intel Advisor and Sony Digidad, and is currently a member of the board of directors of TheDNA.org. Sass is the author of the book “Everything I Know about Business and Marketing, I Learned from THE TOXIC AVENGER”. Division from the ground up to professionalize and expand ICANN’s business operations.

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Plenty of premium domain transaction history exists for the legacy gTLDs, such as .com, .net, .org, and many of the larger ccTLDs. There are also several tools available to appraise legacy TLDs.

For new gTLDs, there is far less transaction history available, and not many appraisal tools. Rolf Larsen, CEO and founder of .GLOBAL, led a NamesCon Europe 2018 session that focused on how we can appraise new gTLD premium domains even at this early stage in the game.

Larsen has been working with domain names since 1993, building a national commercial ISP in his home country of Norway. “This was a fun way to get going with the domain-name industry,” said Larsen, who apparently has an interesting idea of what constitutes “fun”. He then focused solely on hosting and domain names, launching a registrar which functioned in 15 different countries, which helped him go deep into ccTLDs: “I took part in the whole dot-com rise... and fall!” Europeans historically use ccTLDs before .COM, said Larsen, acknowledging that that can be tough for Americans in the audience to understand.

Larsen has experience as a registry consultant to help clients navigate the murky waters of the registration process, as well as providing SaaS for registries: Besides running .GLOBAL, he also chairs RegistryOffice.

New gTLDs require the name to the left of the dot to resonate quite widely.

“When we know that there have been many sales over the years for legacy extensions, valuing these new extensions is tricky,” said Larsen. New gTLDs require the name to the left of the dot to resonate quite widely, he said. Looking at historical trades of .COM and ccTLDs to predict value in new gTLDs can be a tricky proposition, said Larsen, noting that premium names for new extensions should grow in value over the years, provided that the extension itself survives.

There are different ways to sell a domain name, which will affect pricing. You should look at not only those historical trades, but also, to name a few:

- Keyword count
- Keyword presence in the extension
- Google SERP and CPC potential
- Domain name length

”.GLOBAL uses complex formulas based on internal and external data sources. This started in an Excel spreadsheet, said Larsen with a small sigh, "but this just became a mess!" Now his team uses adjustable metrics, which they change roughly once a year depending on how nTLDs are perceived and used. "We just had to do this programmatically," he said, noting that they aren’t yet offering their valuation service as a SaaS for other companies: this price-testing tool is only working on .GLOBAL locally. An expansion of this service, including some sort of certification, is not off the table though, he added.

Domains.Global is a portal for domain investors, he said, that gives you access to not only premium names, but available domains at “regular prices,” including good generic keywords, dictionary words, and three-letter brandable names. (.GLOBAL names have an average annual price of $5000, according to Larsen.) “The sales are rising rapidly,” said Larsen, as buyers grow more interested in premium gTLD names that don’t happen to end in .com: “Last year was the biggest growth year since we launched.”
How to Value Premium Domains for New gTLDs

Thursday June 7

KEY CONCEPTS

• nTLDs
• Valuation
• Premium names

TAKE ACTION

• Recognize the value of non-.com names outside North America.
• Explore the forces that shape domain-name valuation, and how they affect your own portfolio.

Rolf Larsen is a disruptive innovator by trade and by practice. He is a long-standing, recognized pioneer of Internet access, Domain name registrar and Web Hosting services in Europe and Scandinavia. Larsen has founded multiple technology businesses in a multitude of innovative spaces, which include Web Conferencing, Web Hosting, Mobile Applications, ISPs and VoIP. Rolf has 25 years of experience in the domain space and is currently CEO of the .GLOBAL registry.

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Jebediah Burnett, senior sales broker at Donuts Inc., has sold more six-figure nTLDs than anyone else in the industry. Burnett leveraged his deep experience to lead an insightful Q&A session with serial entrepreneur Braden Pollock at NamesCon Europe, discussing the ins and outs of past and present deals; as well as sharing his experience selling high-end nTLDs.

Burnett said that his team averages one six-figure sale per week, usually under non-disclosure agreements. "It’s a great opportunity to mix the SLD with the TLD and get added value for that keyword space," said Burnett. "The majority of what we do is outbound," he added.

Most end users are comfortable with nTLDs, said Burnett. This requires a bit of effort in outbound sales efforts, but potential buyers tend to understand the dynamic around nTLDs fairly quickly. A bit of research on Google can give you a strong, solid script for your reselling efforts, Burnett added.

Now that Google itself has invested in new extensions, noted Pollock, the search giant has to treat nTLDs the same as it would .com; that is, based on the merits of name and content. Amazon owns quite a few extensions as well: "It’s pretty significant when you think of usage of those domains." Amazon doesn’t explicitly market the extensions it owns, said Burnett, but uses keyword-relevant extensions to guide users based on search; such as .careers and .reviews. Meanwhile, both Amazon and Google are creating content that use some of these extensions.

"Donuts is a registry, so I work specifically with a lot of end users." There are significant opportunities, though, for investors to grab some available names under wholesale or portfolio pricing. Also, Burnett’s team is willing to work out package deals for investors around renewal prices and payment plans. For example, he noted, video games sold under a payment plan.

"There are significant opportunities for investors to take advantage of pennies-on-the-dollar pricing, which many of our domain names have," said Burnett. He also approaches web developers to act as brokers, evangelizing a nTLD to their respective companies.

One thing that makes investors cautious around newer extensions is the lack of perception of high-dollar resales. Pollock responded that comparing resales of the new gTLDs to those of the .com is apples-to-oranges, because .com has a 30-year history, while nTLDs still have that new-car smell. Burnett noted that the new domain extensions have proven just as relevant—if not more so—as their .com forebears in terms of Google SERP placement. "End users, once they see that, are willing to pay for the domain," he said. Burnett said that his son had to build a website for a school project. He chose a .NINJA extension: "it made sense to him," said Burnett, clarifying that his son is a figurative ninja but not a literal one. Similar to the hype around blockchain, said Burnett, these new TLDs have an anti-establishment energy about them. "That’s where we’re seeing a lot of the end-user sales." This bears out in conversations he has with end users, where they’re finding non-dot-com names that speak them much more specifically.

Online backlash of nTLD sales is preventing investors from posting their resales online, said Burnett, because it’s no fun getting trolled. There’s also a lot of conservatism within organizations to dip a toe into the nTLD waters, and whoever owns that aspect of online operations becomes afraid to suggest anything other than the tried-and-true .com. Burnett noted, though, that "if you were a motorcycle club, your ideal name would be motorcycle.club". There will always be some leakage in terms of search traffic when we’re talking about
nTLDs, said Pollock, “but I think that at the end of the day domains are budget-driven.” If they can’t afford their dream .com name, they start to compromise, for example by adding dashes. Now, though, nTLDs give them more on-brand options that are less expensive than staying in the .com space.

“We’re in a shift with how people use the internet,” added Burnett. The Netscape Navigator days are over, and user behavior is changing, and they’re typing in the keywords they’re looking for. Sticking with the earlier example, if you tell a potential customer to check out motorcycle.club, she won’t type in “motorcycleclub.com”, but rather “motorcycle club” into a search engine. Then it’s your SEO game versus that of your competitor.

KEY CONCEPTS
• nTLDs
• Keywords
• Sales strategies

TAKE ACTION
• Look to potential customers’ IT departments as pitch partners.
• Study search habits as they evolve.
• Create a culture of normalizing nTLD usage in everyday speech.

Jebidiah Burnett is a Senior Domain Consultant for Donuts. Bringing more than 15 years of sales experience, Burnett helps drive Donuts’ premium and platinum domain program. He brings passion and enthusiasm to his clients and investors and maintains that new TLDs have created a new world of possibility for brands and individuals.

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Braden Pollock is a well-known domainer and serial entrepreneur who owns several companies, both online and off. Among his businesses is Legal Brand Marketing, LLC, (LegalBrandMarketing.com) which focuses primarily on lead generation for DUI attorneys as well as lawyers in other practice areas. Pollock also owns ScienceFiction.com and recently sold several franchises of Smart Start, an ignition interlock provider with service locations throughout the US (IgnitionInterlock.com, SmartStartofCalifornia.com, etc).

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So... can't we just get a robot to do it? Namemotion CEO Antonio Villamarin gave the NamesCon Europe crowd a non-technical walkthrough on how to apply Artificial Intelligence to high-frequency domain names investment using public data, private data and investing in data science and mathematics to sort those millions of data that we move every day.

Artificial intelligence is 15 million times stronger than during its nascent years. When applied to mathematics (a term that makes most people's hair stand on end, noted Villamarin), AI helps us stay grounded when working off of intuition. The machine won’t be led astray by emotion, which makes it useful in domain-name appraisal.

Picture folding a piece of paper, .1mm in thickness, in half, and do it again, for a total of 54 folds, how high do you think it would be? Villamarin had a surprise for many of us: it would be 200,000,000km high—that’s a similar distance as from the Earth to the Sun. We humans would not generally presume such a result, because it’s counter-intuitive. Artificial intelligence isn’t bound by such emotional presumptions, though.

To minimize the sale of a domain to the minimum timeframe possible, you’d need to optimize the domain type, as well as the possible prices and whom the right customer would be: you’re evaluating both the domain and the customer. A human would have to hustle, but a machine, if properly trained, could do this quickly... and at scale.

Villamarin said that math tells us a surprising amount regarding domain types and their sales. For example, the "shoes" keyword in an domain name (as an example of a domain whose name reflects what the company sells), vastly outsells names that don’t necessarily match what their company sells or does (such as whitesun); as well as those which misspell the keyword, or have some sort of prefix ahead of it (such as eshoes). Those keyword-rich domain names also vastly outperform when comparing domain names sold to domains held in portfolio.

Villamarin pointed to similar math that shows how much more quickly those real-world keyword-based domains sold versus those that used some sort of permutation of a keyword. We’re talking weeks and months compared to years!

"If we buy domains indiscriminately, we might just throw money away," said Villamarin. The important thing we learn from AI is that we can unearth the correlation between the price of a domain and its CPC, he said. (Villamarin used .COM domains in this example.) AI can also evaluate a domain’s competition, he added.

That fast turnaround afforded by AI-assisted market analysis empowers the reseller to find a customer for a newly-purchased domain name in hours. Villamarin pointed out that the data shows how the .es extension is selling at a small fraction of the .coms, and also falls behind .net, .org, and even .de.

"Let’s talk about domain fraud," said Villamarin. Around 20% of a given list shows false prices, he said—he found that out not by guessing, but applying the math, and such is the power of leveraging Big Data: “You can apply it to anywhere that you have numbers.” He uses AI to find which prices are improbably high or low, and then determines the probable price. AI can also generate a buy-it-now price, which can help in reducing negotiation times—which could be time wasted. Your potential clients could already be in your contact list, and you could match that against the economies of where they live and what their entrepreneurial environments are like. For example, namemotion has an 80% chance of figuring out a potential customer’s viability just...
Artificial intelligence is still a bit of a misnomer: it’s not an artificial human brain. You won’t be forced into The Matrix anytime soon. However, AIs are fantastic at doing serious heavy lifting against what we would consider boring and time-consuming work: crunching huge numbers to give you a result even a human can understand.

(Notes that, with GDPR now in effect, you should double-check the personal data you seek and store. Villamarin said that he doesn’t store email addresses in queries like these: he has to gather them for single-use searches each time. He also respects requests to not contact a given lead in the future.)

Villamarin is more interested in the potential clients with higher purchasing power. By narrowing down the range of those clients from a much larger pool of contacts, he isn’t sending a lot of indiscriminate emails; essentially stopping him from inadvertently spamming anyone. By getting help from an AI, you’re using your person-to-person sales skills in conversations with the right people at the right time.

Antonio Villamarin is a Mathematician with an Astronomy and Computer Science specialty. He is the founder and CEO at namemotion.com, an AI and Big Data company dedicated to high frequency domain name investment. He is an active investor in tech companies and a new investor in six startups. Villamarin has been a domain investor since 1997 and a founding partner of the former Association of Investors in Domain Names. He is passionate about travel, music, and reading to absorb information and intellectual challenges.

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A dynamic panel of industry leaders gathered at NamesCon Europe to discuss how to effectively value a domain portfolio. Alan Shiflett, Senior Manager of Aftermarket Sales at GoDaddy; Antonio Villamarin, CEO of namemotion.com; Ana Paula Vázquez, Country Manager at Sedo; and Adam Wagner, Account Manager with Team Internet AG, shared useful real-world examples and case studies with attendees.

Villamarin said he uses AI to find the relationship between common data for past sales involving a given keyword. “We are trying to divide the different spaces of a domain.” Shiflett said that a domain name is more valuable when potential customers can actually use it. For liquid names (as opposed to brandable names), he said, it depends on how long you plan on holding onto them. If you’re not planning on selling right away, apply a higher price and wait until the market catches up. Otherwise, apply a buy-it-now or wholesale price to encourage quicker turnover.

Vazquez said that direct experience with certain markets can give the seller the edge, which bots can’t always deliver. Shiflett agreed that estimation bots can help you “when your brain turns to mush from looking at hundreds of names,” though. “The data is your friend,” said Villamarin, referencing his earlier talk on using artificial intelligence to power the valuation process.

Wagner said that his approach is a bit different: he sees appraisal and value estimation as different things. A domain name’s value is quite flexible: “I don’t necessarily like estimation based on data and previous sales, because one piece of data when placed next to another is totally different.” Making an appraisal of particular names in a portfolio requires understanding the business that could run based on those names. Wagner noted that business analysis is the core of the valuation process, which can prevent you from “leaving money on the table.” Vazquez said that there are all sorts of market characteristics, including CPC, that inform the value of a name.

Vazquez said that she’s not the biggest fan of those free valuation tools: “We use [them] only as part of the information we need, and then we always contact a professional” when it comes to valuation. Still, said Shiflett, those estimation bots can give you a good starting point when it comes to determining a price for that domain name you want to sell.

Vazquez said, “I have personally sold names for ridiculous amounts of money that were worth ten percent of that.” Shiflett added, “We recommend putting a buy-now price on [your name]. You’ll get more buyers that way.” (Namefind doesn’t display prices for names over $50,000, but most names will obviously be valued below that.) Also, inbound inquiries can change the dynamic of that sales conversation (as moderator Braden Pollock has used to his advantage on more than one occasion).

Vazquez said that the domain market is not comparable to the real estate market—most people understand real estate to some degree; but registries, registrars, and aftermarkets need to work together to educate the public on the value of domain names.

“Leaving money on the table is not the problem for many domainers,” said Wagner. Lots of unsold names, on the other hand, is the problem. Shiflett agreed, saying that swinging for the fences on every pitch means that you’re missing out on hitting singles and doubles: most domainers just don’t have those ultra-high-dollar names in their portfolios, and that’s okay. You can’t make a living on home runs alone.
Thursday June 7

Domain Portfolio Valuation

KEY CONCEPTS
• Valuation
• Research and market analysis
• Big Data

TAKE ACTION
• Examine your sales strategy: quick turnaround or the long game?
• Explore your role in education around the wider industry.
• Look inward: how will you balance desire for big numbers against desire for quick turnarounds?

Alan Shiflett currently serves as a Senior Manager for the Aftermarket at GoDaddy/Afternic. Alan’s primary responsibility is managing the relationships/optimization of top Partners- both resellers and sellers. He loves sharing the best techniques sellers can implement to maximize their portfolio sales. Alan is passionate in helping others succeed by leveraging the tools that GoDaddy/Afternic has to sell more domains and grow their portfolios.

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Antonio Villamarin is a Mathematician with an Astronomy and Computer Science specialty. He is the founder and CEO at namemotion.com, an AI and Big Data company dedicated to high-frequency domain name investment. He is an active investor in tech companies and new investor in six startups. Antonio has been a domain investor since 1997 and a founding partner of the former Association of Investors in Domain Names. He is passionate about travel, music, and reading to absorb information and intellectual challenges.

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As a part of the international sales management team, Ana Paula Vázquez leads the Country Managers at Sedo, the world’s largest domain trading platform. For the last three years she has been coordinating and managing the development of various markets within the company. Ana Paula supports the development of these markets by utilizing her knowledge of the industry, including parking and brokerage. This knowledge is combined with her international experience in the publishing and design industries and her proficiency in the Spanish, English and German languages.

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Adam Wagner is currently an Account Manager at Team Internet AG in Munich. Besides providing impressive revenues as Premium Domains Channel Manager at London-based CentralNic Group PLC, He was working as a strategic advisor for CEOs of CentralNic, registries and registrars. Wagner too part in the restructuring process of the former world’s most exclusive portfolio of 2-letter .com domains. Wagner has unique experience in all types of domain companies ie. registrars & resellers, domain marketplaces, brokerage firms, domain investment funds planning acquisitions and online brand protection providers. This makes Wagner one of the most competent professionals in global domain business. As the owner of his private GCCInternet.com, Wagner has been providing domains for highly reputable clients including the United Nations Development Program and Qatar Airways.
"We have updated our Privacy Policy"... You’re sick of seeing that message in your inbox now that GDPR has come into effect, but what does it mean for you and your domain business? Michele Neylon, CEO of Blacknight Solutions, and Thomas Rickert, Managing Director of Rickert Law Firm and leader of the eco Names & Numbers Forum, met with moderator Kevin Murphy, journalist and blogger for Domain Incite, at NamesCon Europe to discuss the effects of Europe’s General Data Protection Regulation, which is having an impact all around the world.

ICANN changed WHOIS policy just before GDPR took effect, removing some of the publicly-visible fields. Rickert said that he and his team gave a lot of thought to how data can be collected and distributed, and who will get access to it in a post-GDPR world. "Ultimately what GDPR requires you to do... is to only process personal data in a way that’s compliant." There is a limited catalog of cases where data sharing will be considered legitimate under GDPR. "You have to tell a good story," he suggested, if you want your data management to pass muster. "There’s a lot of heat at the political level," he said: "I call it [the] WHOIS war." What you can do, said Rickert, is process data if you have a legal basis based on consent ("quite a complex thing in the domaining world!") or for performance of a contract. So you need to know to whom you need to register a domain, but whether to publish (and to whom) is another question.

When you have an interest in a registry to search a database for illegal activity, you can make that request of the registrar, but you can’t use that data for anything else without additional consent. If you don’t get consent all the way down, the end users can challenge you, he said, "and you’ll likely lose."

Neylon notes that you could put anybody’s name as a contact when registering a website: "Nobody’s gonna validate it, nobody’s gonna verify it." Rickert said that legal grounds for even that initial data collection must exist. Most contact details were the same across various registrant roles, he said, so the court didn’t think that additional data would be needed for these administrative and technical contact fields. "Contactability is usually given through the registrant," Neylon said, and that there’s no apparent documented rationale for some of these data collection rules. This industry community, he said, needs to come up with that rationale. "Just because we did it this way for the last 20 years" isn’t good enough, he said.

"The practical issues are what we all care about," said Neylon. "We’ve had to change our modus operandi." His staff can still see who’s making WHOIS requests, but now can’t give out that information. "Nobody’s gonna validate it, nobody’s gonna verify it." Rickert said that legal grounds for even that initial data collection must exist. Most contact details were the same across various registrant roles, he said, so the court didn’t think that additional data would be needed for these administrative and technical contact fields. "Contactability is usually given through the registrant," Neylon said, and that there’s no apparent documented rationale for some of these data collection rules. This industry community, he said, needs to come up with that rationale. "Just because we did it this way for the last 20 years" isn’t good enough, he said.

"The practical issues are what we all care about," said Neylon. "We’ve had to change our modus operandi." His staff can still see who’s making WHOIS requests, but now can’t give out that information. That info is key for registrar-to-registrar domain transfer. In some case, there’s not even a way to send emails to registrants anymore. You don’t get this problem with a lot of ccTLD transfers, he added, because it’s done through the EPP key and that’s it. [Also known as an AuthInfo Code, this is a complex code generated by a domain registrar that identifies the holder of a given domain.]

Neylon notes that you could put anybody’s name as a contact when registering a website: "Nobody’s gonna validate it, nobody’s gonna verify it." Rickert said that legal grounds for even that initial data collection must exist. Most contact details were the same across various registrant roles, he said, so the court didn’t think that additional data would be needed for these administrative and technical contact fields. "Contactability is usually given through the registrant," Neylon said, and that there’s no apparent documented rationale for some of these data collection rules. This industry community, he said, needs to come up with that rationale. "Just because we did it this way for the last 20 years" isn’t good enough, he said.

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We’ve got 12 months to change ICANN’s temporary specification resolution and transform it into something we can all live with, but
Neylon doesn’t see that happening: “The tiered access is a mess. It’s an absolute mess. It takes ICANN 12 months to order coffee!” He said that the ICANN policy development process (PDP) is “painfully slow”. Still, Neylon noted that it’s dangerous to assume that the current “broken” WHOIS situation will be like this forever—he said that that won’t be the case: these inconsistencies and pain points can indeed be fixed. His team sent an email to their entire customer base, and from that got roughly 200 requests for erasure, updates, or changes to various data points. That was out of a user base of around 100,000.

Rickert said that you have to have a data erasure policy, since GDPR has rules around what data can be kept for how long: “The data you get today you can keep, as long as it’s GDPR-compliant.” And if you obtained existing user data in a way that conforms to the new GDPR rules, you can keep that too.

There may be legitimate rights for a data-holder to display data that may supercede the rights of the data-owner. Rickert couched this idea in very careful terms, though, since GDPR is so new and its implications mostly untested.

Yes, it’s frustrating, but this industry is now in uncharted territory as GDPR shakes out in its initial implementation. Stay tuned, stay sharp, and try to remain calm.

Panel session at NamesCon Europe 2018

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KEY CONCEPTS

- GDPR
- ICANN
- Data privacy

TAKE ACTION

- Keep an eye on how GDPR-related lawsuits play out.
- Read ICANN’s and Tucows’ respective press releases on their lawsuit.
- Double-check your own compliance—what seems like a normal data request could now increase your exposure.
- Strap in for what will be a wild ride as data-request use cases are argued.

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Michele Neylon is the founder, owner, and CEO of Blacknight. Michele is an active and outspoken member of the Internet industry. He currently serves on the ICANN GNSO Council as one of the representatives of the Registrar Stakeholder Group. He is also Chair of the Internet Infrastructure Coalition. Michele is actively involved in Internet policy development, his focus is primarily European Internet concerns and policy. Michele was the recipient of the 2013 IIA Net Visionary Award as well as one of the first inductees into the Irish Internet Hall of Fame. In his spare time, Michele is a multilingual, award-winning, social media evangelist, blogger, and film buff.

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Thomas Rickert is Managing Director of rickert.net, which specializes in the legal issues of the digital economy. He is also a leader of the eco Names & Numbers Forum at eco.de. From 2011-2014 he was a member of the GNSO Council at the Internet Corporation for Assigned Names and Numbers (icann.org) and is currently Co-Chair of the CCWG-Accountability at ICANN, which develops recommendations for the improvement of ICANNs Accountability and is one of the authors of the eco GDPR Domain Industry Playbook.

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Kevin Murphy is a journalist and blogger who has been writing about the domain name industry for almost 20 years. His first ICANN meeting was ICANN 2, in Berlin in 1999. He founded Domain Incite in 2010 in order to analyze the intersection of business and politics in the domain name industry. Murphy has written for Datamonitor, ComputerWire, Computer Business Review, The Register, TechWorld, Thing and Domain Name Wire. Domain Incite has been cited by The Guardian, The New York Times, The Wall Street Journal, The Boston Globe, CBC, as well as myriad less reputable publications. After a lengthy stint in San Francisco, California, Murphy is currently based in London.

domainincite.com

Reference Links:
Domain Monetization Panel
Frederick Schiwek, James Tuplin, Joel Ghebaly, Michael Bereslavsky, Yancy Naughton

The first morning of NamesCon Europe 2018 featured talks on domain appraisal, but then it was time to approach one of the most important aspects of owning a domain name: monetization. Michael Bereslavsky, founder of Domain Magnate; Frederick Schiwek, CEO of Zonat S.A; Yancy Naughton, founder of Hastraffic; Joel Ghebaly, Head of Product Management at Sedo; and James Tuplin, Director of Business Development at Bodis gathered to focus their industry expertise on the sometimes-mystifying task of monetizing your domains.

Bereslavsky said that it was important to have a strategy that involves your whole portfolio: some are good for parking, some for development, and some for selling directly to users: "I think once you have a strategy in place, you can look into developing specific tactics." You can then see, over time, which domains are worth renewing. (Those that you drop can become someone else's opportunity: this is an ecosystem, after all.) You can think bigger in terms of development beyond your local business market, he said, but added, "You can try to develop a bigger portal, but you have to understand what it takes in terms of money and resources and time."

Schiwek said that he used to do a lot of parking, but has since added other monetization strategies. "We made much more money with affiliates," he said, making deals with brands using zero-click implementation (basically, full-page ads without the need for a click-through: kind of like a redirect). "When a domain name is already earning in parking and making pretty good traffic, you can be sure it can earn five times more in affiliate [deals]," said Schiwek. Removing the ad agencies and mechanisms from the relationship gets you nearly halfway there, he said. Naughton said that parking companies are the least of your worries: Google is taking the lion’s share of the ad revenue. “You’re not in their business plan,” said Naughton: “They don’t know you exist!” Ghebaly said that working with Google is okay for parked and zero-click pages. Schiwek has internal methods based on IP address to separate mistyped-URL visitors from those who are seriously interested in buying a domain. He and Schiwek agreed that porn traffic, for example, isn’t that valuable for Google, but it can be valuable for domain holders for redirect purposes. Sex.co, which moderator Braden Pollock owns, gets around 600 visitors per day; the panel had, shall we say, various strategies for what to do with that domain. On a more serious note, dating sites actually have the more valuable traffic these days, said Naughton; depending on where in the world the traffic is coming from. Porn can easily be found for free which killed the attempt at monetizing a subscription model, while dating sites and apps command premium paid relationships with their audiences.

Schiwek said that it’s worthwhile to optimize your portfolio to target maybe 10 advertisers. This will simplify your strategy and empower you to know your clients on a personal level. Also, he added, “you’ll know immediately when someone’s trying to screw you up!” It’s also helpful to focus on a limited number of verticals, or themes, for your domain portfolio.

Geotargeting can lead you to the right A/B testing, said Schiwek. For example, if you’re getting traffic from a region where everyone’s using mobile (such as South Africa), there’s no point in testing out a page optimized for desktop computers. User experience is important even for parked and zero-click pages.

Tuplin has been involved in the parking industry for a decade, and now he’s seeing the ad-revenue relationship expanding beyond Google alone. “The reason why is that you’ve got multiple channels available to you... Also, type-in traffic has decreased.” This is because people arrive at websites through social media. “As far as ‘Will it decrease further?’ - absolutely!” Voice search is changing online navigation, he said, and this will increase through the rise of tools like Alexa. “Type-in traffic will keep dropping, but the revenue opportunities will be even greater.”
Naughton said that autocomplete, as found through Google, is effectively a method of stealing traffic. Tuplin also pointed to ad blockers as obstacles for discovery of available domain names. (Those ad blockers are meanwhile charging advertisers to get their own ads whitelisted, he said: “It’s not a savory business!”) Ghebaly mentioned that Google is releasing its own ad blocker for Chrome, which will eliminate the most annoying ads—this in turn will reduce demand for the existing cadre of ad blocking tools. Viewers are willing to put up with ads, he said, as long as those ads aren’t annoying. “They want to close the circle,” said Naughton. “They’re a monopoly, [so] they’re going to act like a monopoly.” (Microsoft used to effectively own the internet; and Chrome and anti-trust legislation were the spears that stabbed Redmond’s Achilles heel.)

Tuplin looks at the length of a domain name as well as how long he’s owned it and what sorts of previous offers he’s gotten. He also looks at where that name’s traffic is coming from. Should a name not perform in search and discovery, he’ll drop it. Actually, Tuplin said he’ll delete names before they even expire, just to keep a clean portfolio. Naughton said that you can enable push notifications on developed sites these days. You can even add a script that activates the Back button, so a viewer clicks back to a page which you determine—and a domainer can sell that discovery opportunity to advertisers or brands.

Bereslavsky suggested growing your social media presence and developing particular pages for selling particular products. You can also get visitors to join your mailing list or opt in to push notifications from a particular site. This is oddly effective, said Naughton, as horribly-designed sites force the user to click to another page just to escape!

Sedo’s success, said Ghebaly, comes from assessing quality. That could mean an occasional slowness to implement new tools, but has kept them ahead of the game in the long run.

There was a point when pop-ups and pop-unders were unheard of, but then they became the norm. Now we’re seeing behaviors triggered not only on the page, but in the browser itself. When it comes to monetization, said Naughton, “If you think inside the box, you’ll only be relying on Google.”

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**KEY CONCEPTS**

- Domain monetization
- Parking
- Redirects
- Advertising

**TAKE ACTION**

- Explore the redirect value your parked domain could have to a user.
- Research ways to engage visitors beyond the initial page visit.
- Keep an eye on how Google is subtly changing how we use the web, and anticipate how you’ll react with your developed or monetized pages.

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Frederick Schiwek is the CEO of Zonat S.A., the co-founder of Domain Invest SA, and co-founder and CEO for other technological companies; including Hosting.co.uk and Hosting.uk. He is reputed for his contribution as the EVP of Euro DNS (founded in 2002). Today, he has accumulated just over 20 years of experience and expertise in Domaining. Frederick emerged as an authoritative voice in the Domain Name sector. He frequently presents at DOMAINEst and NamesCon Europe among other conferences. In addition, he is an influencer and advisor to a number of Domain Name conferences and events. Schiwek cofounded Domain Invest SA and served as Managing Director in 2008, which significantly pushed him in the Domaining big leagues. He would go on to do business with the top heads in the Domain industry with people like Xavier Buck, in Europe and Daniel Negari in the US. Two years later in 2010, Schiwek made news by selling VooDoo.com for 300k to Donny Simonton from Parked.com. It was around 2012 when he started Hosting.co.uk, a leading web hosting business in the UK.

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As the Director of Business Development for Bodis, James Tuplin has over a decade of experience within the domain industry and is currently the Director of Business Development for Bodis. James manages some of the largest domain portfolios worldwide and is responsible for both publisher and advertiser relationships. The secret to his success? Transparency and honesty.

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Joel Ghebaly is Sedo’s Head of Product Management. In this role, he manages a team of four talented product managers who are all dedicated to developing Sedo’s platform, consisting of its Marketplace, SedoMLS, Domain Parking, and other Domain Services. Joel has been an employee of Sedo since 2005 and has held positions in Sales, Marketing, and Product Management. He formerly held Marketing positions at Microsoft France and Web.de. Joel holds a Bachelor’s degree in Economics and Finance from IEP Strasbourg and a Master’s degree in International Business from the Universities of Paris XIII and Freiburg in Breisgau.

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Michael Bereslavsky is an online business entrepreneur and investor. He started building, buying and selling websites in mid 2000s and later founded Domain Magnate in 2008 to focus fully on the website investment opportunities. Domain Magnate facilitates fast acquisitions and sales of online business by buying directly from owners, or brokering website to its clients. Michael specializes in M&A of content, news, affiliate, e-commerce, SaaS and cryptocurrency businesses. He consults entrepreneurs on buying and selling web businesses, marketing and growth strategy, cryptocurrency and domainin. Michael is also an active domain investor and trader, startup investor and a real estate developer.

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Dropcatching is simple in concept, but not so simple in practice. NamesCon Europe attendees learned the ins and outs of dropcatching from a panel of experts. Shaun Wilkinson, COO of Nidoma.com; Ivo Van Soest, founder and CEO of Sonexo; Erik Lambrechts, co-founder and CEO of CatchTiger.com; and David Chelly, Lecturer at Paris Business School discussed how investors can use dropcatching to increase their domain name inventories.

Wilkinson confirmed that dropcatching is indeed still a thing—just not always involving .coms: “We’ve always had our own ccTLDs that are very popular, very well-known.” That can lead to diversified portfolios that have plenty of room to appreciate in value.

Chelly spoke as a customer: “In two hours, I can make my money back! Buying a domain can be very powerful.” He said that he focuses on buying French names, because it’s cheaper and more devoid of headaches: “It’s easier for us than .com.” (He knows of buyers who have picked up names for fifty cents.)

Wilkinson’s company focuses on .it and .es, but is looking to start acquiring .de and .uk names: “.de is ready but we haven’t started marketing it.” He noted that there are only so many hours in the day, and doesn’t want to spread Nidoma’s resources too thinly.

Van Soest said that Sonexo’s portfolio is comprised of 70% .nl, and 30% other European countries. CatchTiger also specializes in .nl, said Lambrechts, who added, “We don’t have a portfolio ourselves, we are not domainers. We only sell expired domains via auction.”

Chelly notes that brandable names with a French extension sell very well. They sell at higher prices, albeit at lower volumes. Selling is getting easier in a market he described as lively, mainly due to end-user uptake: “SEO clients, they want domain names. Now a plumber is going to buy a domain name!”

Wilkinson and Chelly discussed generic versus brandable names, and an insight emerged that memorability is more important than linguistic crossover—that’s a big issue in Europe, where so many languages are used in very close proximity. Each European country’s market is a bit different, in terms of brandable or generic names being more popular... and that dynamic changes like the tides. Van Soest said, “If you have a lot of small shops, the keyword domains become more relevant”: a small business owner who snags the generic-keyword for the product she sells will establish instant relevance in local search. Lambrechts said that European countries crave names that are nationally relevant, and thus seek out their respective ccTLDs. Van Soest said that these ccTLDs rank better in search as well, when being sought by locals.

Chelly suggested that generic-keyword names should not be too on-the-nose. He lamented buying an “energierenewable” name, for which he felt he overpaid: it’s a long name, and its idea could be conveyed in a catchier way. Wilkinson said that, while Nidoma doesn’t dropcatch to build its own portfolio, it seeks out names for its clients—“Everything and anything, to be honest.” He said that Nidoma makes a lot of money from dropcatch resales where there’s only one prospective buyer. Sure, you’re not buying a yacht with the proceeds, but there are a lot of sales like that; as opposed to the much rarer bidding wars. He did note, however, an auction that netted €26,000. Van Soest said that traffic names are essentially equal to SEO names. Traffic names are on the decline in Europe, though, he added. Chelly said that if you want to sell a good brandable name, you can do so for €5,000 easily. However, those €50 sales are much higher volume, and speak to a growing market.

Ultimately, Chelly said, when it’s time to sell his business, it’ll be more valuable if it has more customers attached; even if those customers aren’t constantly making big-ticket purchases. Chelly said that he doesn’t make a lot of money from the resales themselves, but rather from monetization: “95% of my turnover will be selling links and sponsored articles.” (“You buy for €50, you sell for €50?” “Exactly!”) Wilkinson said that some of Nidoma’s clients buy names for parking purposes. “Their aim may be to catch it in order to sell it, but in the meantime they park it.”

Van Soest said that Sonexo sells around 2,000 domain names per year. You have to have some really good names that get a lot of traffic to make money in your first year, and you ditch the ones that aren’t looking like they’re attracting much attention: “Every quarter we also drop quite a few names.” Traffic names are the cheapest names Sonexo sells: “We let them go for a few hundred Euros.” If names can’t make back their registration fees, Van Soest and his team have to make the call on whether those names have brand value that make them worth keeping. He gets help from an algorithm, but the go-no-
go decision is made by a human—which would be the culmination of a five-year process: "We need to get the data!" Van Soest added that while AI is changing the game (as the NamesCon Europe attendees heard during Day 1), there’s not yet a replacement for human assessment.

The panel all had issues where a dropped domain’s previous owner had forgotten to renew—a lamentable (and often expensive) mistake. Wilkinson wanted to remind the world of this amazing innovation called automatic renewal. For his part, Chelly said he doesn’t mind giving back domains to distraught former owners (sometimes companies) who accidentally lost control of their domains: "It’s very easy to make money in [domaining]," said Chelly, "but in my opinion, our job is not to steal [people’s names]." While catching an accidentally-expired domain name is perfectly legal, said Chelly, the practice makes him queasy: "We should think of the lives of those people." Lambrechts passes on those sorts of complaints to his clients, but doesn’t get directly involved in issues between new and previous owners. (The term "ransom" came up from the crowd during Q&A: there’s more empathy in this business than people may realize.)

Wilkinson said that customers looking for SEO domains make up a small proportion of his clients, compared to those looking for brandable or company-use names. Lambrechts noted that it can be tough to tell whether a name is valuable from an SEO standpoint or not: it depends on the vectors of the incoming searches.

When you catch a domain name on the drop, you’re not just getting that name: in a sense, you also get its history.

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**KEY CONCEPTS**

- ccTLDs
- SEO and local relevance
- Portfolio management
- Empathy

**TAKE ACTION**

- Consider the ideal end-user of domains you catch on the drop.
- Research local laws around holding ccTLDs: registrations can be challenged.

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**David Chelly** has a PhD in Management Sciences and lectures at the Paris Business School in France. Although Chelly has spent the last 15 years purchasing and selling domain names and websites, he now prefers learning about domaining aspects such as SEO, law, branding, marketing and innovations. Born in Tel-Aviv, he lives in Spain with his Czech kids. Chelly manages services such as Domstocks.com and Netlinking-fr.com, and is the co-organizer of the Paris annual domain name event NddCamp.

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Erik Lambrechts is the co-founder and CEO of Catchtiger.com. CatchTiger mastered the art of dropcatching and is known for its open and transparent auctions where you can buy and sell ccTLD domain names. CatchTiger currently offers 100,000 ccTLD auctions a week. Erik started CatchTiger.com four years ago from his experience in online marketing. He has a BBA degree in marketing and is based in Breda, the cozy south of the Netherlands.

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Ivo Van Soest is the CEO and founder of Sonexo. Based in the Netherlands, Sonexo owns and operates one of the largest European ccTLD portfolios. The portfolio was acquired mostly via dropcatching and takeovers. He is also a part of the Marketing Commission of the Dutch Association of Registrars (VvR). Van Soest has a Master Degree in Business Informatics and 13 years’ experience in the domain name industry. GCCinternet.com, Wagner has been providing domains for highly reputable clients including the United Nations Development Program and Qatar Airways.

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Shaun Wilkinson is Chief Operating Officer at Nidoma.com. Shaun possesses over 10 years of experience in the domain and e-commerce industries, and has helped leading e-commerce companies from various continents to develop their online business. Shaun speaks three languages fluently, three others less fluently, and in his spare time is the founder and Managing Director of a small Germany-based charity that supports a school for children from poor families in Kenya.

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GoDaddy has learned a lot by operating its own portfolio of over 700,000 domains. Joe Styler, Aftermarket Community Manager at GoDaddy, shared with the NamesCon Europe audience how best to acquire, price, list, and sell domains based on data and experiments over the past several years: “We want to help you understand the best ways to make money in the aftermarket.”

Besides offering around 14 million names for sale in its aftermarket, GoDaddy unlocked a dormant portfolio at an amazing wholesale price... but had never actually managed a portfolio for sale like that before—it had only really managed its own company's brand.

“If you don’t have a strategy, you’re not gonna win,” said Styler, “and that strategy has to be backed up by data.” There are hundreds of thousands of expired names coming into GoDaddy’s aftermarket during any given month: it’s hard to parse, so you need some algorithmic help in narrowing down the list. GoDaddy’s auction listing tools help you do that pretty easily, said Styler, and you can set push notifications so updates are sent to your phone.

If Styler’s looking for a great .com name, he’s also looking for its .net, .org, or ccTLD equivalent. As mentioned in Day 2’s dropcatching panel, Styler isn’t about taking someone’s accidentally-dropped name; rather, he’s looking for available names around which a business can be built.

“If you don’t have a strategy, you’re not gonna win,” said Styler, “and that strategy has to be backed up by data.”

Once you have these good names, you need to be able to monetize them,” said Styler. His team used data—internal and external—to develop deeper insights into trending names. This came in handy while evaluating cryptocurrency-related names and CHIPs (Chinese premium names). “You need to use the data available to make better buying decisions.”

GoDaddy uses three different algorithms to perform a first round of machine appraisal, using different methodologies such as keyword, lead volume, and comparable sales. Human appraisers step in next, and once-divergent valuations begin to converge. Then at least two approvers—also human—step in and normalize the prices based on how other names are selling through NameFind, arriving at a buy-it-now price. That can only be done at scale, said Styler, when you have machines helping you during the first phases of the process. (GoDaddy’s valuation data on ccTLDs is still a work in progress, Styler noted, due to the lower volume around those names.)

GoDaddy found that the sweet spot for pricing the names in its portfolio was between $250 to $5,000. The $1-2.5k was the sweetest spot of that sweet spot. Buy-it-now prices lead to three to five times as many sales, said Styler, noting that domain names tend to be impulse buys. However, the higher-priced names are handled differently. “Anything more than $50,000, we don’t put a [buy-it-now] price on it.” Styler said that he wants GoDaddy’s customers to be successful with the names they buy, because that fuels the entire industry ecosystem; rather than a one-shot deal with a name that’s ultimately worthless. “Think about the different ways you can use the data we have available to help you,” he said.

Over half of the names GoDaddy sells, said Styler, go for between $1,000 and $5,000. For companies looking to brand, that kind of money isn’t that big a deal. In that case, a four-figure price tag is a good thing from an optics perspective, he added: the prospective buyer will then feel that the name isn’t junk.

Styler added that getting on the phone is important, leading to a 46% higher close rate: “You can overcome objections, you can ask them questions, you can find out what they want this name for.” Once you start that conversation, you can convey the value of the name they’re considering; both to them and potential competitors.

If you have thousands of names, acknowledged Styler, volume becomes a problem. This becomes tough for a solo domainer to manage. GoDaddy has a sales team assisted with software tools to
enact its person-to-person sales strategy. Still, he said, "We do get tire-kickers... but you're able to convert some of those tire-kickers." Comparables are a powerful tool, said Styler, in convincing clients that a name indeed has value. This is good for educating individual buyers and for getting a company's employee to champion the sale within his or her organization.

Speed is also key, he said, pointing back to that impulse-buy dynamic: if his team can get potential customers on the phone within 24 hours of first contact, they have a 20% higher close rate.

"It all starts with buying smart," said Styler: you'll make better money if you're selling better names. "We want to help you sell," he said of GoDaddy's 6,000 staff around the world who literally do this all day. "If you're not making money, come and talk to us."

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**KEY CONCEPTS**

- Valuation
- AI and machine learning
- Aftermarket
- Sales strategy

**TAKE ACTION**

- Don't rely solely on your gut: develop data-driven strategies for buying and selling.
- Don't reinvent the wheel: test-drive some of the well-established evaluation and sales tools that are out there.
- Get ready to pick up the phone: use those interpersonal skills.

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**Joe Styler** currently serves as Community Manager for the Aftermarket at GoDaddy. He is primarily responsible for the voice of the customer at GoDaddy's aftermarket. Previously Styler has served in other Director and supervisory roles at GoDaddy during his 12 year tenure with the company. He is a frequent blogger, speaker, and enthusiast of education around domain name investing. His passion is seeing his customers become successful in their business goals when using the aftermarket. He has been interested in helping people with transactions on the Internet for over 20 years. Styler received his B.A. from Moody Bible Institute in Chicago, and his Masters in Divinity from Gordon Conwell in Massachusetts.

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In a hyperconnected world, no sector of the economy will be untouched by technology—only those who adapt quickly to technological change will be successful. How is Europe performing, and what’s coming next? Lars Steffen, International Director at the Association of the Internet Industry (eco) brought NamesCon Europe up to speed with a fast-paced, holistic overview.

Steffen listed the main drivers of the internet economy as follows, while wondering aloud whether this transformation will bring about global benefits, or whether some of us will fall behind.

- **Digital and physical world:** Services will become more efficient and data-driven. Economies and societies will transform as we engage in new forms of interaction. Ensuring cyber security and making sure privacy safeguards are in place will be key. Interoperability and open standards will be necessary, he said, to keep everything functional.

- **Artificial intelligence (AI) and the internet of things (IoT):** These will present new socioeconomic opportunities, though human and machine will grow closer than ever. This future, Steffen noted, will not be evenly distributed. We have to step up our ethical considerations of the ramifications of smarter machines that are more entrenched in our lives. “We have to make sure when we decide how AI makes decisions,” said Steffen “that humans stay in the driver’s seat.” He cited the controversy over Google supplying AI knowhow to the US military. Also, he said we have to figure out how the principles of interoperability are challenged by AI.

- **Cybersecurity:** We’re increasingly dependent on networks, even as security challenges mount. As governments come under pressure to respond to those cyber threats, said Steffen, there’s a very real risk that freedoms will take a back seat to security: “The more risk to critical infrastructure, the greater the perceived need for government to intervene.” Responding to emerging threats, he added, require multistakeholder and expertise-driven responses. “In general,” he said, “insufficient attention to security can undermine trust in the internet.”

- **Internet Economy:** There will be significant growth here: “No sector of the economy will be untouched by technology, and only those who adapt quickly will be successful,” said Larsen. Businesses have to think and act like tech companies, he said, no matter what they sell. Are you selling a car? No, you’re selling a platform for digital services. Digitalization is reshaping business models, which is affecting local businesses in different parts of the world with different degrees of severity. He warned that market consolidation trends are spurring “walled gardens” that spur interoperability.

- **Networks, Standards, and Interoperability:** The IoT will lead to unprecedented hunger for bandwidth and data, said Steffen: end users will be constantly connected to the internet, eventually without even being aware of it. The nature of transit will change, and the traditional hierarchy of networks is flattening: backbone, access, and enterprise networks are finding their borders blurred. Meanwhile, he said, developers are relying more and more on proprietary standards. “This will be a barrier to innovation and interoperability,” he added.

- **The Role of Governments:** As the internet expands into our economies and societies, governments will be challenged to redefine their roles in citizens’ and corporations’ lives. The private and public sectors will blur even further, said Steffen, noting that government decisions could threaten cross-border data flow as well as domestic voices of dissent.

The areas of impact of these seismic shifts, said Larsen, are as follows:
• **Digital divides:** Availability of technology will be linked to availability of economic opportunities. (Or, as sci-fi author William Gibson wrote, “The future is here, it’s just not evenly distributed.”)

• **Personal freedoms and rights:** Cyber security becomes more important as more of our lives end up online. This places pressure on human rights such as freedom of expression and privacy. Meanwhile, smarter AI and more ubiquitous IoT pave the way towards a surveillance society.

• **Media and society:** The internet can expand democracy, but it also creates the environment for trust-undermining elements like trolling and fake news. Anonymity and free expression are challenged by efforts to control things like harassment and online extremism. Steffen noted that the distribution of responsibility for managing this online shift will reshuffle the roles of the public and private sectors.

So, what do we have to do to make sure our future world isn’t a dystopia?

• **We need permissionless innovation,** said Steffen. This means building infrastructure to make that happen in the form of gigabit societies, cities and regions where access to reliable, high-speed data flow is the norm. Embracing the digital economy is necessary for every European nation, Steffen said. “We can create a digital single market that’s being promoted,” he said.

• **Net neutrality** will be key to a healthy online future, said Steffen.

• **Copyright reform** must be comprehensive, said Steffen, to match the shifts in the digital world.

• Promoting **cyber security:** if it can be built, it can be hacked. We need a public-private partnership to tackle cybercrime threats, and citizens need the most transparent privacy policies and practices possible. “Users should be able to control how their data is collected, accessed, used, shared, and stored,” said Steffen, and that data must not be used to discriminate against individuals.

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These challenges, opportunities, and responsibilities don’t just face the domain industry, but the overall tech industry; as well as every industry touched by the tech industry. Which is every industry.
As Shakespeare once wrote, what’s in a name? Choosing the correct domain name can make or break your marketing strategy, and can affect the success of any new or existing business. At NamesCon Europe, Ramón Rautenstrauch, founder of Divulga.Media; and Cecilia Moreano, Domains Product Manager with Acens discussed how emerging businesses can choose the perfect name to match your big idea.

While Google says that keywords in a TLD don’t give any advantage or disadvantage in search rankings, said Rautenstrauch, you shouldn’t believe that—he cited a study by Matthew Barby that strongly suggested otherwise. If you’re looking to raise international investment, he said, you should not go for your locally-relevant ccTLD, as it won’t have much recognition abroad. Other nTLDs can boost relevance depending on what the business is about: for example, using .app could be useful if you’re marketing an app, though that particular TLD is too new for us to dig through any reliable data. Still, he pointed to the relatively high SERP positions for some Spanish sites using the .tienda (".store") TLD.

Moreano said that, as a registrar, her company tells customers to look for .com first: “Unfortunately, nTLDs aren’t working yet—this is our experience for the Spanish-speaking market, here in Spain and in Latin America.” Large companies want both the .com and the ccTLD. She added that they need to get the info on nTLDs out there more. Rautenstrauch said that Spanish businesses look for either .com or .es. Moreano said that there was still only a tiny demand for .eu, even after a few high-profile marketing campaigns to sell that extension. “It seems like people don’t want .eu, even though it’s a very inexpensive domain.” Maybe it’s an impulse buy, she said, that can be sold quickly; but if it doesn’t generate traffic then it won’t be renewed.

Rautenstrauch said that there is indeed a conflict here: what’s important is SERP results, so the extension isn’t as important. The .coms can be better value, but so many of the best ones are already taken. When it comes to English-language gTLDs such as .online, non-English speakers don’t always recognize them as extensions. How, then, to clarify this? Rautenstrauch suggested if huge Spanish companies such as Movistar and Teléfonica started using nTLDs, that would be a big step towards normalizing the move into these still-untested waters. Moreano said that analyzing this slow uptake is an industry-wide task.

Moreano said that everyone wants that top SERP position. The client can get mixed messages, though: a registrar may be pushing for a nTLD, the person holding the purse-strings in the company may not be willing to take that risk, though. Rautenstrauch said that having a great keyword-rich domain is really what you need, since someone perusing Google results won’t be looking as hard as what comes after the dot.

"Here in Spain we have 50% .com and 50% .es,” said Moreano, regarding uptake by local companies; while other nTLDs are getting short shrift, even Spanish-language domains like .abogado (".lawyer"). "We get feedback from Latin America, and they don’t know anything about these," she said. Little by little, she said, Ecuador (\.ec) and Peru (\.pe) are picking up and commanding relatively high prices compared to those of their neighbors. Meanwhile, Argentina’s .er was free until quite recently. LATAM TLD managers could be shooting themselves in the foot by overpricing their names, since the wages in that part of the world are relatively low: if you make $150 per month, you’re not going to be buying many $30 domains.

Changing domains over from one TLD to another is a bureaucratic nightmare in Spain, lamented Rautenstrauch; so you really want to get it right the first time.

Rautenstrauch said that it’s great that you can get a keyword-rich domain without spending thousands of dollars on a .com. If sellers can somehow reach big clients through registrars, perhaps it will be easier to get the Movistars of this world to dive in on an nTLD or ccTLD, said Moreano.

“Advertising, of course, is something we could do," said Moreano, citing a recent campaign by .london. This will be easier as more of these nTLDs get large marketing pushes. After enough consistent exposure to these newer TLDs, she said, eventually, customers’ preconceived ideas will shift.
Choosing the Best Domain for Your Marketing Strategy

Friday June 8

KEY CONCEPTS
• nTLDs and ccTLDs
• Branding
• Marketing

TAKE ACTION
• Check comparables in your region to see how ccTLDs and nTLDs are performing.
• Do your best to educate prospective buyers on the potential of newer TLDs.

Ramón Rautenstrauch has been in digital media and marketing since 1998, and now runs Apasionados del Marketing and Divulga.Media. Ramón is an Internet Strategist, SEO, and online marketer specializing in making internet projects profitable. Since his beginnings in the Internet Business he has been closely linked to the creation of online content around tourism, education, healthy eating, sustainable agriculture, superfoods, and healthy living. To distribute that content, he began to register and develop domains.

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Cecilia Moreano is Product Manager for Domain Names at Acens Technologies (Telefonica Group’s Registrar), with presence in the domain market in Spain and Latin America. Cecilia has been working in domains since 2008, and during those 10 years, she has advised several IBEX 35 companies in the management of their domain portfolios and in the acquisition of new domains; she has also participated in the application and management of 3 new TLDs (ICANN New gTLD Program). In addition to her interest in domains, Cecilia has a background in Humanities and Telecommunications Business (studies in Lima, Madrid and Bordeaux). She is Peruvian and lives in Madrid.
Donuts simplifies and connects a fragmented online world with domain names and related technologies that allow people and businesses to build, market and own their digital identities. Donuts holds the world’s largest portfolio of 240 new domain extensions including .apartments, .business, .company, .live, .loans, .news, .rentals and .social.

Donuts holds the largest new TLD premium portfolio. Recent public sales include Vacation.rentals for $500,300 and Home.loans for $500,000. To learn about the other remaining premium domain opportunities, contact us platinums@donuts.email. And be sure to check out www.great.domains to see all the interesting companies using Donuts premium and platinum domains.
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