# Secrets to Tapping into the Billion Dollar Domain Industry

How to Uncover Low Cost Domains and Sell them for <u>MUCH</u> More



# A WealthyAffiliate.com Production

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You hear of amazing domain and website sales all the time, in fact, many of which are in the millions of dollars for a measly domain name.

You hear of websites having IPO's (going public on the stock market all the time).

But where does the potential lie in the domain and website market for people like you and us? Within this guide we are going to discuss the REAL opportunity in more detail and show you how to earn money through domains simply by following a process that many people have been using for years, but many still have NO knowledge about.

The domain and website market is a big deal. **Buying and selling domains is a BILLION dollar business.** Are you ready to claim your chunk of the pie?

Read on...

# How to Find Domains

The first thing we are going to outline is how to find domains, in particular "keyword rich" domains.

A keyword rich domain is a domain that targets a specific keyword. The reason these domains carry a lot of value is that Google and other search engines assume that if YOU own the domain for a specific keyword, it must be your brand, thus they will rank you higher.

An example of this would be "wealthy affiliate". Google naturally ranks "<u>www.wealthyaffiliate.com</u>" the highest because it contains the exact keyword within the domain. The same could go for any search term.

# Let's look at an example, "best dog training program"

If you could pick up "bestdogtrainingprogram.com", you would likely be able to get ranked in the top 3 rankings under "best dog training program" in Google with very little work, simply because you own the keyword rich domain. This essentially leads to A LOT of free traffic, and INSTANT domain value if you can find a domain like this.

That is what we are going to explain in the first section. :)

# So how do you find a keyword rich domain?

The first step that I recommend is taking a broad keyword that is related to your interest and plugging it into a keyword tool like the one available at Wealthy Affiliate, or <u>Jaaxy.com</u>. I will just a pull an example out of thin air here...

"tools"

The research has begun.

The ideal metrics you are looking for are high traffic and low competition. The lower the competition, the more likely the domain is going to be available. You can determine competition by using the keyword tool here at Wealthy Affiliate (Google Competition) or you can quickly find competition across several keywords at once using Jaaxy. Availability for a domain is much more likely with keywords with under a 300 competition.

I then refined my initial search to "woodworking tools" as it was one of the terms initiated off my original search. I know since there is so much competition with this term that no domains are going to be available.

Within these search results, I took a look at the metrics. Ideally I want at least over 100 searches per month and below a 300 QSR (because the likelihood of domain being available goes up the lower the Quote Search Results).

Some terms I came up with were:

[woodworking tools list] 320 searches, 149 QSR [discount woodworking tools] 210 searches, 220 QSR [used woodworking tools for sale] 320 searches, 118 QSR [green woodworking tools] 260 searches, 206 QSR [second hand woodworking tools] 140 searches, 11 QSR [woodworking tool catalogs] 140 searches, 87 QSR

And then from there I go to <u>GoDaddy.com</u> and check the domain availability, or if you are using <u>Jaaxy</u>, you can check the domain availability from right within the tool.

All of these domains were AVAILABLE!

woodworkingtoolslist.com discountwoodworkingtools.org usedwoodworkingtoolsforsale.com greenwoodworkingtools.org secondhandwoodworkingtools.com woodworkingtoolcatalogs.com

Just like that I have found 6 awesome keyword rich domains. Piece of cake right?

#### Where about about local domains?

The exact same type of keyword research can be done for "local type" domains. There are millions of companies all over the world looking to get targeted traffic to their websites and this can be accomplished through local domains.

Like keyword rich domains, if you buy a local domain you can get a 1st page ranking, thus having a good deal of value to a local business. Once you get it ranked, you can either sell positioning on your website, or you could sell the website to a local company. You could even sell the "raw" domain for a profit as many people are doing.

To find these domains, you should start your research with a keyword search on the location, to see what some of the most popular location based terms are.

I started with a search for "chicago", just to get a grasp of some of the hottest searches in Chicago. When you are looking for occupational terms and you can search directly for an occupation if you like.

ex. location + occupation

In this case, I noticed that lots of people were looking for Chicago Lawyers.

I searched:

"chicago lawyer"

There are MANY types of Lawyers. Again, I use the same keyword metrics (less than 300 competition), except this time <u>I don't care as much about the traffic</u> with my keyword research. My goal is to buy a domain under a local search term that will get some traffic.

By this I mean, someone looking for a specific type of lawyer in chicago, what would they type into Google.

Type of Lawyer + Location + State

or

Type of Lawyer + Location

OR

Location + Type of Lawyer

After doing some research, I came up with a list of keywords. I then plugged them into Godaddy and here are some domains that I have come up with that were AVAILABLE:

chicagocorporatelawyer.org personalinjuryattorneychicagoil.org personalinjurylawyerschicagoillinois.com

And some .info/.net domains, which aren't quite as good but still do carry some value. It is still possible to get these domains ranked with some effort, but they are not as valuable as .com or .org domains.

chicagoimmigrationlawyer.info immigrationlawyersinchicago.info personalinjurylawyersinchicago.net

Again, an overview in metrics between a localized domain and a keyword rich domain.

#### **Localized Domains:**

QSR. Look for terms with under 300 quoted search results as they are more likely to be available and it will be quite easy to get 1st page rankings if it has limited competition.

Traffic is not as much of an issue, keyword must make sense from a user and business perspective in terms of what someone would type in if they were looking for this service

#### **Keyword Rich Domains**

QSR. Aim for under 300 quoted search results. It will be far easier to get ranked and ultimately get a return on your investment (in terms of traffic) as you will get ranked much higher.

Traffic. Aim for over 100 EXACT searches per month. The higher the better.

#### Profiting from domains that are not profitable

It is in fact it is possible to earn money off of a website or a domain that is not making any sales. Businesses are often times willing to buy a raw domain if it is marketed correctly or it fits into their upcoming business agenda.

Internet Marketers are interested in buying domains that have "keyword" value, ie keywor rich domains, domains that are easily brandable (cool names, one and two word domains), or sites that are receiving traffic....regardless of whether or not it is making money.

#### The value of putting a site on a domain

I have created a formula for domain value that I thought I would like to share with everyone that will help you with the valuation of a domain and hopefully help you realize the potential of creating domains that are quite valuable...even if the domain isn't keyword rich and you are using other traffic methods like article marketing to get traffic to your website.

#### Daily Website Traffic \* \$0.25 \* 30 days \* 12 months = Site Value

Let's use an realistic example here in 30 days.

Let's say that you have 30 pages of content submitted to an article directory. Using the techniques we outline, this will be getting ranked and driving traffic to your website. The average article will probably get 60 or so clicks per day, so in total you are getting 1800 clicks in the first month. Of these, around 15% will click through your articles to your site, or 270 website clicks per month or 9 clicks per day.

This is bare minimum, but I want to use conservative numbers. Let's plug this into the formula:

9 clicks \* \$0.25 \* 30 \* 12 = \$810

In essence, within the first month (and 30 articles later) at WA you are going to be creating a virtual real estate asset that is wroth something. You could in theory sell this site as many people do.

This is after just ONE month, using very conservative numbers. Think of the potential if you

continue expanding the traffic sources to this domain!

# Where do you sell Domains and Websites?

There are many places in which you can sell domains as well and I will explain a few of them here:

(1) Ebay (not all that active for bids as of late, but still has 1,000's of domain lists)

http://www.ebay.com/sch/i.html? \_from=R40&\_trksid=p5197.m570.l1313&\_nkw=domain+names&\_sacat=See-All-Categories

(2) Flippa (mostly established websites) and some domains. Ideally you want to put a site on it and get ranked first. You are more often than not attracting Internet marketers (tend to be more frugal) than businesses looking to expand.

#### http://www.flippa.com

Here is a case study that Jay did selling a domain on Flippa. Although profit was not massive, it exercises the point. This was a keyword rich domain, not a localized domain.

http://www.jaaxy.com/blog/domain-name-flip-case-study-halo4wiki-com/

#### (3) GoDaddy marketplace

https://auctions.godaddy.com/

(4) Craigslist (business/commercial category)

http://www.craigslist.com

(5) Sedo (ideal for fetching ultimate value on two word domains)

http://sedo.com/us/sell-domains/sell-domains-overview/?tracked=&partnerid=&language=us

#### Marketing your Domains on These Networks

There really is a marketing component to selling a website as well though. What I suggest you do is take a peak at other auctions for similar domains (that have made a few sales), but are getting tons of bids. They are likely positioning their website as being within a "hot niche", "getting lots of relevant traffic", "very scalable", etc.

Don't undervalue your domain either. If it is profitable, you need to really need to determine if you are better off owning this domain for yourself or not as you may be able to scale it, increase earnings, and ultimately create a domain that is worth far more in a mature stage than it is when it is within it's infancy.

Just keep in mind that if you've got a site that's made 5 sales, why can't that be 50, or 500?

You don't want to sell off a site with content that is already converting. Even if you can't work on it right now, holding on to a domain doesn't cost you much. Flipping a domain is a one time payment where selling something from the domain could be income for years.

# Buying value domains, putting a site, then reselling

You will often see domains that are being sold for an astronomical amount of money. Example the other day there was a site on flippa that didn't seem all that popular, but was very expensive:

#### veggievittles.com

They were asking \$1000 for this domain.

And crazy things happen within the Godaddy Auction network and on Sedo every day, as these are geared more towards existing business owners looking to expand, looking to get started, and domaineers who buy, hold and sell domains.

texaspsychiatrists.com, being sold on GoDaddy for \$3,009 with 25 seperate bids

	0	elivernendent com	20	12308	CS1 177	C\$354	Rid \$360 or more	AH 35M
	0	pecc18.org	<u>16</u>	11		C\$354	S Bid \$360 or more	1D 5H
	$\odot$	texaspsychiatrists.com	- <u>25</u>	16473	C\$3,009	C\$404	\$ Bid \$410 or more	5H 6M
	0	gamingstatus.com	<u>25</u>	23210	C\$3,847	C\$404	S Bid \$410 or more	40M 15S
1	$\odot$	bigten fancamp.com	40	450	C\$24	C\$409	S Bid \$415 or more	1D 3H

The person that bought this domain paid no more than \$10 for that domain! :) Now that is some serious ROI!

You will see domain names in the 10's of thousands of dollars that are simply parked and have never had any content on them. The domain business is absolutely massive.

I just ran a test on a local area that I live, Vanvouer, to see if the domain was available for Vancovuer Psychiatrists. Guess what:



It was. This domain would carry a lot of value to any psychiatrist in Vancouver BC. ;)

Some other things you can do is:

realtors lawyers dentists plumbing ...and ANY other profession

Then take:

location + profession + TLD (top level domain). There are millions of these local type domains out there that you could sell to local people in the business.

Think of all the locations in the world. This is PURE power.

Another thing that you could easily do with a domain like that is to get it ranked and start charging local psychiatrists for positioning on your website. There would be several local psychiatrists that would be willing to get traffic. Every sale is worth a bundle to them, so you need to consider that.

If you approach it this way and get just 5 local companies to pay you \$30 per month, you are going to be earning \$4500 off of this one site per year! That is just charging \$30 per month, many would be willing to pay much more. Now that is a sound, long term business.

If you own a .com or .org, it will likely get ranked very quick. You do need to understand that sometimes the Google Places listings eat up the entire first fold of the page, which can take away slightly from rankings, but if you get the top 3-5 you will still be on the 1st page or as mentioned earlier, you could simply sell the domain.

Local business care about being ranked under the terms that people are searching for when looking for a company like theirs. They don't need to know traffic stats nor will they care (likely), they care about the actual search terms they are getting ranked under.

Think of it from a business/customer perspective. What keywords would a plumber from seattle want to get ranked under?

Ex. Vancouver Psychiatrists want to be ranked under terms lke:

Vancouver Psychiatrists Vancouver BC Psychiatrists Psychiatrists Vancouver Psychiatrists Vancouver BC Psychiatrists in Vancouver BC etc.

Get ranked under these types of terms and you are holding onto a valuable domain. Here are some more examples...

plumber seattle plumber in seattle seattle plumber seattle wa plumber seattle plumbers best plumbing seattle plumbing seattle

Then do a bit of keyword research.

plumber seattle 720 searches plumber in seattle 140 searches plumbers seattle wa 140 searches seattle plumbers 480 searches best plumbing seattle 320 searches plumbing seattle 480 searches

Then you need to see if the domains are available:

bestplumbingseattle.org (available) plumbersinseattle.org (available) plumberinseattle.org (available)

#### What sort of content to put on a local site if you are going to sell positioning on it?

I created a local site for my brother who is in the trades (electrician) years back and I "featured" his business and offered some information on how to find an electrician in the area, maps of the area, and content on how we perform our reviews. He has received several \$1,000's worth of work since from this site alone.

You could also do some keyword research and get ranked under some keywords that are relevant to subject matter (profession) and the domain. Offering a listing to a few businesses in the area is one thing that you could do.

You need to remember that a single "customer" to these people is worth several \$1,000's. This is huge. If you can provide these companies a place to attract new business, they will pay for it. That is why Groupon is so popular, even though it usually is a complete loss leader. It attracts new business.

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We hope we have opened your eyes to the massive domain and website market that resides online. It is vast and there is room for millions of people to take advantage of this. Think of all the keywords out there. Think of all of the locations in the world. Think of all the domains that are available!

This is potential for you. This is potential for your to start a business that is scalable and will continue to grow simply through buying domains and perhaps putting a small website on them.

If you have any questions about any of this content, please contact us within Wealthy Affiliate. Feel free to start a WA Chat, PM either Carson or myself, or start a forum topic.

Happy Domaineering!

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