



Owning a Piece of the Web

How Local Businesses Are Becoming Market Leaders with Affordable Search Engine Marketing

Local businesses typically attract customers by creating a unique company name, opening a prime location on Main Street and spreading the word through newspaper, television and radio ads. But in rapidly growing numbers, consumers are shifting to the Web as their primary source for information. As a result, more entrepreneurs are discovering they must allocate part of their budgets to online marketing to compete and grow.

This white paper reviews emerging trends in online marketing that are impacting local businesses and examines the benefits entrepreneurs can achieve by making affordable, uncomplicated investments in search engine marketing.

Market Drivers Are Changing the Game for Local Businesses

To grow and remain competitive, small- and medium-sized businesses must adapt their marketing strategies to the behaviors of online consumers. Not only are more people turning to the Web to look for products and services, but they also are relying on highly-targeted searches to find exactly what they want — especially from local businesses.

These market trends include:

- **The popularity of online search:** After email, search is the most frequently-used online application, according to a recent survey from Gardner Research. The survey also reports that searching for products and services has become the Web's sixth most popular activity.¹
- **Highly-targeted search behaviors:** Frustrated by the thousands if not millions of irrelevant hits returned by Google or Yahoo, many shoppers type precisely what they want into the browser bars of their search engines. For example, a user looking for legal services in Sussex County may enter "sussexcountylegal.com." A report by Jupiter Research estimates that nearly 17% of users search with this method called *direct navigation*.² This highly-focused search behavior typically produces more qualified leads for the Web site's owner.
- **The growing use of search to find local businesses:** A survey by Nielsen/Net Ratings and search engine marketing firm WebVisible found that 70% of respondents used the Internet to search for products and services from local businesses.³ Many customers prefer the comfort and convenience of buying from a local business, even when they first discover the company's products online.

The Challenge: Finding an Affordable and Effective Method to Attract Consumers Online

A local business can gain a competitive edge through well-known marketing tactics. As an example, consider Tony's Italian Pizza, a fictional restaurant in New York's Upper West Side. Tony could build a Web site, open shop in a bustling area and quickly earn a stellar reputation for serving delicious pizza. But customers unaware of Tony's brand name may never realize his business exists.

To increase awareness of his shop, Tony might distribute fliers door-to-door, advertise in local newspapers and buy air time on television and radio. Tony would have to spread his marketing dollars across these various media channels, measure which provided the greatest returns and adjust his media spending accordingly.

Promotional efforts like these are often necessary to create awareness of a business, but they also are fraught with risks, such as:

- Expenses can mount quickly as the business tries to reach customers through multiple media channels.
- Measuring the effectiveness of each channel is difficult and sometimes impossible.
- Information from multiple channels can overwhelm busy consumers or fail to capture their attention.

To grab the attention of the many consumers who prefer Internet search engines to find information, Tony would have to promote his business online. This would present Tony with questions about how to spend his marketing budget most efficiently

Search engines such as Google and Yahoo enable business owners to bid on relevant keywords that bump their businesses up in the search rankings. But this means Tony would have to bid continually against his competitors for the most desirable keywords.

Owning Geo-target Domains: A Strategy That Can Drive Highly Interested Consumers to Your Web Site

Owning geo-targeted domains is one cost-effective search engine marketing method a company can use to drive more traffic to its Web site and convert more searchers into customers. Geo-targeted domains combine a business' local area with the generic name of its product or service.

Consider Tony's domain, tonysitalianpizza.com. Tony could buy a related domain or domains with relevant keywords that an online consumer likely would enter to find pizza in the neighborhood, such as upperwestsidepizza.com. This domain name combines the customer's local area, the Upper West Side, with the generic term for the product he is searching for: pizza.

If Tony owned the domain upperwestsidepizza.com and redirected the incoming traffic to tonysitalianpizza.com, any user entering upperwestsidepizza.com in his browser bar would land directly on Tony's Web site. Because the keywords "Upper West Side" and "pizza" are built into Tony's domain name, Tony's business would rank at or near the top of the results returned by search engines like Google and Yahoo.

Tony also could buy more than one geo-targeted domain. In addition to upperwestsidepizza.com, he could buy other domains such as uptownpizza.com and westsidepizza.com. By securing valuable keywords, Tony could own the Italian pizza category in his neighborhood and leave his competitors with fewer options to attract local customers looking for pizza via highly-targeted searches.

The Benefits of Owning Geo-targeted Domains

The surging interest in geo-targeted domains is an "unbroken explosion," according to Ron Jackson, editor and publisher of *DNJournal*, a trade publication that reports on the domain industry and tracks sales figures. "Time and time again, business owners who have bought these domains tell me they are getting fantastic results," Jackson says.

Owning one or more geo-targeted domains offers local entrepreneurs the following advantages:

Instant brand recognition: The names of local areas are well-known brands, as are the generic terms for product and services, such as “pizza,” “legal services,” “insurance” and “flowers.”

Category leadership: Owning a highly relevant geo-targeted domain name enables a business to position itself as the market leader in its category and locality and gain instant credibility. Owning more than one can geo-targeted domain can limit the competition’s ability to grab a slice of the local search pie.

Owning versus renting: Instead of bidding for keywords on Google, Yahoo and other search engines, a business owns the relevant keywords as long as it maintains the geo-targeted domain’s registration. This reduces or eliminates the need to pay fees to search engines, preserving marketing dollars over the life cycle of the business.

Capturing the attention of online consumers: The best way to attract online consumers is to establish a highly-targeted presence right where they search. As more people gravitate to the Internet for information and shopping, the opportunities to reach more prospects increase.

More qualified leads: A consumer who uses direct navigation or types relevant keywords into a search engine to find a specific product already is interested in buying. And for purchases that usually require a lot of consideration, such as life insurance, automobiles and dental care, consumers spend time online comparing features and benefits before they buy.

A measurable return on investment: Unlike advertising with traditional media, search engine marketing enables business owners to track the returns on their online marketing efforts. Simple Web analytic programs, which are low-cost and sometimes free, let owners track Web traffic and customer conversion rates.

Affordability: Since the knowledge of geo-targeted domains on Main Street is lagging behind online consumer behavior, many domains are still available at reasonable prices.

What to Look for When Buying Geo-Targeted Domains

Geo-targeted domains can be bought from three major sources: companies that register domains, individual owners of domains and domain aftermarkets.

In the first step of the process, the business owner types the domain name into a search engine’s browser bar to see if the domain is available. If it is, the search engine usually returns a message stating that the document or page is not found. In many cases, the business owner can register the domain by contacting a company that registers domains and expect to pay about \$10 to \$35 per year for the service.

If the domain name returns a Web page or site, that domain is owned by an individual or company. If the domain is for sale, the owner often has posted a link for price inquiries. The asking price may be high, however, and the buyer must be willing to send funds to an owner he or she does not know.

Domain aftermarkets are the third option. These companies own portfolios that contain thousands of domains. Not to be confused with *aftermarket auction* companies, domain aftermarkets typically offer domains at fair and reasonable market prices.

The best domain aftermarkets offer business owners free advice on developing their online and search engine marketing strategies, as well as other value-added services. They also enable buyers to search for domains by keywords and return neatly categorized results, which allow customers to compare prices easily.

Working with a domain aftermarket can be a wise choice for the business owner who is new to search engine marketing. The best aftermarkets fulfill requirements such as:

Experience: An online search about the company will reveal how long it has been in business. A good rule of thumb is to deal with a domain aftermarket with at least five-to-ten years of industry leadership.

Reputation: Research about the company also will return valuable information such as product reviews, magazine articles and press releases. A buyer should work only with an aftermarket with a proven track record of honest and ethical business dealings.

Security: Established domain aftermarkets offer the security of dealing with a well-known seller. The best companies offer easy, secure payment via credit card so that buyers never have to worry about wiring funds to an unknown entity that might not deliver the domain.

One-stop shopping: The best aftermarkets offer free advice to help small business owners set up shop and compete on the Web. They also provide services such as domain registration, Web hosting, online marketing consulting and Web site design and construction.

The Advantages of Working with BuyDomains

BuyDomains, the world's leading domain marketplace, was founded in 1999 by small business owners to serve small- and medium-sized business owners. We offer a portfolio of over 1.5 million domains and help entrepreneurs find the domain names they want.

BuyDomains helps you get your business started on the Web and offers these distinct advantages:

Fair and reasonable prices: We offer thousands of geo-targeted domains at affordable prices. Most geo-targeted domains are priced in the low four-figure range or less. A simple keyword search enables you to find relevant, highly-targeted domains and compare prices to ensure you find the best value in your category.

Free consulting: Our expert Domain Consultants are available 24/7 to assist you with any questions you have. We focus on offering exceptional customer service and providing the most up-to-date knowledge on choosing and buying domains in the United States and throughout the world.

Safe and easy payment: When you work with BuyDomains, you never have to wire funds. We accept major credit cards, and an escrow service is also available.

Full range of business services: We can help you register your domain, set up your Web site and grow your company online through search engine marketing, social media, Web analytics and e-mail marketing. At BuyDomains, we don't just sell domains. We serve as your trusted partner to help you to establish a profitable business on the Web – safely, reliably and cost-effectively.

Free online resources: If you are new to online marketing, we offer complete resources to help you build and brand your business online. Our free services include Webinars, podcasts, articles and white papers.

Get Started Today

To begin building or expanding your business online, call one of our Domain Consultants today at 1-866-277-3420 (toll-free in the U.S.) or 1-781-839-7997 (worldwide).

Or check out our vast catalogue of geo-targeted domains and free educational resources at www.buydomains.com.

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