

\$58,000 Profit Flipping 8 Domains in Under 60 Days – With Ali Zandi

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In this DomainSherpa Show, Profitable Flips, skilled domain name investors share all the details of how they bought low and sold high. On today's show, we are going to learn how one past Sherpa, who only entered the industry in late 2014, not only had a profitable flip within 12 months for more than \$5,000 profit and greater than 100% of the purchase price, but has sold 8 domains within the past two weeks after acquiring them within 60 days, grossing more than \$165,000, with a profit of more than \$58,000. Stay tuned.

I have three sponsor messages before we get into today's show.

First, if you have a great domain name and nothing to show when people visit, you're missing out on potential advertising revenue, leads and partnership opportunities. NicheWebsites.com can build you a site quickly with a price option to suit any need — but as their tagline says, they don't just build websites, they build businesses. NicheWebsites.com.

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Finally, whether you are buying, selling, brokering or financing a domain name you need an escrow company that is properly licensed, bonded, insured and audited. That company is Escrow.com and they have been doing it since 1999. Escrow.com - it's about trust.

Michael Cyger: Hey everyone, my name is Michael Cyger, and I'm the Publisher of DomainSherpa.com - the website where you can learn how to become a successful domain name investor or entrepreneur directly from the experts.

Welcome to the Domain Sherpa Show called Profitable Flips. In this Show Series, I invite domain name investors to share all of the details of how they bought low and sold high, an investment philosophy called value investing, where you buy assets that appear undervalued that, at a later date, will be valued properly by the market.

Today I am pleased to welcome back to the show past Sherpa, Ali Zandi, who is Director of Sales and Acquisitions at Perception.com, a private domain name investment fund. Welcome back, Ali.

Ali Zandi: Michael, glad to be back, man. Thanks for having me again.

Michael: For anyone that is not familiar with your background, Ali, maybe they have not watched your previous show or the time that you were on before that, when and how did you get started in the domain name industry?

Ali: I bought my first couple of domains around August 2013. And during that time, I was like: "Forget everything. I am moving to Hawaii. I am going to start over and do something new." After that, I tried to sell them for a week or two, and I was like: "This domain thing is crazy. It is never going to work. Forget it." I think it was around June or July, where I decided I was going to give it another shot. And I saw this domain, AppGames.com, and it was like 160 thousand dollars. I think that is what it sold for on Flippa.

So, I went and bought like 90 domains. I hand registered them all. Multiple GoDaddy accounts. Coupons. Coupons. Coupons. And I ended up selling them for 75 hundred dollars in less than 30 days, so the profit I made, I think, was 59 hundred bucks net and I was like: "You know what. Forget everything else. Domains are where it is at." And ever since then, I was fully laser focused, man, on domains, domains, domains.

Michael: Yeah, and from what I understand, you sort of doubled down in the early to mid-2014 time period. You took a big step and you came on the Domain Sherpa Review Show. You submitted your portfolio for review in September of 2014 by Adam Dicker, Drew Rosener, and Paige Howe, and

they were all pretty favorable about your either hand registered or low acquisition cost registered portfolio.

Ali: Yeah. Yeah, I mean they were not thrilled about them. They were not these short one-word .COMs, but they had potential, development potential, so yeah.

Michael: Right, and in comparison to other portfolios on the Domain Sherpa Review, where they say off the record, like: "I could not find anything in there," and then they get on the record and are like: "Drop all of them, take that 250 dollars and go buy one better domain name or something, and let me tell you how to do it."

Ali: Yeah.

Michael: So, you had a very favorable response. I went back and actually watched part of that interview in preparation for today. That was fun.

Ali: And Drew said something that completely changed how I started invested, is like forget about, I think, the ROI percentage and start worrying about the margin. And that just turned something on, man.

Michael: Yeah. Then, in February 2015, you came back on Domain Sherpa, became a full Sherpa by sharing your tactics on how you became a Flippa super seller, and subsequently earned a Senior Broker position at Flippa.

Ali: Oh yeah. Yeah, they liked what I was doing and they offered me a job in January 2015, and I could not say no.

Michael: Yeah. So, you have sort of had this meteoric rise in the industry and it is great to have you back, Ali.

Ali: Thanks, man.

Michael: So, let me start with this question. In total revenue, how much have you sold since you have entered the industry back in 2014-2013 time period?

Ali: Since July 2014, until now, by the time this show airs, it will be one million dollars, but as of today, it is 926 thousand.

Michael: 926 thousand as of today and hopefully, by the time this show airs in about three weeks or so, one million. So, you have got domains lined up. You think that they are priced well so that you can sell an additional 74 thousand dollars worth of domains.

Ali: Oh, easily.

Michael: Nice, and you say easily, and I am sure people are watching this show and they are thinking to themselves: "Come on, Ali. Are you really," but we are actually going to see why Ali is so confident that he is going to close another 74 thousand dollars in sales in the next few weeks, and we will get into that. I received a couple of contacts from the audience, asking why you had left Flippa as their Senior Broker after just a few months of being at Flippa. Can you explain that?

Ali: Yeah, totally. I mean when I first came into the industry, the thrill of it was buying domains and watching them just blow up and sell. And Flippa reached out. They wanted to develop a brokerage arm. I was more than happy to do that. Flippa is my favorite platform. I wanted them to grow. I wanted them to evolve, and the brokerage arm just took off. I mean it did so well in the first couple of months. We doubled revenue there, and it was great. And recently, they acquired Domain Holdings, so their brokerage arm is going through the roof.

But for me, brokerage just did not have that excitement factor. I love the control of picking the name, the price I pay for it, and how much I sell it for, and I cannot do that with brokerage. Even though it worked, I was good at it and it was taking off, in my heart it just did not do it enough for me.

Michael: Yeah, fully understandable. I think I worked with you on a couple of those domains and I am sure you would have loved to have me say my reserve was a little bit lower, so you could close them faster and get that velocity of domains through a lot more quickly. Yeah, I completely

understand where you are coming from. So, you are currently at Perception.com. How did you land that job?

Ali: So, I have always wanted to start my own thing and grow it, and a couple of investors and I got to talking. They reached out and Go Time Ventures was born. They are the majority investor, so they chose the name and everything. And Perception grew out of that, out of necessity, and now it is a handful of us. I run it. They back it. I mean it was the perfect thing for me. I love it. It is absolutely wonderful.

Michael: So, when you launched this fund, this private investment fund, it was called Go Time Ventures. Now it is called Perception.com. Why the name change?

Ali: We had a little run in with GoDaddy. They had their legal team reach out and they were concerned with the use of the words 'Go Time' in the domain, and I do not want to go to court and battle over it. It is what it is, and we got Perception.com out of it. So, thank you, GoDaddy.

Michael: All right, it is stop time for Go Time, and Perception.com was launched. How big is the investment fund that you manage at Perception.com?

Ali: So, we started with a half-million and essentially that half-million was proving grounds for me. I mean they have already seen what I can do. They wanted to see more of what I can do, and so far I have done pretty well and we are already talking about growing the fund into the seven figure range. Nothing I can talk about quite yet, but we are in talks about it.

Michael: Awesome. So, seven-figure range growing into the ten to 99-million-dollar range.

Ali: Eventually.

Michael: All right. And who are the two investors that are funding Perception.com?

Ali: There are multiple investors. They have chosen to remain private, but it is a group of men and women from around the world. We have all connected and grew Perception.

Michael: All right. And so, if somebody wants to become an investor in your fund, is that an opportunity or is this just private with the current investors?

Ali: Yeah, it is private. It is closed. The future might open up, but there is really no more need for more investors at the moment.

Michael: All right. Well, we wish you luck on that. So, let's get into the heart of this interview. We are going to talk about domain flipping. How many sales have you made within the past two weeks from when we are filming this show, Ali?

Ali: Okay, so we have done eight total sales and grossed about 165 thousand, roughly.

Michael: 165 thousand. So, the gross is the gross profit before you pay commissions, before you take your salary, and things like that. It is just the buy price? It is the sell price minus the buy price?

Ali: No, that is a sale price total, minus the buy price.

Michael: I am sorry. So, sale price total at 165 thousand.

Ali: Yeah, exactly.

Michael: Okay, so I am going to bring up a chart for those watching the show. I am going to put it on the screen along with ours, so people can look at the eight domains that you have sold within the past two weeks. And I appreciate you pulling this information together for us, Ali, and being so open with it as well. You have got the acquisition date, the sale date, the domain name, the purchase price, the sale price, and then the gross profit. And people can look through the list. If you are listening to this show, I suggest you watch the video.

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You can see the domains are AUS.com, Bovine.com, Cultivation.com, DiscJockey.com, Handcuffed.com, Nationality.com, SlowDown.com, and Tamer.com. The total gross profit is 165,500 dollars from those sales. We do not have a total sale price because you have requested that AUS.com remain confidential from a purchase price and sale price, although you did share that domain with me and it was a very good sale. Obviously people can look at the gross profit there.

So, of the eight domain names in the past two weeks, all of them purchased within the past 60 days. The first thing the naysayer listening to this show is going to say, Ali, is: "Great, but how many other domains did Ali purchase in the past 60 days that he did not sell?"

Ali: Well, it is not that I did not sell them. It is just they have not sold yet. We have another - I want to say - like 18 to 20 names, maybe a few more. Some are still landing into our account, but those were all acquired in the past 60 days and we have chosen to hold off for the right offers on those. We want to maximize our returns.

Michael: Now, you are typically a flipper, Ali.

Ali: Right.

Michael: You like to get a domain name at a great price, and if you can flip it that same day, you will.

Ali: Done. Yeah.

Michael: Now, are all of these additional 18 to 20 domain names that you have in your portfolio in that same sort of MO? Are you looking to flip them as quickly as you can or are you going to hold some of them for appreciation?

Ali: We are going to hold some. I mean, to me, holding is like three to six months. To others, it is three to five years, whatever it is. Generally, I have sold within 30 days almost every time I get my hands on a domain, but with the fund, we have a set budget. We want to maximize on that. And if it takes three to six months, fine. They are all liquid for at least 40 percent ROI today,

but we want to wait. We want to hold off for bigger offers because they are worth it.

Michael: Yeah. They are all great sales, and clearly the 165,500 dollars in gross profit within two months is note worthy. I want to point out that on this domain list, the only profitable flip is actually SlowDown.com. You bought it for 4,250 dollars and sold it for 15 thousand dollars, which is a profit of more than five thousand dollars and a profit from the sale of at least one hundred percent of the purchase price, which are the criteria for this show.

What is interesting is that you have sold so many domain names within the past coupe of weeks that I wanted to not just talk about that one domain name, but broaden the concept that profitable flipping in the domain name industry can happen on a more scalable basis. It is more than just a one-off, like we hear about off and on Profitable Flip show, where it is just SlowDown.com. Why did you think that SlowDown.com was an undervalued asset when you bought for 4,250 dollars, Ali?

Ali: My instincts. I trust them more than anything. I mean I get this fire and I just see the price, man. And as soon as I saw SlowDown, I was like: "That is a 20-thousand-dollar domain name." And the brandability, the ease, the radio test, I mean the search volume, the age, and what you can do with it. I mean it is so universal that 42 hundred bucks is so undervalued.

Michael: Now, let me stop you there because you got this gut instinct, which I know you and I have talked about in the past, that you have just got this feeling, this innate feeling that it is worth more. But for those of us that are watching the show that do not have the gut instinct, that look at SlowDown and say whoa, slow down, partner, or maybe type it into search engines and do not see any advertising, try to think of a business concept that might work with SlowDown and cannot think of one. Why do you think? Why does your gut feel that it is worth more than 4,250 dollars?

Ali: Well, I always say that you can develop your instincts. And when I first came into the industry and I saw SlowDown, I would not know what to value it, but I have studied. I mean sale after sale after sale, where the domain ends up and how much it sold for. I try to find out how much it was purchased for.

All of the metrics I try to study of every single sale that happens. That way, when I see a domain name, my brain just automatically connects the dots that I have studied and it throws a number at me. And it works. I mean it is all about studying.

Michael: So, tell me about your study process? Do you go through Ron Jackson's DNJournal.com, his weekly sales, and then actually type in the domain name and see where it resolves, or do the WhoIS lookup and see the company that bought it and try and find their other properties to figure out how they are going to use it? Is that what you do?

Ali: Yeah, absolutely, man. From NameBio to DNPrices to DNJournal and Domaining.com. I mean every single place that I can find the sale and find out what is going on with that domain name, down to the CPC and previous owners. Domain Tools. DomainIQ. Who owns what? What else do they own? What are they doing with it? Why did they buy it? I just need to know everything about what is going on. That way, my instincts, when I see a name, I can process all of that information just by looking at it.

Michael: Yeah. So, if I had to look through every single high-valued domain name sale in a week, I think that is all I would do all week. How much time do you spend doing that versus looking for opportunities and then selling?

Ali: I do it all at once, man. I mean I have like six screens going up at once. I am not even kidding. I have my domain list on one. ExpiredDomains.net. NameJet. Flippa. They are all open at once. I am looking at sales and looking at what is for sale. I mean it is just all day, 24 hours per day.

Michael: 24 hours per day. How many hours per day do you actually work?

Ali: 16 to 20, man.

Michael: Really.

Ali: Yeah, I mean I am up before the sun comes up and I am working just all day long. That is all I do.

Michael: Wow. All right, so SlowDown.com. You purchased March 28th for 4,250 dollars. How did you find this domain name?

Ali: I believe I saw it on Sedo. I think I saw it on Sedo or GoDaddy, one of those, and I just saw it and it was a buy it now. I was like forget it. I am not even going to bother. I am buying it right now.

Michael: Yeah. So, you saw it. Often times, I do not browse GoDaddy and Sedo because I do not know. It is just weird to browse those sites. It is not like Flippa, where I can go and look at the editor's choices or the most active. How do you browse those two websites to look for opportunities?

Ali: Well, I use ExpiredDomains.net, and I mean their platform is wonderful, man. Their search filters are on point. I do not really like to search filters on most platforms because they do not work, but then I go through there and if I see something I like, then I go to DomainIQ and see what else they own. And if I like something else they own, I will contact them or I will just go straight to Sedo and see if the domain is up for sale on there, and then I see if it has other domains for sale from the same buyer on there because you can view their portfolio.

Michael: Yeah, but on SlowDown.com, it was not an expired domain name. Does ExpiredDomains.net allow you to look at other opportunities?

Ali: Oh, absolutely. Closeouts. Auctions. I mean just about every platform out there from backorders on NameJet to Flippa domains to any other place really.

Michael: Yeah. So, you bought it on March 28th and you sold it on May 6th. How did you sell SlowDown.com? What was your sales process that you went through?

Ali: I sat on it. I mean he reached out. I think it was exactly 30 days later. He emailed me and he wanted to know what is the price on this, and I told him.

Michael: So, you did not even list it for sale on Flippa. You did not put a landing page on it at Domain Name Sales, or anything like that.

Ali: My own landing page because all the domains on Perception.com have a landing page and contact form. And yeah, he landed on it, he sent an email, and we started talking. He asked the price. I told him 19,999 and then he just kept asking questions, and I kept asking for an offer, and eventually I gave up asking for an offer and just became his friend, man, and we talked for like a week and a half.

Michael: Wait a second. Wait a second. You are trading emails back and forth, right, and he is asking you questions. What kinds of questions is he going to ask you about SlowDown.com?

Ali: Well, he has never bought a domain before, and so he wanted to know the process, how much does it cost per year to own it, this and that. How does escrow work? And I offered him ten years of registration for free. I will cover escrow fees. This and that, and then eventually we just talked and I stopped asking for an offer because I just figured he was not going to make one until he was ready. And for a week or so we were just talking, and I asked him, "What do you want to do with the site?"

And he told me that he was just thinking about slowing down, winding down, taking life easy, this and that, and immediately I found his string and I emailed him back and I was like: "You know what. You are speaking my language, man. I moved to Hawaii. I do not watch TV. I go to the beach and watch the sunset. Just slow down, right?" And after that, he was like: "I am ready to make an offer," like immediately after that email. And he offered 13 thousand. I was like 15 thousand. I will cover escrow and give you ten years of registration, and you got a deal, and it was done.

Michael: Wow. So, when you say you were talking with him, was that over email or over Skype or over phone, or what?

Ali: Over email.

Michael: Over email.

Ali: Yeah, over email.

Michael: So, you think it was just making that connection with him.

Ali: Absolutely.

Michael: What do you think that provided to him to close the deal?

Ali: Trust, man. An emotional connection will open up anybody's wallet for anything. I mean that is the root of all sales. When people are spending that kind of money, especially on a digital good. I mean you cannot grasp it. You cannot hold it. You cannot touch it. You cannot look at it. There has got to be something deep down that makes you just need to have it. And for him, it was that emotional need to slow down in life.

Michael: Huh. And you think he is going to launch a business on that?

Ali: I hope so. Yeah, I mean that was his plan. He wanted to launch a business on it. Whether it is a blog or some hobby, whatever it was, it was deep for him and it meant a lot to him.

Michael: Yeah. Wow. Yeah, there should be an app, like a Slow Down app that you put it on and then it just turns off your phone for like two days. Every weekend, you are just not allowed to do any emails or something.

Ali: I agree.

Michael: Well, that is an awesome sale at SlowDown.com. Of the bunch, I am not sure I would have picked SlowDown as one of the top sellers. Well, they all sold clearly, but was it surprising to you that only one enquiry came in on SlowDown.com?

Ali: A little bit, yeah, but I had not even planned on approaching the concept of even selling that name. I had just acquired it, put a landing page up, and I was working on other domains. And then, all of a sudden, I get this enquiry. I was like: "Why not?" But yeah, I had not even. I would have put it up on Flippa or somewhere else, forums, NamePros, wherever, but I mean it just happened so fast. I was like: "Why not?"

Michael: Do you think phrases like SlowDown and other general euphemisms and phrases that people say are hot right now? Are they increasing in value, do you think?

Ali: Absolutely, one hundred percent. I mean I am going to shoot myself in the foot here because I am acquiring a bunch of these, but this is the future, man. The Internet is growing. Businesses are all going to go online, and I am talking three to five years everything is going online. These catchy phrases. I mean the average person loves this stuff. LifeGoesOn.com. TruthOrDare.com. I mean this stuff is gold. Absolute gold, and I am acquiring them left and right.

Michael: Huh, all right. So, let me ask you about another domain name on this list. Cultivation.com. Here is another domain name that struck me as wow, I cannot believe he bought that one and sold that one. So, you bought it for 8,500 dollars, which, for a single-word .COM, might seem like that is a pretty good deal, and just to complete the story, you sold it for 14 thousand dollars for a profit of 5,500 dollars.

Ali: Our acquisition date was 4/18.

Michael 4/18. So, a little bit less than one month on that one.

Ali: Yeah.

Michael: Although it has 33 thousand exact match searches per month, it seems like this domain is not very valuable to me because there are no advertisers on Google AdWords. Why did you think that Cultivation.com was valuable?

Ali: Well, worldwide it has like one hundred thousand searches. Cultivation. I mean that is the root of everything growing, right? I mean with the marijuana niches taking off, I figured Cultivation Magazine. I mean everything you need to do to buy, grow, supplies, learn how to grow, and all this other stuff, and I knew the perfect buyer for that.

Michael: All right, we are going to get there. So, did you list it for sale on any marketplaces after you purchased it, or is this one that you sat on for a while as well?

Ali: Yeah, I actually handed this and Nationality.com off to Name Connect, John Daily. And he managed to sell Nationality right away, and he had a buyer for Cultivation, but the buyer was just unresponsive. Escrow had started. They had not agreed to terms. It had been like 1.5 weeks and I was talking to Drew about the domain and he wanted it, and I talked to John and he said go ahead and sell it. Sold it.

Michael: So, you are talking about Drew Rosener, who is a regular Sherpa on the Domain Sherpa Review. Andrew Rosener, who does run Ganjapreneur.com and does have a lot of marijuana-related domain names and business operating. He found value in Cultivation.com.

Ali: Yeah, absolutely. I undersold it too. I definitely feel like it is a 35-thousand-dollar name.

Michael: And you got it for 14 thousand.

Ali: Yeah, 14.

Michael: That seems like a steal when you know that Drew is into those domain names. Why did you sell it so cheap?

Ali: Well, I like moving product, man. I mean it is almost double my investment, and he is going to double his, and down the line we go. Some of these names, man. Quick flips. Get them done. Get some money back in the fund. Buy another one. Do it again.

Michael: Yeah. So, it is easy to look at AUS.com and say here is a killer domain name, but I am going to ask you about one more that I just did not get. Bovine.com. Bovine.

Ali: Yeah.

Michael: For those of us that do not even know what a bovine is, what is a bovine, Ali?

Ali: Bovine refers to like cattle and cows, and buffaloes and bulls - the bovine species of animals. And as soon as I saw it, I thought steak knives, industrial equipment, leather. I mean it is short. It is six letters. It is easy to spell and remember. It has got a picture you can add as a logo.

Michael: Oh, totally. See, it is funny how you say that and everything sort of comes a little bit more clearer in my mind that it is a brand, not a descriptive keyword domain name, although it is a brand that relates to something that is bovine-related. It could be a logo like Moo.com. I get my business cards at Moo.com.

Ali: Me too.

Michael: I love them. They are beautiful.

Ali: I love them. Yeah, I love them.

Michael: And they use the cow as their mascot.

Ali: Yeah.

Michael: So, that one you bought for 75 hundred dollars on May 2nd and you sold it for 11 thousand dollars on May 16th. Just 14 days later for a profit of 3,500 dollars.

Ali: Yeah, man. The owner is the owner of Epic.com, so when he sold it to me, he knew he was underselling it. He was not happy about it.

Michael: You bought it from Rob Monster.

Ali: Yeah. He is a really cool guy, by the way, man, and he was like probably crazy in the head for selling it this low and he sold it anyway. And I knew I did not have much of a margin on it, but I knew I would make a profit.

Michael: Yeah, and Rob Monster has been on the Domain Sherpa Show. You can go watch his interview. Actually, by the time this show airs, Rob will be on the guest speakers at the DN Seattle Networking Event, here in Seattle, where he is going to be talking about selling new gTLD domain names for five and six figures, and he has been involved in that as well. So, fantastic sale on Bovine, and I think that opens up a lot of people's minds to these single-word keyword oriented domain names that can be used as a brand.

So, the most desirable, in my opinion, at least right now based on the market, domain name on the list was the three-letter .COM, AUS.com. Now, this domain name was bought on April 21st. Sold on May 19th. The gross profit was 24,098 dollars. I did see this one listed on Flippa.com.

Ali: Yeah, it was listed.

Michael: So, you listed this domain name.

Ali: Yeah, I did.

Michael: And it was a very nice write-up. I am not sure if it still available on Flippa to take a look at, but basically you pegged it as you can own the entire continent of Australia because AUS is often the acronym for Australia, but then you provided some other opportunities as well and talked about similar three-letter .COMs.

Ali: Yeah.

Michael: Did you think that it was a lot easier to write the sales pitch for a domain name like AUS than it is for some of the other domain names that you sell on Flippa?

Ali: Oh, absolutely, man. I mean there are so many things you can use AUS.com for. Austria. Austin, Texas. American University of Science. I mean the list just goes on and it is a three-letter ISO code, like a legitimate continent ISO code, and a country code, so I mean you cannot go wrong with it.

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Michael: Yeah. We talked about your process for flipping domain names on Flippa.com. Did you list it starting at a one-dollar opening bid with a reserve price that was something higher?

Ali: Yeah, absolutely. Absolutely. I always start everything at one dollar. I like getting the bids. It attracts more attention. People get more excited. They are fighting each other over it. I rather have 75 bids than two or three.

Michael: Yeah, got you. And did you find that you had more watchers on this domain name? I do not know if you would consider this to be one of the best domain names that you have sold through Flippa. Did you find that the number of watchers was higher because of the quality of the domain?

Ali: Oh, absolutely. There was like 160 watchers and like eight thousand views to it, but I advertised it just about everywhere.

Michael: Yeah, you had it on Domaining.com. You had it on some other sites.

Ali: NameBio.com. Domain Shane. I mean the list goes on, yeah.

Michael: Yeah, so three-letter .COMs right now are hot. They are selling for prices that probably end users would not pay in some cases. Why sell it through Flippa rather than, say, NameJet, where three-letter .COMs have been hot recently?

Ali: I made a promise.

Michael: What do you mean?

Ali: I made a promise to my investors and my partners. We have a rule. If it is a certain percentage of the fund in acquisition price, then I have to sell it within a certain amount of time for a certain number, and I promised them 90 days for this amount. I did just close to that amount in 30 days. So, I just wanted to make them happy, make a profit, and move on.

Michael: Right, but why sell it on Flippa rather than NameJet? Are you saying that the process to get it listed on NameJet is too long?

Ali: Oh, well, I used NameJet a couple times. They have not emailed me back, but regardless of where I put it, I would have advertised it anywhere anyways. And where better than Flippa, where I started? We have a relationship, but yeah, it does not matter where I put that one. As long as I advertise it, everybody is going to go to it anyway, and I was able to write that description and just communicate. That is the biggest thing for me.

Michael: And do you feel like the description that you wrote, that marketing pitch that you put together helped close the deal to the buyer, or was it an investor that bought it, who probably would have bought it on another marketplace?

Ali: The pitch always helps, man. I mean just like with Bovine, how you were like oh, well, I did not think of it that way. You get the picture in your head and you start kind of salivating at the idea of branding it and building a company around it, and I do the work for you. I get in your head and I tell

you here is what you can actually do with it, here are the stats, and that always helps.

Michael: Yeah. I remember I was following the AUS.com auction on Flippa and, at one point, I cannot remember the exact number, but it got into the six figures, and then that bidder that bid it up to six figures got banned.

Ali: Yeah.

Michael: What happened?

Ali: We got trolled along with a few more other auctions that were up. Other people's auctions. Somebody had made an account and pretended like they were interested, and we started negotiating, and it seemed fairly real. I was a little skeptical because he was new, so we negotiated. I settled on a price. As soon as we closed, I got access to his email address and I knew instantly we just got trolled and contacted support. And since that day, they have started to code the bidder verification. I was like that is it. This needs to happen.

Flippa is growing. It is becoming more premium. Bidder verification needs to happen. Talked to the owners.

Michael: I could have sworn that you had to put like your phone number in if you were going to bid more than one thousand or five thousand, or something like that.

Ali: Yeah, but I mean somebody who is just there to destroy does not care.

Michael: So, they went to the trouble of creating a fake cellphone or a way to get texts.

Ali: Google Voice. Get a number. Get a Visa gift card, and that is that, but they are implementing it and that is not going to happen again.

Michael: Yeah. Wow, I cannot imagine somebody would go to all that trouble to mess with an auction.

Ali: Some people have awful energy about it, man, and all they want to do is destroy because they cannot create.

Michael: Yeah. So, they removed that bidder after the auction closed, and then I believe the auction reopened for an additional period of time. Is that correct?

Ali: Yeah. So, once they removed the bidder, they re-launched the auction for another five days.

Michael: Okay. And was the second highest bidder or the next real bidder obligated to honor that price or was it still below the reserve?

Ali: I sold it below reserve. I kept the reserve the same, and the auction was back at 50 thousand and I just kept it rolling. I mean obviously all the perceived value I spent weeks building up was just gone because of that fake buyer, but somebody else reached out from Europe and they were interested. I think it was like 1:30 in the morning for him, and we started talking. I hit up support. I was like verify this guy right now, and they did. They were on it and they talked on the phone, cleared him, and actually the money cleared escrow today, so it is a done deal.

Michael: Nice.

Ali: Yeah.

Michael: Congrats on that deal.

Ali: Thank you.

Michael: Did you do your usual process that you identified in your last interview, How to Become a Super Seller on Flippa, where you agree to a price, you set the buy it now, and then they click the buy it now price, or did it happen after the auction ended?

Ali: No, that was it. We were talking. He made an offer. I brought him up another 20 thousand. We agreed and that was that, and he clicked the buy it now.

Michael: Nice.

Ali: Yeah.

Michael: While the auction was running on Flippa, did you do any outreach to end users, people who may want to make a business or use the domain name for different reasons?

Ali: Every single person I could think of in Australia, Austin, and Austria. I mean literally every company that could benefit from it, and to my surprise, I got no replies. Zero. So, I was just like auction it off.

Michael: Wow. So, how does that going to impact you in the future on domain names like AUS.com, where you did not get any response back from people for a phenomenal domain name, one that is never going to be repeated again?

Ali: Yeah, it does not really affect me, man. I am just going to keep doing the same thing because it has worked. Just because one time it does not work, next time it might work twice as good.

Michael: Yeah. So, since the last time you were on, which was a few months ago, Ali, have you modified your buy or sales processes and tactics?

Ali: Buy definitely because I was not buying anything. I was just brokering, and now, absolutely one hundred percent. I mean my buying strategy has completely changed.

Michael: In what way?

Ali: Well, now I am diversifying, so I am buying domains in a certain range, like ten down here, ten here, and then five over here. I mean one-hundred-thousand-dollar names, ten-thousand-dollar names, five-thousand-dollar

names, and I basically scour everyone in the entire world. If you own a domain name, I am going to find out exactly what you own, when you got it, and how much you paid. So, my entire process is basically I am stalking domains. That is what I do every day, all day.

Michael: Yeah, and what is your favorite tool for stalking people?

Ali: DomainIQ, man.

Michael: Yeah, they are one of the sponsors and they recently launched their product, within the past year or so, and it is a pretty phenomenal tool, isn't it?

Ali: Oh, I love it. Absolutely love it. That with EstiBot and all the platforms. I mean I just cannot go wrong with those, man.

Michael: Yeah. I do not know. I believe I did a show on DomainIQ, or actually it is just in the commercial for DomainIQ. If you click on the logo in the upper right-hand corner and watch the 15-second commercial, I show you how to type in one domain name that you found from a buyer and then look at all the other domain names that the buyer has registered. In some cases, under different company names or different email addresses. It ties them all together, the ones that are not under privacy protection.

Have you used that to find other domain names that they own and try and do package deals for a lower price?

Ali: Absolutely. Oh yeah, all the time. I mean I type in a domain. I find out this guy owns one hundred thousand domains. I am going through every single one and I am putting them together and going: "What is your package price for these?"

Michael: Yeah, and does that work for you? Do you close package deals?

Ali: No, it does not work that well. So, I did close a package deal just the other day. It is still in escrow, but yeah, I picked up three domains. He was selling a couple here, and I went and looked at his inventory and saw three

that I really liked. And I made him an offer, he said he would think about it, and then he took it.

Michael: Yeah. Ali, for you, I know you are a big fan of the Flippa auctions. What is the worst part of running an auction, and how do you handle that?

Ali: Time.

Michael: What do you mean?

Ali: I do not like waiting. I mean I run these 30-day auctions and I want to communicate. I need action. I need to talk to people. I need to get to know you to sell you something. And nobody really communicates that much. Most of the comments are from fans, not bidders, so that is kind of tough, but yeah, I think it is just the time, man, and building up the value and just waiting for that one person who just gets it, like I got it, and we just click, and then we start talking. I think that is the hardest thing, is just having patience.

I have undersold domains because I was being impatient, even though I made a profit. You know very well, but it is just patience.

Michael: I heard.

Ali: Yeah, you have heard.

Michael: Yeah. So, wouldn't it be great if Flippa, because that is your marketplace of choice, offered like a live chat with the domain owner or broker that people get on there, and they do not want to post a comment that lives forever. They just want to like Snapchat you and chat a comment, like what do you think about this or how can I use this, and it pings you like a chat, and then you can just type back to them. Wouldn't that be cool?

Ali: Yeah, i think it is a great idea, man. I mean if there were a live chat option for people who are active bidders on the auction, I would love it. I will talk to you all day long if you are bidding on my auction. Yeah.

Michael: Yeah. What domain names? You mentioned that you have about eight to 20 domain names that you still have for sale. I am sure people are watching this show, saying, "Hey, Ali is finding great deals. I do not have the time to find great deals, but I am willing to give him a profit if I can buy some of these domain names at a reasonable amount, so he makes money and I can go make money." What are some of the other domain names that you currently have for sale?

Ali: Right now we have Employ.com. Dis.com. Tuck.com. Pompei.com. Tantra.com. Locating.com. I mean I have two words and three words. I have OneMoreNight.com, is a good three-word domain. BoutiqueAgency.com. CinderellaStory.com. FederalAid.com. SchoolTeacher.com. So, you can see all these on Perception.com. You can go. I keep it fairly updated, but yeah, we have a pretty solid inventory right now.

Michael: Yeah, it sounds like it. All right, so people can go to Perception.com to take a look at those domain names. Any final words of advice to anybody watching this show that wants to try and replicate and get that quick turnover that you are getting at Perception.com, Ali?

Ali: Study the market like your life depends on it. Seriously. If you do not know what domains are selling for, you should not be buying a domain name. That is the only thing you should put your focus on. Learn what is going on right now, what has happened in the past, and try to find out what is going on in the future. But yeah, if you do not know the market, you are not going to make it.

Michael: What do you say to people that are like well, the markets seem pretty frothy right now, which is a time that maybe I do not want to be putting my cash into domain names, especially if the economy takes a turn. I may be locked into these things for a while. They might decrease in value. Some of the new gTLDs are coming up and driving prices down. What do you say to people that are sort of doom and gloom forecasting?

Ali: Well, the numbers prove that they are wrong.

Michael: What do you mean?

Ali: I mean when I can make 52 thousand dollars in profit in 13 days, buying these domains, I mean you are wrong. I wrote a blog on NamePros the other day about it is not too late, or it is never too late to get into this industry and become profitable. It is only going to grow. I mean think about it. Everything is going to need a digital address. Period. That is the only place the future is going, unless there is like a worldwide disaster where your money is not going to matter anymore anyway. I mean why not?

There is no other commodity that you can make this kind of return on. Real estate cannot do it. Stock market cannot do it. Domains are the only thing that the future is almost certain on, like 99.99 percent.

Michael: All right, so if people are pretty adamant that the world is going to end, that the B colonies are going to cause farming to fail, and that countries are going to go to war, maybe go buy some guns and some gold or something.

Ali: Right.

Michael: But that is not going to happen.

Ali: Yeah.

Michael: Domains might be a good opportunity.

Ali: Domains. That is it. Physical addresses are going to turn to digital ones, and businesses are going to go from brick and mortar to 99 percent online.

Michael: Yeah, but does it take money to make money, like at Perception.com, where you got access to this, initially, five-hundred-thousand dollar private investment pool to be able to buy great domain names like these that we have talked about today?

Ali: I mean with these domains of course, but then again, I took five hundred dollars and turned it into an empire, basically. Right? So, if you know what you are doing, if you study, I mean it is just like becoming a surgeon. You do

not just walk in on your first day and cut someone open. You have got to go to school and you have got to learn. And you can take one hundred dollars and turn into one million dollars if you do it the right way.

Michael: All right, and we are going to get you back. Well, you are closing in on your million dollars in sales. When you hit your million dollars in profit, then we are going to have you back again, Ali.

Ali: Deal.

Michael: If you have been watching this show and you have questions, please post them in the comments below this video on Domain Sherpa and I will ask Ali to come back and answer as many as he can. If you watched his previous show, you know that Ali is very open and very giving with his time, and he does answer any questions that you have.

I also encourage you, the person who is watching this interview, to get out from behind your computer, reach out to other people in the industry, and start making connections. The easiest way to start making connections is to use your real name and post a comment below so that Ali can get to know you personally. The comment could be something simple, like thanks, Ali, or I appreciate you sharing your tactics. The most important part is just reaching out to start with. I am going to be the first to say thanks.

Ali Zandi, thanks for coming on the Domain Sherpa Show again, sharing your story about these fantastic domain name flips, congratulations on this profitable flip, and thanks again for being a Domain Sherpa for others.

Ali: Thanks again for having me, Michael. I appreciate it.

Michael: Thank you all for watching. We'll see you next time.

Watch the full video at:

<http://www.domainsherpa.com/ali-zandi-flips/>