

How to Become an Expert at Domain Name Outbound Sales - With Joe Uddeme

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<http://www.domainsherpa.com/joe-uddeme-outboundsales-interview/>

If you enjoy picking up the phone and talking to end users to make or close a sale, but you lack the skills, experience, or the script to do so, this is the interview you need to watch. And if you do not like calling people, like me, this is the interview that will provide a roadmap, tactics, and the confidence you need to do so. This show is all about outbound domain name sales. Stay tuned.

Three messages before today's interview educates and motivates you.

First, if you're a domain name investor, don't you have unique legal needs that require domain name technical know-how and industry experience? That's why you need David Weslow of Wiley Rein. Go search for David Weslow on DomainSherpa, watch his interview and you can see for yourself that he can clearly explain issues, can help you with buy/sell agreements, deal with website content issues and UDRP actions, and even help you write your website terms and conditions. David Weslow is the lawyer to call for Internet legal issues. See for yourself at NewMediaIP.com.

Second, managing multiple domain name marketplace and auction site accounts is a pain. Inevitably, you forget to sign into one and lose a great domain...or worse. Now imagine using a single, simple-to-use and comprehensive control panel to manage all your accounts. That's Protrada. You can setup search filters, analyze domains, automate bidding, list domains for sale, and buy domains across all major marketplaces. Protrada also has a new semantic engine that builds Google-friendly websites with rich content and network feeds. Sign up at Protrada.com to get 20 free credits and start building and monetizing your domains today.

Finally, if you have questions about domain names, where should you go to ask them? The answer is DNForum.com. Not only is DN Forum the largest domain name forum in the world, but it's the best. You can learn about

DomainSherpa.com: The Domain Name Authority

domain names and the industry, buy and sell domain names, talk about domain name news, and meet other domainers just like yourself. Register for a free DN Forum account and begin advancing your skills and knowledge today. And when you do signup, send me a friend request so we can connect.

Here's your program.

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

I received an email from Sean Herndon the other week. He said he found information on how to do outbound email sales emails to end user and we have done some great shows in the past with Adam Dicker, Andrew Rosener, and others - you can look through the archives. But he could not find anything on calling customers or speaking to end users, and how that relates to emails that you send. He was right, so we are going to fix that. Thanks for your email, Sean, and thanks to Jason Boshoff for putting me in contact with this show's guest.

Today we are going to dig into a successful domain name broker's sales process, including both emails and telephone calls, and figure out why he is successful so you can begin to do the same. Today we are joined by Joe Uddeme, Director of Business Development at Domain Holdings.

Joe, welcome to the show.

Joe Uddeme: Thank you, Michael. I appreciate it. I am happy to be here.

Michael: Oh man, Joe, at least I did not screw up your name. I was so worried about that that I screwed up the beginning of the sentence.

Joe: No problem at all.

Michael: Joe Uddeme. All right, Joe, I am excited to have you here today. We have all had domains that we want to sell, but many, like me, do not have

a process or tactics to get the job done. I am personally scared to email or, worse yet, call people out of the blue and ask them to buy a domain name that I may own. So let me start by asking you about what you have done, and then we will find out how you do it and maybe I will get over my fear of sales in the process.

Joe: Great.

Michael: If you look at just 2012 - last year - sales, what you personally did, Joe, what was your total dollar volume of domain names sold?

Joe: So, for last year of 2012, the total dollar amount that I was able to bring in for my company was approximately 7.5 million dollars in sales.

Michael: Wow.

Joe: And that would range from the very low end of the spectrum all the way up to seven-figure deals. And yeah, it was a very successful year for brokerage at Domain Holdings, and I was happy to be a part of that.

Michael: Yeah, and so for, let's just call it, 7.5 million dollars in sales, how many transactions? How many individual domain names would you estimate that is?

Joe: At the minimum, it was one hundred transactions. I actually do not usually go back and count. On average, somewhere between ten to twelve transactions per month. Sometimes a little bit more. Sometimes a little bit less. There were package deals; certainly portfolios that we do not count, but for the most part minimum of one hundred.

Michael: So, basically, if I were to just rough calculation, you are doing two to four deals a week that close?

Joe: Exactly. That is exactly right. Sometimes more; sometimes a little bit less. In different times of the year, you get different activity. So, like January is typically a slower month; so is December. So it just depends on the

opportunity and really, like I always say, it is all about putting yourself in the middle of a transaction.

Michael: Definitely. So, if January and December are slow months, because people are on holiday, they have spent their money, and, in January, they are thinking about their strategic plan for the year so they may not understand that spending money on a domain name might be worthwhile at that point, what are the fast months? What are the months that transactions are just happening left and right?

Joe: Well, I cannot say that we ever have a specific month where transactions are really flowing. What I can say is that typically, or at least based on my experience and my team's experience, the spring months are very strong. That would be March, April, and May. And then certainly there is a little bit of a lull during the summer, but then it picks back up as the fall approaches. Typically September and October are pretty strong, and then November you will see a little bit of activity. And then, there are still deals to be had in December. It is just a question of getting in front of the right decision maker.

Michael: Right. And maybe even priming the pumps so that later on, or early in the next year, that the deal will actually close.

Joe: That is exactly right. We work on our pipeline. I am working on my pipeline right now for March, April, and May. So, again, some of these deals take months to materialize and get done, and so it definitely takes some time.

Michael: Yeah. So, you mentioned that you will do deals all the way up to the seven figures. So we are talking about one million to just below ten million dollars. What is your sweet spot for domain names? What is sort of the minimum domain name price that you will broker and what is the maximum that you have brokered in the past, because you probably have no upper bound limit?

Joe: Yeah, absolutely. So, I mean there are. I think the short answer for a question like that is that I am going to spend the same amount of time on a domain that I am marketing for five thousand dollars as I will on a domain that I am marketing for five hundred thousand dollars. What I need to do is I

kind of have to pick and choose my battle. Typically, I will focus on assets that are priced somewhere between ten thousand dollars on up to about five hundred thousand dollars. Usually on the lower end of that spectrum, we have an easier sales process and an easier sales cycle, but that is not always the case. So, you still have to do the same digging. You still have to reach the same end user. It just depends on timing and what the asset is really.

Michael: And so, when you say ten thousand dollars is sort of the lower limit, is that ten thousand dollars for the actual sales price or is that sort of the starting point? So let me give you an example. I have got a domain name that I would take anywhere from three to five thousand dollars for, but I am going to price it at ten thousand dollars so I have got some negotiation room in there. Would that be a domain name that you would prefer not to broker because it will probably sell in the three to five thousand range or, because I am setting a price of ten thousand to start with, it would fit with what you broker?

Joe: Well, for the most part, I mean if I have a relationship with a client who I have been working with for a while and once in a while they approach me with an asset that might be priced around five thousand bucks, if I think we can position that in the lower five-figure range, I will go ahead and do that and see if I can get a higher amount to extract for them. I might automatically have an end user that I have already worked with in the past that might be a perfect fit for it. So, instead of me having to do all of the legwork and go out and try to find a new buyer, it is already set up. The buyer has already been established, in which case I will say to you: "Hey Mike, five thousand bucks. I can probably move that today," in which case I do not have to do the extra work to build the leads for that.

Michael: Got it. So if I have got a domain name I am willing to sell for high wholesale or low retail - let's say that it maybe has a wholesale value of three to five thousand and a retail value of ten thousand -, I can call you up; while it may not be in your sweet spot, you may know of another person that could immediately purchase it that you have worked with in the past, so you may take that on.

Joe: That is exactly right. And then, in addition, because we have eight full-time brokers in-house, my team is always there to help me. So, if I have more inventory than I can handle, what I will do is I will either put the client in touch with one of my colleagues or I will recommend pricing to one of my colleagues and see if they can lend and assist. They might have an end user that fits perfectly for the domain, so we have that opportunity to really go in and see if we can make the match.

Michael: Got it. Any particular industries or markets that you focus on specifically?

Joe: I have a lot of experience in the retail sector. Before I started getting into the domain name, I really focused on retail. I spent a good portion of my life in retail and, as a result, I like the eCommerce, but we do have a lot of buyers in the insurance education space. Really, every major niche vertical that is out there. Again, I think I mentioned this previously, but it is all about a puzzle. And what we do is we try and put the pieces together of the puzzle to find a suitable buyer for the name.

Michael: Yeah, great. All right, so let's dig into the details of your process.

Joe: Sure.

Michael: Does your process start with a seller approaching you and asking you for help, selling a domain name?

Joe: That is a great question. Typically or I should not say typically, but sometimes what will happen is we will have an end user that is looking to perform a self-acquisition. So, they will reach out to us directly and say: "Hey, by the way, we are in this space and we are looking for a moving domain." And what I will do is I will then go into the market, I will see what type of inventory is available, and then I will bring that inventory back to the buyer. But in some instances, we will approach sellers to see if they have interest in selling a name, or sometimes we will get referrals. A lot of my business of late has been referral based. Meaning that one of my clients is very happy with the service that we provided and they will go ahead and say: "Hey, I have a good friend of mine who is looking to move a name. Do you

think you can help them?" And at that point, we will see if we can make the match and see if we can find a good fit for that.

Michael: Let me ask you one question about the buyers coming to you, because I would think that - uneducated, definitely ignorant about your process - 99 percent of the deals that you do, you are representing the seller because there are so many more sellers in the marketplace than buyers. Is that not the case? How would you represent the number or percentage of sellers that you represent versus buyers that you represent?

Joe: That is another great question. I think, in our marketplace and in the brokerage world that we live in, it is important to have a fair balance of both. I always strive to have 50-50. Fifty percent of my sellers and fifty percent of my buyers.

Michael: Wow.

Joe: What I have done over the last year and a half is I really focused on the buyer channel. Establishing relationships not only with domain investors, but certainly domain end users; people that would benefit the most from having that particular asset. And then, if I can kind of keep my buyer channel and my seller channel in check, typically it is a win-win situation for everybody. Of late we have seen a lot of inventory. So, like you mentioned previously, the inventory that is out there right now - there is such an influx. There is so much more supply than there is demand, so it is very tough to kind of negotiate that and see if we could find more buyers to offset the sellers that are in the market. But every day is a challenge. That is what we do, so it is very enjoyable.

Michael: So, Joe, one of the things you also said was that when a buyer comes to you and has a need - I need a four-letter brandable name or I need something in the education space, or whatever their requirements are -, then you said you go to the marketplace and you look at what is available.

Joe: Correct.

Michael: Now that is a very interesting statement because most sellers - most domain investors - want to have their portfolios available for people like you to look at so that if you see something that exactly matches the customer's need, then you can contact the seller. How can a seller - how can a domain investor - that has a portfolio that is available for sale make sure that a broker like you has access to look through the list?

Joe: So, we always encourage our clients, and even people we do not work with, to submit their lists to us. What we have internally is a search tool that allows us to upload that list so that if there is ever a type of inventory that my team is looking for, all we have to do is search by keyword. It makes our lives a lot easier. So, if you tell me that you are looking for assets in the telecommunication space, I can go in and pull every asset from just about every major domainer that is out there out of my inventory list. If I do not have it, we also have external relationships that are established. Some are co-broker relationships; some are just other organizations that we work with just so we can try and find the inventory that meets the needs of our clients.

Michael: Okay. So, if I have domain names for sale, I can send you my list, you will put it into the Domain Holdings System, and then, if any of your team has a need for a domain name that I own, they will understand that it is mine and have my contact information in there.

Joe: That is exactly right. We encourage our clients to do that.

Michael: And if I have my domains listed at DomainNameSales.com or Afternic, or something like that, will your system also search those, or is it better for me to email the list directly to you?

Joe: Ideally we would like to have a copy of the list ourselves so that we can upload it directly because, again, you cannot really track what has been sold and what has not been sold. But with that being said, we do work certainly with DomainNameSales and some of the other major players that are out there to try and help our clients find the right inventory.

Michael: Yeah, okay. And if other investors are like me and I buy a domain name a week or a couple a week, I do not want to inundate you with emails

every week. How is it best to update sort of my portfolio in the Domain Holdings database?

Joe: So, what we ask our clients to do is quarterly to send us an updated list. What we can do is we can just upload that list pretty quickly. It takes a matter of minutes, depending on the size of the list. And we have clients that I will email multiple times a day and they will email me back multiple times a day because they are always buying. As a result, we will be able to upload the inventory, but we prefer to have it on a quarterly or monthly basis typically.

Michael: That makes sense. Okay, and we are going to go over your contact information at the end of the show if people want to email those to you. So, you have a buyer that comes to you, looking for a domain name. You search through your system and try and find if there are any matching domains that match the requirements.

Joe: Sure.

Michael: What is your next step after that?

Joe: Usually after that is I will put together a list based on keyword or specific requests from the buyer. I will try and narrow it down because typically, when we are sending these lists out, they consist of - it could be - hundreds of assets. I will ask the buyers to comb through the list and see if there is anything that pops out to them. If there is, then we can narrow it down based on that specific keyword. Maybe go back to the drawing board, try and find more inventory, and push those ideas out to the potential buyers. Internally, at Domain Holdings, we have a very good support group that all they do is they generate inventory ideas for us. So, on a regular basis, we are constantly getting new inventory ideas to fluid out to our potential buyers. So, every day I am sending new inventory ideas out; and as a result, it is all about the more people you can touch, the better chance you are going to have of getting a deal done.

Michael: Definitely.

Joe: Again, it is all about making the match.

Michael: Yeah. So, when I opened this show, Joe, I thought we would focus on sales of domain names - so, outbound sales -, but you flipped it on me and you talked about buyers. So I want to continue the process of buying, but then I want to switch over to selling. So, if I am a domain investor, and I have a domain name that I want to sell and I would like you to represent me, what would be your process to go through to sell it? So let's finish up the buying example. So, you and your team generate different ideas for the buyer.

Joe: Correct.

Michael: And then, you go back to the buyer and you say: "Here are some different domain names that fit your requirements." You explain it to them, I assume.

Joe: We do.

Michael: Because a lot of them are not obvious.

Joe: Some of the buyers are pretty well educated. They understand the process and they understand they have specific needs that they are looking for. So, the education is not as important there. But if we need to, we are happy to either get on the phone or a Skype conversation with our clients and explain to them the value of the asset. What is the search volume? What is the cost per click? All of those things are very important at the end of the day. And again, my number one priority for every client that I work with on a regular basis or even people that I have never talked to before is to establish that credibility; to explain to them that I am, indeed, an expert and understand the field. And I think it makes them more comfortable and then, at the end of the day, we do not want anybody to every have buyer's remorse. If you have a buyer that comes to the table, the last thing you want is for them to feel like they put too much money on the table or they are not happy with their purchase decision.

Michael: Okay, so let's talk about that - the fact that nobody wants to feel like they put too much money on the table. So, when you provide the list of

possible domain names to the buyer who has the need, do you also provide pricing?

Joe: That is a very good question. I mean typically we do not. The way that I like to operate is, unless I have somebody who is very interested in an asset - and usually you can feel them out. If you get them on the phone, and you can take your time and you can feel them out as to what their intention really is. If I just have somebody who I call fishing - meaning they are just looking for price on an asset -, I will usually give them guidelines. What I mean by that is, is we are accepting offers in the mid-six figure range. We are accepting offers in the low six-figure; upper five-figure. Then usually what that does is that will qualify the person; by qualifying them, that will allow me to distinguish whether or not they are an actual buyer. If I do not think that they are actually qualified, then I will just kind of skip the process and either we can potentially get something done or we cannot, but I do not usually like to give pricing out unless I believe that I am really dealing with a qualified buyer that is ready to move.

Michael: Okay, so great question that I have a side question for. I was just sent an inquiry this morning for a domain name that I own. They were totally just fishing. And I never quote any prices. Would you recommend that I try and qualify them by saying: "I am looking for - how did you phrase is - low five figures" just to see if they are around that range if I am willing to take anything from five thousand up to twenty thousand?

Joe: Yeah, that is exactly what I would do. I will go back to them and the first thing that I will say to them is: "We are accepting offers in the low five-figure range." And right away that will qualify them. They will say: "Well, I thought that it might be five hundred dollars," in which case the conversation can come to an end right there because I cannot obviously help them. If they say: "Okay, five-figure range. That is within my budget. What are we talking about," then we can escalate the conversation and start talking the pricing.

Michael: Great. So, what ranges do you typically use? Low five-figure range. Do you ever say high four-figure range, or do you just go with low five-figure range?

Joe: Depends on the asset. I have clients that I have been working with for a long time that have a couple of the lower end assets that they want to move. It really depends on the inventory. We look at the inventory closely. We evaluate the value of what we perceive to be the fair market value for the asset and what we think we could move it for. And if the buyer is interested, then we will certainly take the conversation to the next level.

Michael: What dollar amount ranges do you roughly associate with high four-figure range, low five-figure range, and high five-figure range?

Joe: So, high four-figures, I would say probably in the eight thousand dollar range. I think that is a fair assumption there. Low five-figures would be anywhere from I have seen ten thousand dollar offers on up to twenty-five thousand dollar offers. Mid-five figures, obviously pushing the thirty-five to sixty-five thousand dollar range. Mid to upper. So, again, you can classify it in different ways. I had a client this morning that I reached out to who I thought would be a perfect end user fit for one particular domain name, and I said to them that we are accepting offers in the low to mid-six figure range. So, what that does is that will kind of, in their mind, or at least in my mind, that says that, well, the buyer or the seller might consider one hundred and fifty thousand dollars, but they might need closer to five hundred thousand dollars. So, if we can kind of hit something in that sweet spot and get some interest back. It is a game that we play all the time.

Michael: Yeah. When I hear low to mid any range, I immediately think low. I watch a lot of those pawn shows on TV that I enjoy the negotiation; and if somebody comes in and says: "Yeah, I am looking for two hundred to four hundred dollars for this autographed Mickey Mantle baseball card." Okay, two hundred bucks.

Joe: Exactly, and I think that is human nature. I think we are all programmed, when they hear a certain range, to go in the low end of that range. But again, that automatically, if I tell somebody that I am looking for an offer in the low to mid five-figure range and they come back to me with a ten thousand dollar offer, well, they are qualified. Meaning that they are willing to spend ten thousand and I am asking forty for it, I think I can get them up to thirty to try and get a deal done. So, it is all about psychology and just trying to

understand the buyer, trying to help the seller to extract the value that they are looking for, and try and balance both sides really.

Michael: Okay, and when we started this conversation, I was originally thinking that this was like a company. An established firm that is looking to rebrand. But actually, it could just be any Joe Schmoe - any single guy like me - just saying: "Hey, I am interested in this domain name," contacting you to do the deal for them. So, it could be somebody that you know or somebody that is qualified all the way down to somebody reaching out from a Gmail address that you know nothing about. That is the buyer.

Joe: That is exactly right.

Michael: So the buyer contacts you. You ask them what they are looking for and get the requirements. You look through your inventory. You generate ideas through you and your team. You provide those to the end user and educate them on the process if they need it. You do not provide any pricing, but, as part of the requirements that you gather at the beginning, you were looking for a range that they were willing to spend. So, do you only give them names roughly in the range that they are looking to spend? You are not going to show them Capital.com, which is over seven figures, for a small financing or title company or whatever in Hoboken.

Joe: That is exactly right. I mean there is no advantage to me. If I have a million dollar domain name that I am trying to sell to someone, it would make no sense for me to go after that small business in Hoboken. There is no value there. There is just no way that we are going to get a deal done at that level. So, I would say it is not advantageous at all for me to send a client that is looking for a ten thousand dollar domain a seven-figure domain name. It is just kind of a waste of time. I am spinning my wheels for nothing.

Michael: Yeah, okay. So, after you have educated them and presented them, they are either going to like one of the domains or not like any of them. Is that typically how they fall - by an area like that?

Joe: Exactly. More often than not, our clients have a tendency to be picky, which we totally understand and we respect. So, I do not usually think that

we are ever going to get it on the first try. Occasionally it happens; but if it does not happen, we just go back to the drawing board. The luxury of our business is that there is so much inventory out there. There are so many possible names that people could consider. Things that I could never begin to. I mean on my desk, every single day, I keep a thesaurus just so I can get name ideas because, again, there is so much out there and the sky is the limit in what we do.

Michael: Yeah. So, what is the typical next step from there, Joe?

Joe: So, you have a buyer that comes to the table and we share a set of inventory with them. If they are interested in one of the names - maybe they are interested in five of the names -, we will then go back to the seller to start to see if can get a pricing range. Some of the sellers have already given us pricing; at that point, we have to make sure that (A) the asset is still available for sale; (B) the pricing that they have given us in the past is still indicative of the current market value. If it is not, we will then get the fair price and then we will go back to the buyer and kind of give them that range that we are talking about. 'We have these five assets that are maybe within your sweet spot in the low five-figure range. Would you like to make an offer?' Well, I want to do some research and think about it. And the biggest hurdle that we have with buyers is that we need to educate them. Again, some of these guys are very educated; some of them have absolutely no idea what the value of the domain really is. So, we just use as many third party tools as we can and, certainly, our expertise to be able to educate our clients.

Michael: Yeah, definitely. Well, that reminds me of one of the TV shows. I keep talking about TV. I do not really watch that much TV. I swear. But it is like Property Virgins. You get people who want to buy a house, but they just have no idea how much housing is in a particular town with a certain school district or what have you. So a lot of education that needs to be done I assume with new people to the domain name industry.

Joe: That is exactly right. We assume that all of our clients have absolutely no idea what we do and how we go about doing it, and really what the true value is of an asset. And our job, as brokers, is to educate people. So, typically, that is the best time to get on a phone call with a buyer or seller

because, again, you have to bridge the gap. There is always a gap. You might have a seller that wants one hundred thousand dollars for a name and you have a buyer who is willing to pay ten. My job is to bridge that gap; and if I cannot do it, I need to be able to see through that so I can move on to the next opportunity.

Michael: Yeah. So, you go back and forth with the buyer and the seller. You confirm the assets available; the pricing. You narrow it down to one or two domains, and then basically it is just negotiation with you as the middleman?

Joe: That is exactly right. And one of the advantages that our company provides is that we have the ability to not only do the negotiation on behalf of the buyer or the seller, but we also handle all of the paperwork, we handle all of the escrow, and then we handle all of the transfer. So it is a pretty smooth transition. And so, the buyer - let's say that they want to go after XYZ.com and the seller has a valuation on that of twenty-five thousand dollars. I will go back to my buyer and say: "Well, we need an offer somewhere in the low to mid five-figure range." They will come back and offer ten thousand dollars. At that point, it is my job to go back to the seller and say we have a current firm offer of X - ten thousand dollars, in this case -, pending a signed purchase and sales agreement. What that does is that protects us from any liability down the road, because you have a lot of deals where you have both sides that agree in principle to the terms of the deal, but they do not sign paperwork; and then the paperwork never gets done and we cannot be held liable in case that deal goes south. So it is all about dotting your eyes and crossing your T's really.

Michael: Definitely, and that is why having a professional involved is helpful.

Joe: Sure.

Michael: All right, so let's flip the conversation and talk about your selling process. So, I have got a domain name that I think is worth twenty-five thousand dollars, Joe. I met you at Web Fest. I think you are a nice guy. I think you have got all the skills to represent my domain name because maybe

for whatever reason, so I am going to call you up and say: "Joe, I want you to sell my domain name for me." What is your first step with me as a seller?

Joe: So the first step is establish the pricing parameters and guidelines. What we will try and do as a company is we will try and bring that domain asset, if we think it is warranted, under what we call Exclusive Brokerage Agreement (EBA). By having the exclusive right to sell that name, I am comfortable with my lead gen team spending the time that is necessary to build those leads, because, again, it is a very arduous process. It does not happen overnight and we have a lot of third party tools that we pay for to allow us to generate those leads. So, if I can bring it under EBA, that would be my first step.

Michael: Okay, so that means that I actually sign an agreement with you and Domain Holdings.

Joe: That is correct. Typically our agreement is about sixty to ninety days.

Michael: Oh, that is it.

Joe: Yes. So, we do not want to tie your asset up for an extended period of time.

Michael: Wow, that is great. That shows me that you are actually going to work to sell my domain name. And I should represent that I have not used a broker in the past to sell, but I am under this assumption that exclusive domain name agreements last a year. And whether or not you work on my behalf during that entire year does not matter because I am locked into that broker for a year. So, you are sixty to ninety days, which means that you are going to bust a hump to get it sold, if you think that it is sellable to bring me under the exclusive broker, within that sixty to ninety days.

Joe: Any broker that tells you that they need six months or longer to sell a domain name - in my personal opinion, we know within the first thirty days if we are going to be able to sell a name. You are going to know right away. If you are doing extensive outreach and you are reaching the proper end user, you are going to know pretty quickly if somebody is interested in the name. I do not like to waste time because if I am wasting time on an asset, it is not

only hurting my client; it is hurting me as well. And I never want to do that. We always want to do right by our clients, so I believe that sixty to ninety days is plenty of time. But we always push for the longer period because, again, people are viewing it in our newsletter and so forth. But at the end of the day, my job is to build as many assets as possible for the best possible price.

Michael: So, I may know you and I may say: "Hey Joe, I have got to liquidate this domain name. It is a fifteen thousand domain name; I am willing to take five thousand because I bought it for three thousand." And you may just reach out to your network and try and move it quickly. And that would not be an exclusive deal, but on the ones where you are reaching out to end users, trying to get the maximum dollar amount, you are spending your resources, your team's time, and your time on that, which are taking you from other sales and other exclusive brokerage agreement is likely the way you go.

Joe: Yeah, I mean it is ideal for us, as brokers, because, again, it establishes that we have the ability to sell that name and we can then tap into our network not only with reaching out to end users because, again, within sixty days or thirty days, if I cannot make contact with that proper end user, I am not getting success, well, then we will go after our co-broker channel. We will then push it out to them because, again, there are co-brokers out there that are very good at what they do. They have an extensive relationship that has been built; and I have done many deals with co-brokers whereby we split the commission, but again, if you get the deal done, it does not matter. Again, we are all in this to try and succeed.

Michael: Definitely. Okay, so let's assume that it is an exclusive broker agreement because I think that is the closest analogy to an individual investor who has a domain name that wants to call up some end users or email them and try and sell it. So, let's assume that I came to you with a domain name worth at least ten thousand bucks that I would like to sell. I sign an exclusive brokerage agreement with you. The first thing that you and I do is, you said, talk about what my pricing range is.

Joe: That is exactly right. So, I will look at four main criteria when I am evaluating a domain name. I like to think that I am pretty good at valuations.

If I am not sure about a valuation, I will ask my team internally. Again, we have a great support team to help us value proper asset. But the four things that we look at: cost per click - so, CPC is very important -, search volume, the competition - how many people are bidding on that particular keyword -, and then obviously other comps in the marketplace. What other names have sold and what have they sold for? It is almost like commercial or residential real estate. It is very similar to that. So, once I come up with a valuation, I will then go back to the client and say: "Well, I think it is actually worth twenty-five thousand dollars; not ten. Maybe you are leaving money on the table, or I think you need to set your expectation a little bit lower and this is why," and then I will explain to them why that is the case.

Michael: Okay. So, in all four of those criteria, more is better. If the CPC is higher, it is better. If the search volume is higher, it is better. If the competition is higher, that means that there are more potential buyers for it. And if there are a lot of comps at higher amounts, that is better.

Joe: That is exactly right. If we get all four of them, then we are dealing with an asset that is probably very marketable; very movable in a very short period of time.

Michael: Okay. So, sign the agreement. I told you my range that I am looking for. You did your own valuation of the domain name based on those four criteria. You came back to me. We chatted about it. We agreed on a range. Do you agree on a price or a range with the end user?

Joe: So, what we do is we have what we call a reserve price. The reserve price is the very lowest possible price that we can sell that asset for and is inclusive of our commission as well. So, if you come to me and you want to net eight thousand dollars, I will say to you: "Well, let's put it on a reserve at ten thousand dollars,' because, again, we have to build our commission into that. If I think it is marketable at that range, I am happy to look and sign the paperwork today and move forward.

Michael: Great. All right. So, then once we have agreed on the reserve price, what is your next step?

Joe: So, after we have established the actual reserve price, what I will do, once we have paperwork signed and everything is ready to go, is I will then have my lead gen team start to build leads. That process could take two to three days to build actual leads per asset, so what I will do in the interim is I will start combing through Google. I will start combing through all of the various tools - EstiBot, Google, Yahoo, all of the major search engines, SEMrush, SpyFu. These are all great third party tools that we use to help find suitable buyers for names. These are people that are bidding on keywords. These are people that are already ranking in the search results. So, those are typically the guys that we want to target. I will start with a general outreach to some of those clients before the leads are actually built; what I mean by that is I will start and do a WhoIS search and find out if it is an investor or if it somebody that is an end user. If I think that it is warranted, I will craft an email to make an introduction and tell them who I am, what I am doing, and what I am all about. Usually the response rate on something like that is one to three percent, but then what we will do is, once those leads are generated and built, then we will start the process of picking up the phone and trying to make contact with that actual person.

Michael: All right, let me stop you there, Joe, because I think we just jumped three steps at once and I want to dig into each one. So, after you sign the paperwork, your team does lead generation. So, they are off running through every single system to pull in leads, but you - you and I discussed in the pre-interview that you are a PPC and search engine you. You understand how marketing works online because you have done retail. So you will do your own research also and find out who the heavy hitters are. So you are doing research and you are trying to figure out who is the appropriate person to contact. So, let's say that you go to SpyFu and you can see that there is an educational company that is paying ten dollars per click on a high volume search phrase that matches the domain name. You want to contact that educational company, looking up, which probably one hundred or five hundred people, or one thousand people, because those educational companies do a lot of lead gen. How do you do the research to find the right person to contact at that company?

Joe: So, usually, the number one priority is to look for a C-Level Executive. Somebody that is really the decision maker within the organization. I usually

go after the CMO first, which is the Chief Marketing Officer. Usually, in very large corporations, not only do you have a CMO, but you have a CIO - a Chief Information Officer that could potentially see the true value of the domain name for a project that the company might be working on down the road. So, maybe they are the actual decision maker. Sometimes you are dealing with the CFO - the Chief Financial Officer, who controls all the finances and everything like that. Recently a deal was closed where I dealt exclusively with the CFO. I have dealt with CEOs and domain administrators. It really depends. Legal departments.

Michael: So, if it is a smaller company - let's say that it is a ten million dollar mortgage company -, the owner is likely the CEO or the President; and if you go to the About Page of the website that you found through SEMrush or SpyFu that you know they were advertising and you see his name, and you go to the WhoIS records and you get his email address, bang, right there. Or you can go to the About Page. Sometimes they have the owner's email address right there. So, you are generally looking for the CEO or the President of a smaller type of company - ten million or less. But if it is a hundred million dollar company, they are not going to have their email addresses on the website most likely. In some cases, you will not even see the Chief Marketing Officer listed.

Joe: That is exactly right. So what we will do then is we have another tool related to Data.com. Data.com is a great opportunity to extract the decision maker within some of the largest corporations.

Michael: Oh, wow.

Joe: LinkedIn is a great source. A lot of people do not realize, but if you go onto LinkedIn, you can really make connections with people, specifically if you have an executive or the higher end membership with LinkedIn. You can send them what they call and InMail. Typically they do not respond to the inmails, but at least you put your name out there and you make them aware that you have this asset that you are trying to market. Maybe they have some interest. And occasionally, I cannot tell you, it has happened many times in the past. People get back to you and they are very interested. They want to talk further. And again, maybe you cannot sell them that asset that you are

marketing, but maybe down the road there is another asset that makes sense for them.

Michael: Yeah. Okay, that makes sense. So you are using a whole bunch of different tools; and for somebody that is looking to try and find that right person, they can go to Data.com. I have used InfoUSA in the past. They actually have a business search capability. Have you ever used that database?

Joe: Yeah, we are familiar with InfoUSA. We have used them, but we have found that some of the data was a little bit stale, so we try and steer away from that a little bit. And that is part of the problem that you run into with all of the data companies that are out there; is the information that they have might not be as up to date. Jigsaw is another one that is pretty good. There is a bunch. I mean the Internet is so great now because you can find anything about anybody very quickly. And we use all of these tools every day at our disposal and advantage to really try and talk to the right people.

Michael: Yeah. Well, and you get proficient at them when you use them every day.

Joe: Exactly.

Michael: So, you are doing your own research on who to contact while your team at Domain Holdings is also pulling together a lead generation portfolio for you. And then, once you have that information, either your information or your team's lead gen information, then your first step of outreach is an email?

Joe: Typically it is an email just to get the process started. And again, in most instances, if I send one hundred emails, I might get one to three percent response rate. Three percent is really good; meaning three people write back to me. Sometimes in the WhoIS information, if we are talking about a smaller company, there might be a telephone number associated with that, and I will pick the phone right up and dial that number quickly to see if we can make contact with the right decision maker at the company.

Michael: And I want to ask you about the phone, but let me ask you about the email before we move there. What do you typically say in your first email out to a potential buyer?

Joe: First of all, I introduce myself. "Hi, my name is Joe Uddeme. I am a domain broker with Domain Holdings Group." Sometimes I say Director of Business Development. "I have an asset that I think might be of very interest to your company. The domain asset is this. According to the Google, the search volume for this particular asset is this." And then I will just get into some basic details. "I would love to discuss this opportunity with you. I think it would be a great advantage and acquisition for your company. There is branding capability." I do not want to get into too many details, but in essence, "I would love to talk to you. I would love to get aligned with your goals and objectives and try and help you out."

Michael: Okay. So you present yourself, you present the offer, and you are asking for them to contact you back.

Joe: That is exactly right.

Michael: And so, do you ever feel or do recipients of the email ever say to you like: "Hey, I have got a domain name. I do not want to buy another one. Like that is just a lot of work to have to switch things over, and why do I want to? I do not even know if this one." So, they have resistance to purchasing something else that is going to cost them more and require them to do more work.

Joe: That is exactly the case. It does not happen all the time, but for the most part people do exactly what you just said. And the way that we overcome that or the way that we combat that is we try and explain to them that premium .COMs not only retain their value, but typically they increase in value over time. So, they do not necessarily need to rebrand themselves under this name. Maybe they just want to do a simple redirect of the traffic that is coming in and just capitalize on that traffic. And a lot of the names that we have been able to sell has been going that route. We do not necessarily want you to rebrand your company. That is one option, but it is not the only option. So you have to look at everything accordingly. Maybe they have a brand that has

been struggling for a period of time. So, the first thing I like to do after we actually establish contact is to listen to the client. Listening is the most important thing that we do. You do not just want to be in the offensive right away and just say: "Oh, this is what I am doing and this is what I am selling," because you only have one chance to make an impression on these people, especially if you get the right decision maker. So it is really important to weed through that and just explain to them that there is no hard sell approach here. It is pretty simple. This is what we have, this is how it is going to benefit you, and this is why we think it is a good idea.

Michael: So you send the first email. You said that, if there is a phone number in the WhoIS records, you will immediately pick up the phone and call them as well. Do you wait a certain period of time between when you send the email and when you make that phone call?

Joe: Usually five to ten minutes. So I give the chance for the email to land in the inbox, and then I will call that person and see if I can connect with them. Depending on the day of the week, there are different times that I think present an advantage to making a phone call and reaching a decision maker.

Michael: Like which day?

Joe: So, most decision makers, at least in my opinion, can be reached first thing in the morning - so, very early in the morning - or after six o' clock in the evening. You would be surprised at how many true C-Level Executives are still on the job after typical business hours. Fridays are great days. Fridays are days that usually people do not have too much to do; as a result, we might get a CEO, sitting in his office, tying up loose ends. Maybe he is watching the stocks on the computer. Maybe he picks up the phone. There has been many deals that have happened by just getting that right person on the phone; explaining to them what it is that we do. Most people would call ten o' clock in the morning on a typical work day. I think if you are really trying to get somebody on the phone, the best thing to do is to try earlier than that. First thing in the morning - 8AM, 7:30, if you are up. Again, this business that we are in is twenty-four hours a day.

Michael: Well, and especially because you are calling at the local time for that business. So, if they are in Hawaii, you are getting up really early, I think. Anyways. So, early morning - 7:30, 8AM - or after 6PM. And one of the advantages of calling late like that is that you usually bypass the receptionist or the gatekeeper who is trying to prevent you from talking to people, and then you can press in, dial by name, or just call whoever picks up. It might be the CEO.

Joe: So the gatekeeper at most of these companies - and you just raised a great point. Their number one job is to deflect you; to do whatever they can to make sure that you do not make the connection that you are looking to try and make. And you cannot blame them. I mean that is what they get paid to do. But our job is to try and weed through that get to the decision maker. It is not always easy. It does not happen all the time. But if you keep on it and you stay persistent; I love the word persistence in our business because persistence pays off.

Michael: Do you have any tricks that you use with the gatekeeper, if you happen to call during work hours? Like you sent an email, you know that the person opened the email because you tracked it, and then you want to give them a call directly, but you got caught by the gatekeeper.

Joe: Yeah, what I will do is one of the biggest tricks in the book is, if you have an actual email address of a C-Level Executive or the decision maker and you are talking to the gatekeeper on the phone, as soon as you hang up the phone, you send another email to the decision maker and say: "By the way, I just spoke to your receptionist, she sounds like a very nice person. I would love to discuss this with you because I know that she cannot make the actual decision." And sometimes, to be honest with you, I will send five emails in a matter of an hour to a client. And they will call me back because you do not want to be a turnoff, but you have got to pester people. You really have to stay on top of them.

Michael: Right. You want to be proactive. You do not want to just wait for things to come to you. And I deal in sales a lot also with magazine sales, and it takes a certain number of contacts with a person to rise up their priority list and make sure. They could want to do a deal with you, but they are just so

busy, and so many other distractions and priorities in life that: "Hey, I will get to you later, because you only sent me one email."

Joe: That is exactly right. And the truth of the matter is, is that, at Domain Holdings, we do not have the ability of an inbound lead flow. So, everything that we do is outbound and it is very important to make sure that you stay on top of your game. You really have to be in the forefront. You have to be in contact with people all the time, even if they are not the right decision maker. The harder you push, the better results that you get. I mean, again, I think you and I spoke about this as well, but it is all about the more you put into it, the more you get out of it really.

Michael: Right. So, let's say you call after your email was opened. You know it was read. You get to the gatekeeper. The receptionist transfers to you, surprisingly, to the CEO's or the Chief Marketing Officer's, or whomever's, extension, but it goes to voicemail. Do you leave a message or do you not leave a message?

Joe: Absolutely. Any time you have an opportunity, even if you are not making actual contact, if you can leave them a message, you want to be as clear and concise as you can. You do not want to ramble on. You want to make it as simple as possible. Who I am. Why I am call you. What the benefit is to your company. How I can help you down the road. It is not just about one deal and done. I try and make that clear to everybody that I have ever worked with. I want to work with you for many years to come. So, any time you think of domains, I want you to call me. It does not matter how simple or how small it is, I want to make them comfortable; and if I can do that and leave a thirty-second message and just say: "Hey, I am Joe. This is what I do. This is who I am. This is who I am with. This is how I can help you. Please give me a call back." The typical response rate on something like that is less than five percent, but again, tomorrow is another day, so you pick up the phone again and you try them again, or you try them again the same afternoon and just explain to them. Worst-case scenario is they are going to say no. And again, it is like closing a deal. You go back to a buyer or seller and you set the expectation. If they say no, they say no; then you move on.

Michael: Actually, isn't the worst-case scenario where they lead you on, but they are really not interested?

Joe: That happens sometimes as well.

Michael: Like the best case scenario is somebody says yes. The middle case scenario is somebody says no, because at least you can just cut your losses and move on to somebody else who might be interested.

Joe: But a good broker has to be able to weed through that. You have to be able to understand that if they are full of a malarkey and they are just wasting your time or if they are really, indeed, interested. And again the goals and objectives concept, in my opinion, is very important because not only would it qualify your buyer or seller in that case because it works on both sides, but if you are talking to somebody and you say you just want to get aligned with their goals and objectives - what are your domain goals? What have you purchased this year? What are your plans for the next six months? And again, these are simple questions, but not only are you qualifying them, but you can weed through the BS and really decide whether or not they are a suitable buyer for a name.

Michael: Yeah, definitely. Okay. So you emailed and then, if there is a phone number, you call. If there is not a phone number, what do you do in that case?

Joe: We use a CRM system, which is Salesforce. I think you want to cover that as well. But I will do is I will make a note in Salesforce. I will put them in as a lead, and then, if my lead gen team is able to generate a lead, I will cross-reference that lead with this prospect that I just contacted. So I will look and see if there is some type of similarity or another decision maker within the company. If there is not, I have access to go into Data.com myself or one of the other tools and pull the information that I require on that particular company. I cannot tell you how much information you can find when you just go to somebody's website. Company websites are great. Most companies that are out there have bios and employees, and employers, and people, and what they are all about. And all you have to do is pull a little information, cross-reference it in a search, and next thing you know you have the right contact. But again, if we do not have the phone number, I will put a

note in Salesforce. If we can cross-reference that with the leads that are generated from the lead gen team, then I will go back to them and I will start the outbound outreach via phone, if I get a phone number.

Michael: All right. So you send an email, you make a phone, then you go to your CRM system - your customer relationship management system - and you say: "Emailed and called John Doe at so and so to try and sell XYZ domain." And then, what happens from there with that lead? Do you put in a follow-up in Salesforce to remind you?

Joe: That is exactly right. We setup reminders all the time. So, as a result, if I think it is somebody that is going to benefit from that asset the most, I will set a reminder for the next morning.

Michael: Oh, the next morning.

Joe: Exactly. I will follow right up with them. I do not mess around. Sometimes, again, I will reach out to people five times in the same day. It really depends on the opportunity. And the biggest thing that we realize in this business, or any business, when you are trying to do sales is that you really have to contact people seven to ten times before you make the connection.

Michael: Seven to ten times just to make a connection with them.

Joe: That is exactly right.

Michael: Just to get them on the phone and talk about the opportunity.

Joe: That is exactly right.

Michael: So, every single time you are saying: "Here is who I am. Here is what I have to offer. Here is how it is going to benefit you. And I want to determine if you have interest in discussing it further."

Joe: Yeah, I mean it goes back to the basic who, what, where, when, and how. If you can answer those questions in an email or if you can answer

those questions quickly on the phone, everybody benefits. Again, you only have one second to really get these people.

Michael: So, a reminder just for the next day.

Joe: Exactly.

Michael: And then, what would that reminder be? If you called and emailed, what would the reminder be? Another email, or another phone call, or both?

Joe: Both. And depending on if you got any response. First thing I will do is I will send another email out just as a follow-up. "Hey, this is Joe Uddeme from Domain Holdings. Just wanted to follow-up and make sure you received my last correspondence. I am available this afternoon to talk." By doing that, you are kind of setting the tone right away that you want to speak to this person. You have something important to discuss with them. And always give people an opportunity to see in an email that they can schedule a meeting with you quickly. Give them times that you are available. The good thing about that is you can say: "I have five times available this afternoon. Let me know what works for you and I will call you up." Try and keep the process pretty painless really.

Michael: Okay. So let's say that day that you are doing the first follow-up, you do a follow-up email; you do a follow-up phone call. No response back. What is your next step?

Joe: Next step is just to stay on top of them. I will set another reminder for, usually, later in the week. I will not do another follow-up the next day. If I start off on a Monday and I follow-up on a Tuesday, I will then set a reminder for that Friday. Again, Fridays are pretty good days to reach decision makers. Sometimes my day gets away from me and I just do not have an opportunity to follow-up with everybody. that might roll over to the following Monday, but you always stay on top of that lead. At the bare minimum, we want to touch base with people or try and reach them seven to ten times, because if we cannot get them after that, sometimes we will just have to move on because there are so many opportunities out there. Some people call you back five months after you reached out to them. It happens all

the time. You will get a decision maker that says: "Oh, I just saw this in my junk mail from five months ago." And you try and explain to them that the asset is no longer available or maybe there is other opportunity, but again, it is all about establishing relationships.

Michael: Yeah, definitely. Okay, so the number of reminders that you put into the system corresponds with this seven to ten times. And you may do it on the ten-time side - ten contacts via email or phone - if you think that end user is worth it, or seven times if you do not think it is going to be worth it.

Joe: Yeah.

Michael: Do you ever do any contacts besides email and phone? I was reading a story about Chocolate.com, which is currently up for sale, where certainly journalists received Chocolate business cards announcing the sale of it along with some press materials. If the domain name is high value, will you do certain things to try and get broader appeal?

Joe: Absolutely. So, one of the things that we have become very good at is sending out press releases and explaining to our clients. Recently there was a seven figure name that we took to market and we just did a press release on; and you would be amazed at the people that respond to the press release. Some of the people were no good, but there are a handful of clients that you can get or relationships that you can establish out of that. So, press releases are a huge opportunity. Typically our brokers focus on phone relationships, email relationships, and then obviously co-broker relationships. But press releases on the higher end assets are very important.

Michael: Will you ever do paper letters to the CEOs of the company that you have called and emailed to try and get them to look at it through some other channel?

Joe: Not usually very often. I can tell you in the past that one of the techniques that we have used when we have had an interested buyer in a name and we cannot make the connection with the seller is we will go ahead and we will send the offer out via certified mail. We will send our contract with the offer that is presented. It will get delivered to the Postal Box that is

associated with that particular account in WhoIS. And we have gotten responses on that in the past as well, which is pretty unique. I mean that does not happen very often, but we have done it before and it has worked. So, that is another way to get through to people.

Michael: Great. All right. So, just looking through my script here. We have tackled a lot of these, Joe. A lot of great information here. I feel like I can actually go out and maybe do this now. Let's talk about the CRM System.

Joe: Sure.

Michael: You mentioned that at Domain Holdings you are using Salesforce.com, which is sort of the - oh, I don't know - Cadillac. I am not even sure if you can use that. Cadillac is making a come back, aren't they? It is the Cadillac of customer relationship management systems. It is also an expensive one, but it is completely comprehensive. We used to use it at GE. What do you like about Salesforce as a CRM system for managing customers, and inquiries, and leads, and people you have reached out to versus just a spreadsheet?

Joe: Well, I think the advantages really are the reminders that you can set for yourself. I think that, when I come into the office every morning, there is a series of reminders that pop up. We also have Chatter. So, the Chatter feature on Salesforce is great. It allows me to interact with my colleagues in-house. Maybe they are working on a new piece of inventory that they brought in. Maybe I would not normally know about that inventory. Our lead gen team generates leads for us. It comes up in the Chatter and it says you just received thirty new leads for this particular asset.

Michael: Oh, cool.

Joe: Right then and there, it kind of sets the tone for my day. It allows me to see who I need to follow-up with, who I need to start reaching out to, and that is usually how I will tackle it. So, every day is something exciting, which is great.

Michael: Yeah. So, the Chatter. Is that sort of like a Twitter feed for you? You get to see what is being tagged, Joe, to do?

Joe: That is exactly right. And I could see and, again, I can interact with the other eight brokers that I am working with. And every single day we can see the Chatter on what is going on and what is being updated. Maybe there is a name that is not under exclusive anymore, so we need to be aware of that so that we make sure that we are not pushing that out in a newsletter or something like that if we do not have the direct access and exclusive to market that any longer.

Michael: Got it. I think everybody is very passionate about their CRM system. And internally, for our sales of advertising, we use PipelineDeals.com, which is similar to Salesforce, but it is a startup and they have a lot to offer. The thing that I like about PipelineDeals is that every time I make a contact with somebody, I can add a note. I made a phone call; I left a message. I sent an email. I can actually BCC PipelineDeals, and it goes into the stream. So I can look back and say: "Oh yeah, I first met him. His wife's name is so and so. And he said he had an interest, but we could not close a deal." And then it refreshes my memory. If I did it on a spreadsheet, I would have to enter it in rows and it would just (Unclear 1:00:15.9) naturally and very difficult to read. So, I am sure Salesforce is exactly the same. It allows you to look at an entire relationship in one screen.

Joe: Absolutely. And the notes section is paramount in what we do. I mean I think it is a very important part of everyday opportunities that we have because, again, maybe we talked to a client about an opportunity. It did not pan out, but at least we have that in the notes and we can go back to it. Because when another domain comes along that might be a better fit for them, you have it in the notes and you can go back to them.

Michael: Definitely. Awesome. Okay. So we talked about best days and times to call. You basically gave us your sample script that you use in email and online. What do you do when somebody - and this is one of my biggest fears. That I am going to send an email or I am going to call and people are going to be outraged with me. Like how dare you call me unannounced or calling me, trying to sell me something? And I think it is sort of similar to

real property. If I owned a plot of land or a house, I would not call my next door neighbor and say: "Hey, do you have an interest in buying this property that I own one thousand miles away?" It seems strange.

Joe: We get a lot of clients that - I should not say clients, but people that will write back to us and sometimes they will use obscenities and so forth. And they will just wish every name in the book to you. Why are you contacting me? Who are you? On the bottom of all of our emails, if we reach somebody via email, is an opt-out. They have the ability to opt-out. We certainly do not want to piss people off. We are not in business to piss people off. We are in business to educate and help our clients find the right name that we can. Sometimes you will get somebody that just writes you the rudest possible message that you could ever imagine; and usually we will not respond back to them. In some instances, I will write back. Thank you. Sorry for the inconvenience. I am happy to remove you from our list. My number one priority is to try and (A) not piss anybody off, but (B) to educate really. I mean that is what we do. And if you are not interested, that is fine. Most people do not respond back to you if they are not interested. On rare occasions, you will get somebody that calls you up and they will start cursing at you or whatever it may be. You just have to stay levelheaded and you just have to try and weed through that. I mean, again, there are so many people out there, and we just want to take care of as many as we can.

Michael: Yeah, and you strike me as perfectly levelheaded, so it makes sense. You want to just repair any damage that is done to a relationship. If somebody writes back and says: "I do not like to be contacted without some interest of mine. Remove me from your call list," you will write back and say: "Sorry for the inconvenience. We will do so immediately. You will not hear from us again." Maybe they will contact you in the future. "Hey, I have a domain name. What was that guy that emailed me?"

Joe: Sure.

Michael: But if they are just irate - you know, screw you -, then you just will not even respond. You will just take them off your list; never talk to them again because it might just further outrage them if you email them again.

Joe: That is exactly right. And to be honest with you, in the past, we have had a lot of people. A lot of people in our business have multiple email addresses. So, we might reach out to somebody and they might opt-out on one email address, and then we might make contact with them under a separate email address. And they get infuriated. Our number one priority is to try and make sure that we correct the issue if we can. And we never want to spam people. We never want to reach out to people multiple times unless they are interested in hearing what we have to say. So, we try and take every precaution we can and every step to make sure that our reputation is not tarnished.

Michael: Yeah. Hey Joe, I know we were going to keep the interview to an hour. We are a little bit over. Do you have like five more minutes so we can talk about negotiations?

Joe: Absolutely.

Michael: All right. So, we have gone through your process. I understand it and it is basically seven to ten times, contacting the potential buyer of the domain name through emails and through phone calls. Let's say, finally, you get that end user on the phone. You have done the exact same thing that you did in the email; that you left in the voicemails - who you are, what you have to offer, the benefit to their business, and trying to get them to tell you what their needs are, if they have any. Usually, they will be like: "Well, I have no need for a domain name, but you emailed me. It sounds like a really good opportunity. I do not want to pass it up. Tell me more about it." So, you are educating them. At what point do you get to pricing with the end user?

Joe: Usually we allow the end user to ask for the actual price. I will never usually just blurt out the price unless they ask me specifically. I like to engage them; and by engaging them, you allow them to interact with you and they can ask the questions, and kind of feel like they are in charge of the conversation.

Michael: Yeah.

Joe: Usually, we try to be as passive as we can. We never want to shove anything down anybody's throat, so it is really important to make sure that you listen. Sales 101 tactic is to listen, listen, listen. Always listen to what people are saying to you. Never try and rebuttal because, if you try and rebuttal, you are not listening to what they are asking you.

Michael: Right. Okay, so you are engaging with them. You are asking them questions. You are listening rather than doing all the talking.

Joe: That is exactly right.

Michael: You wait for them to ask you for the price. Will you throw out a price or will you throw out a range? You know the reserve price.

Joe: That is exactly right. We know the reserve price and we have that card in our pocket. What I will usually do right away is I will say: "Well, we are accepting offers in the low six-figure range." And then usually what will happen, if they are pretty savvy and they understand the business, is they will come back and say: "Well, what is low six-figure range?" And I will say: "Well." We will always try and go a little bit higher than the actual ask price because you need to provide a little bit of negotiation room there. So, if the actual reserve price is one hundred thousand bucks, I will usually go to them and I will say: "Well, I think we could probably get a deal done today at one hundred and fifty thousand dollars." And then, usually there is a pause of some sort and they will just kind of take a seat back. 'Well, I really need to think about it. I think it might be valuable to our company.' Before you get them off the phone, you want to set a time to follow-up. When can I follow-up with you? When can I talk to you further about this opportunity? You never want to just let them go and hang up the phone. The common misconception in sales, at least in general, is that when somebody says no, you quickly hang up the phone and you are done. People are afraid of rejection. We do not want to be rejected. What we want to do is we want to try and establish credibility and set up a separate time to follow-up with them. Maybe it is tomorrow morning. Maybe he has a board meeting coming up at the end of the week, where he wants to pitch the idea to his group; and he wants me to follow-up with him on a Monday or whatever it is. I always

want to make myself available because that second call is really when you can get through the meat and see if you can get a deal done.

Michael: Definitely. So, whether it is a hundred thousand dollar domain or a ten thousand dollar domain, you are probably going to bump it up by fifty percent in order to have some negotiation room. So, if my reserve is ten thousand, you are going to say: "Well, we are looking for low five figures." He's going to say: "Well, what price were you thinking?" And you say: "Well, if we were to do the deal today, I could probably get it closed with the seller at fifteen thousand. Can you do that today?"

Joe: Exactly.

Michael: And they may say: "Well, I do not want to jump into this. I got to think about it." Are you ever going to retract that fifteen thousand dollar offer, if it were done today?

Joe: So, what we normally do is we try and establish a time. This offer will be valid for seven days. What that does is it kind of puts the sense of urgency on the sale. You always need a sense of urgency with any deal that you do. So, if you can establish that, maybe it is three days. Today is the last day of the month. We need to know by close of business today. If you are close on a deal and you have been talking with buyers, or one particular buyer, back and forth and you think he is very interested - you think you can get a deal done and the only hard up is price -, is that you extend an offer to them that is close to your reserve, but maybe not fifty percent higher than your reserve and say this offer will only be valid till the close of business today.

Michael: Okay.

Joe: Usually the guys will move on that pretty quickly one way or the other.

Michael: Are there any other ways to establish a sense of urgency besides saying this offer is good for seven days or three days?

Joe: Sure, absolutely. I mean what we have done in the past; and sometimes you will get a client that has a very hot domain name and you will have

interest by other parties. The number one priority is to try and get the deal done, but you explain to the client. "Well, I do not know how much longer this one is going to be available because there are three other parties that are expressing interest in the asset." What that tells them is that there is a sense of urgency that needs to be created. We try and use that as what I call a leverage tactic. You only do it when you really have something on the table and something that is legitimate. So, it is kind of tricky, but it is another tactic that you can definitely use.

Michael: Nice. All right. And let's see. Any other way besides setting a timeline to try and get the deal to close more quickly; to try and get them to sign the paperwork and get into escrow?

Joe: Well, what we do is we will tell the client right away that we want to make the process as easy as possible for them. A lot of people get concerned when you start talking about contracts and paperwork - escrow processes, how they make sure that they do not get screwed in the transaction. So, right away, a lot of clients will come to us and say: "Well, we do not know Domain Holdings. We do not know anything about your company. Why would we let you do the escrow?" So, the opportunity right then and there is to go back to them and say: "Well, Escrow.com is a great third-party source. We are happy to setup Escrow.com. They will handle all the escrow. We can get everything done today. It is a quick process," and just kind of deal with it that way as well. So, again, my number one priority is to try and help the client to make them feel comfortable with the purchase; to be there if they have any questions. They can call me on the phone. They can email me. Whatever makes sense for them. And anything we can do to try and help them. Again, we are not in this for one deal and done. We want to make sure that we can help and service our clients for many years to come.

Michael: Yeah. All right, Joe, here is the final question. You have done a phenomenal job walking us through your process to sell domain names. Some people do not have the time or the inclination to sell their domain names, but they now realize that you have got a great process, you have got great resources, and a support structure. If someone watching this show wants to use you as their broker, how can they do that?

Joe: The best way to get in touch with me is to certainly shoot me an email. You can reach me all the time. I am always accessible.

Joe@DomainHoldings.com. If for some reason I am traveling - I am at Web Fest or I am at one of the conferences - and I am not available, my group is always willing and able. The easiest way to get in touch with the group is to send an email to Sales@DomainHoldings.com. You can also reach me via phone. My telephone number is (410) 977 - 0693. Feel free to contact me any time. If I do not answer, I will certainly call you back. And I would love to work with you.

Michael: Great. And you are also on Twitter I think, Joe. Is that correct?

Joe: That is correct. The Twitter handle is @JUddeme.

Michael: Excellent. And the Company you work for - Domain Holdings - is also on Twitter at @DomainHoldings. If you want to follow Joe or Domain Holdings, we will have links below this interview. And Joe, this is the part of the show where I ask the audience to take thirty seconds and reach out and say thanks to you for providing all of this knowledge, and tactics, and your strategy for how you go about selling domain names. Send an email. Joe just gave you his email address - Joe@DomainHoldings.com. Click on the link just under the video; send a thank you to Joe on Twitter. Do something. Life is too short to just sit on the sidelines and wait for it to go by. The first step is creating a relationship and starting a conversation; and I am giving you an excuse to do that. So just click there and say thanks. It is that easy.

Joe Uddeme, Director of Business Development at Domain Holdings. I want to be the first to thank you. It is all the behind-the-scenes stuff that takes place that makes for a successful broker and business. Someone might look at sales and think: 'I can do that. All I have to do is email and call,' but there is clearly a lot to the process and the process takes seven to ten times to actually make a contact; not just to do a deal. And I appreciate you coming on the show, sharing your details of how you do it, and being so open with us. So, thanks for being a Domain Sherpa.

Joe: Oh, thank you so much, Michael. I really appreciate it and look forward to talking to you many more times in the future.

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

Watch the full video at:

<http://www.domainsherpa.com/joe-uddeme-outboundsales-interview/>