

Billionaire Mark Cuban Buys Exact Match Domain (EMD) for Startup Venture

Watch the full video at:

<http://www.domainsherpa.com/mark-cuban-kisstix/>

If billionaire entrepreneur Mark Cuban thinks exact-match domain names are worth investing in, shouldn't you consider them for your startup?

Today's show features an excerpt from the wildly popular ABC television series Shark Tank, as well as commentary from me, Michael Cyger, publisher of DomainSherpa.com.

I have three short 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.

Second, if you're buying or selling a domain name or portfolio and you want an estimate of it's value, Estibot.com is the place to go. Just like you'd visit Zillow.com to get an estimate of a house value, Estibot.com provides key information about the most important statistics so you can make an informed decision based on data.

Finally, DNX.com is a domain name exchange that uses a reverse auction platform to provide fair market prices for quality domain names that are manually filtered by an experienced broker. At DNX.com, domain name prices drop until someone decides the price is right; but don't wait too long or a domain you love might be purchased by someone else.

All three sponsors have a clickable banner in the upper right hand corner of DomainSherpa.com.

Here's your program.

I have published multiple articles and interviews in the past about exact-match domain names (also known as EMDs), featuring excerpts of CEOs who have purchased EMDs and realized real, tangible benefits from them.

The benefits are multifold:

1. They're in limited supply
2. They receive type-in traffic
3. They have brand recognition and authority

They're in limited supply, so the value is higher. In addition, any EMD you buy is one less domain name that your competitors can own, and the best ones tend to go up in value as more people come online around the world. So even if your business is a zero, you have a valuable asset that can be resold, if necessary.

If it's a popular search term, the exact-match domain name will likely have type-in traffic, which is when consumers type in the domain name assuming that the site will have exactly what they desire.

And, if you're the registrant of a domain name for a geographic area, an industry or a business category and you telephone a potential customer, partner or supplier, they're more likely to take your call because they'll assume you've been around for years and are an authority on the topic.

In a past EMD articles and videos, I featured excerpts from:

* Steven Boal, CEO of Coupons.com, a company now valued at about \$1 billion, who said, "At the time it was a very painful check to write...but I think from a marketing perspective and ROI and SEO and all the things you talk about, there is no better money that we could have spent."

* Michael Castello, CEO of PalmSprings.com, said, "Our success is based on the trust factor people place in our domain."

* And Jesse Stein, then-CEO of SportsMemorabilia.com, said, "EMDs open up doors to suppliers, partners, investors and customers."

Links to those resources are below for reference.

DomainSherpa.com: The Domain Name Authority

Since publishing those articles, [Jon Yau picture, “Jon Yau, Founder of StockPhoto.com”] I've also interviewed Jon Yau, the entrepreneur who gambled a quarter of a million dollars of his retirement savings to purchase the exact-match domain name StockPhoto.com.

What Jon Yau found was that the exact-match domain name immediately produced targeted traffic and customer flow without any ongoing marketing dollars. In essence, as Jon put it, “...over 80 percent of [traffic] is direct navigation...That is a great option to have as a startup because no matter how badly you present your products or no matter how bad your conversion or your path to checkout is, you will always get enough of a chance to covert customers each month from new traffic and new visitors...You get a chance to reinvent yourself every month if something goes wrong, and so you will always have visitors passing your shop front.”

It should go without saying nowadays that an exact-match domain name can bring instant credibility to a business venture, but it's worth repeating.

Great, industry-defining domain names were purchased by large corporations or were used by startups and later acquired by large corporations after building a successful business on an EMD, as evidenced by [flash logos on screen] Diapers.com now owned by Amazon.com, WebHosting.com now owned by Dell.com, RentalCar.com now owned by Enterprise Rent-a-Car, and a host of other ventures.

A link to a resource on DomainSherpa.com listing exact-match domain names owned by large corporations is listed below.

Today I want to discuss another example of an exact-match domain name used by a company.

[video excerpt]

The February 28, 2014, airing of Shark Tank (Season 5, Episode 18) features an update from a Season 3 company called Kisstix.

DomainSherpa.com: The Domain Name Authority

Kisstix founders Dallas Robinson and Mike Buonomo pitched a lip balm product that undergoes a chemical reaction when two people wearing the product kiss. It was such a compelling feature of the product, two Shark Tank investors – Kevin O'Leary and Barbara Corcoran – had to try it out themselves.

[video excerpt]

Billionaire Mark Cuban, owner of the Dallas Mavericks and successful entrepreneur and venture capitalist – who, incidentally, also invested in domain name investor Morgan and Daina Linton's startup company, Fashion Metric – saw the product growth potential of Kisstix and made an investment of \$200,000 for 40 percent of the company.

[video excerpt]

What was most interesting to me about the show was not the ingenuity of the product or the investment by Mark Cuban. Instead, it was that Mark Cuban knew how an exact-match domain name could benefit a company like Kisstix.

Billionaire Mark Cuban sought-out, purchased and provided his venture-backed startup the domain name HowToKiss.com.

[video excerpt]

Mark Cuban told the founders to use HowToKiss.com as a branding tool because the domain name: [highlight three bullets on screen as I say them]

1. Is easy to remember
2. Is being searched on the Internet
3. Can drive traffic via search engines

Let's take a look at each of these benefits.

Most importantly, HowToKiss.com is easy to remember. Sure, billionaire Mark Cuban could have purchased any domain name he wanted, like Kiss.com, KissMe.com or even Kiss.me, but HowToKiss.com is more

DomainSherpa.com: The Domain Name Authority

memorable than all the other options. It puts a question in the mind of potential consumers of their lip balm product: “Am I kissing properly?” It's an easy question to answer, just visit the website and you'll find out.

Secondly, as Kisstix founder Dallas Robinson put it, the phrase “how to kiss” is a popular topic and is being searched on the Internet by potential consumers of their product.

A quick glance at the Google AdWords tool shows that the quantity of exact-match searches for “how to kiss” is 550,000 per month worldwide.

And you know it's a popular search when you go to Google, type in the exact-match phrase in quotes, and look at the quantity of web pages that Google thinks match your search query. In the case of “how to kiss” it's 160 million web pages.

Finally, as any qualified search engine optimization professional will tell you, all other factors being equal, great website content plus a descriptive domain name will result in higher search engine rankings. Kisstix, co-founder Dallas Robinson said the website will feature tips, tricks and techniques about kissing.

Search engines love authoritative content like this. That's why search engine and SEO expert Danny Sullivan said in his DomainSherpa interview that “if you can come up with the good content to back up the good domain name, that's very, very golden.”

Exact-match domain names are not a panacea for every company. But as Mark Cuban wisely understood when he purchased HowToKiss.com, EMDs can serve as a valuable business asset in industries where entrepreneurs want to invest up front in great content and an exact-match domain that will rank high in search engines for customer searches.

Watch the full video at:

<http://www.domainsherpa.com/mark-cuban-kisstix/>