



## **Direct Navigation: Marketing Implications**

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### **Abstract**

The paper examines the affect of direct navigation on revenue from website visits. It introduces a new online marketing weapon, direct navigation marketing, which is powerful when website content matches visitor intent.

### **Role of Direct Navigation**

Direct navigation is the vehicle<sup>1</sup>, not the cause, of potentially higher revenue per website visitor. High sales-conversion rates from direct navigation, a measure of comparative revenue, are the result of the convergence of visitor intent with site content. The causes of high revenue are website content and a higher profit from direct navigation marketing.

From the perspective of a searcher, direct navigation is one of the vehicles to satisfy the intent of visiting the destination website. Although currently the use of the vehicles is free, there is an indirect search cost associated with the visit.

The objective of the destination site, on the other hand, is to maximize their revenue from visitors, which can be achieved by, at a minimum, satisfying the visitor's intent and convincing the visitor to choose the navigational vehicle that achieves the site's objective.

### **Marketing Venues**

There are three components to an online marketing strategy: traditional, TLD branding<sup>2</sup>, and direct navigation. This paper introduces the latter and outlines its implications.

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<sup>1</sup> The vehicle can be modeled as a search platform. See Alex Tajirian, "Internet Search Platform Competition in Two-Sided Markets," DomainMart.

<sup>2</sup> TLD branding relates to a company selecting the correct signaling TLD. However, the average ".com" company gets to free ride on the TLD brand name, in that, the company, in many cases, does not have to promote the TLD brand name, such as .com. For details o this marketing venue, see Alex Tajirian, "[Branding Strategy: The TLD Dimension](#)," DomainMart.

Even though the amount of potential additional revenue creation of direct navigation is not yet satisfactorily demonstrated empirically<sup>3</sup>, we analyze the case when direct-navigation results in higher revenue at the company level.

The continued use of type-ins<sup>4</sup> depends on five factors: (1) effective indirect and direct navigation marketing; (2) user's experience with direct navigation meeting intent; (3) increase in Internet use; (4) users' experience with search engine methods to achieve intent; and (5) marketing efforts by competitor search methodologies, such as search engines, to promote alternatives to direct navigation. Companies have direct influence on factors (1) and (2).

Hence, a website's success with direct navigation has two integrated elements: marketing and website component. Marketing has three components: explicit, implicit, and TLD free riding (due to TLD branding, such as ".com").

Explicit direct navigation marketing occurs when the visited site explicitly rewards such visitors. On the other hand, the implicit marketing component is driven by:

- a. Being a byproduct of a company's general marketing and branding efforts, these can manifest in bookmarks and type-ins. Thus, this marketing component is not free. Hence, when computing the benefits of direct navigation, such costs must be incorporated into the analysis.
- b. In addition to the TLD free riding, noted above, the company also is free-riding any positive buzz on direct navigation in the online, print media, and word of mouth.

### **Concluding Remarks**

When there are higher net returns from direct navigation, the company should explicitly promote and encourage such visitor behavior. Moreover, ignoring visitor intent can be detrimental to direct navigation. ■

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<sup>3</sup> See Alex Tajirian, "[Value in Direct Navigation: Empirical Evidence](#)," DomainMart.

<sup>4</sup> Type-ins are either driven by brand name recognition or when a user assumes that there exists an authoritative site for a very large set of keywords and that its address is typed-in the browser as keyword.com (or dot-country-code (ccTLD)).