

When to Protect a Brand With TLDs?

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You've heard about the merits of ownership of a portfolio of the various extensions of a domain name. When does this strategy make sense?

It depends on whether the ".com" domain name's best use is branding or traffic enhancement. The simple metric, the brand-to-traffic ratio (B/T), provides the necessary insight. For example, if the B/T ratio is high, the domain name is better suited for branding, and thus, protection under alternative top-level domains (TLDs) adds value. On the other hand, if the B/T ratio is low, the objective is to reduce traffic overlap between the names in the portfolio and alternative top-level domains would not make sense.

¹ For the estimation of the B/T ratio, see Alex Tajirian, "<u>Appraisal Based on Estimating the Value Generating Process</u>." For other applications of the ratio, see Alex Tajirian, "<u>Making Sense of Domain Name Appraisals: The B/T Ratio</u>."