



## **Domain Name Parking, Search Engine Convergence**

Domain name parking will soon be an integral part of search engine result-rankings. This convergence will benefit all stakeholders: search engine users, domain name owners, search engine service providers, search engine users, and domain name traffic aggregators.

To a user, a parked domain is a source of information related to the keywords in the domain name; namely, ranked website-links with descriptions of their services. That is precisely what search engine results provide.

Parking focuses on domain names that generate clicks, which is achieved by placing advertiser links on a Web page. Every time a visitor clicks on any of the links the advertiser pays the domain name owner a pay-per-click (PPC) fee. Individual domain owners can sign-up with a traffic aggregator that hosts their domain names, manages advertiser links, and pays a commission to the owners.

To analyze the value-added role of parked domain names, consider two types of aggregators: experts in the field of the domain name keywords and mass aggregators. Assume that the objective of both groups is to select and rank advertiser links so as to maximize click revenue.

The expert group provides valuable information to a parked domain name user. The expertise is reflected in the ranking, which might be an individual expert's opinion or collective group expertise of the keyword-related Web community, augmented with an expert's notes. Thus, search engines should include such sites in their indexing algorithms.

Primarily due to management cost of a large portfolio of traffic domain names and the fact that often the keywords and classifications assigned by the human judges are inadequate or incomplete, the role of experts is diminished in favor of an automated learning mechanism. The ranking update mechanism can be based on maximizing click revenue. That's the objective of PPC search engines like Overture and meta-search sites such as DogPile and MetaCrawler. Meta-search sites can experiment with various revenue-maximizing rankings based on description and vendor name recognition, while the former ranking criterion is dictated by advertisers' keyword bid amount and their associated description.

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Thus, we predict the following impact of the convergence on the stakeholders:

1. **Independent aggregators:** They will either be acquired by search engine operators, enter into agreements with search engine operators to use their technology, or go out of business.
2. **Owners:** With improved result-rankings on parked domain names and on search engine results, owners will share the benefits of increased revenue with search engine operators, as owners have some market power in moving their portfolio of domains to the highest paying search engine.
3. **Search Engine Users:** Consumers will benefit from improved result quality on search engine pages and on parked domain names.
4. **Search Engine Operators:** They will benefit from increased revenue as a result of improved result ranking that increases customer satisfaction, which in turn increases traffic. Additional revenue per user as a result of incorporating performance feedback generated by various ranking experiments on parked domain names, revenue from licensing the ranking technology to parking aggregators, and new sources of advertising revenue generated by parked domain names.

Thus, the convergence of domain name parking and search engines is a win-win strategy to all stakeholders.

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