

Factors determining the value of a domain name.

As a buyer, it may not always be immediately clear to you that you have to pay for an existing domain name or how the valuation of a domain name is determined. The value depends on many factors. Here are some that strongly determine its value.

Domain name virtual storefront

The fact that an existing domain name represents value and that names are traded is often unknown territory. In general, people do not yet see that an existing domain name is more than a registration on the internet to start a website or webshop. Compare an existing domain name to a store or office. If it is located in a prime location, you will pay more rent or a higher price than in a rural area. This is also the case with a good domain name: think of it as your virtual storefront on the internet.

Factors that determine value

- ◆ Is it a short name or abbreviation
- ◆ Is the name easy to remember
- ◆ Which extension (TLD) does the name have
- ◆ Is there still visitor traffic
- ◆ How long has the name been around
- ◆ Does the name fit well with an action or product

The final price

The factors mentioned are value-determining, but not definitive. Ultimately, it often comes down to negotiating well and paying a price that both the buyer and the seller feel good about.

Worth the investment

It is a challenge to register a new name, especially when you want to secure a domain name with an extension such as .nl (ccTLD) or .com (gTLD). Scarcity is partly responsible for valuation and therefore price. In the end, you can conclude that a well-fitting name is always worth the investment. A small reassurance: in America, a good domain name is worth a lot and you will only pay a high price there. From thousands to millions of dollars.

Need help with valuation? We're happy to help you get started!

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