



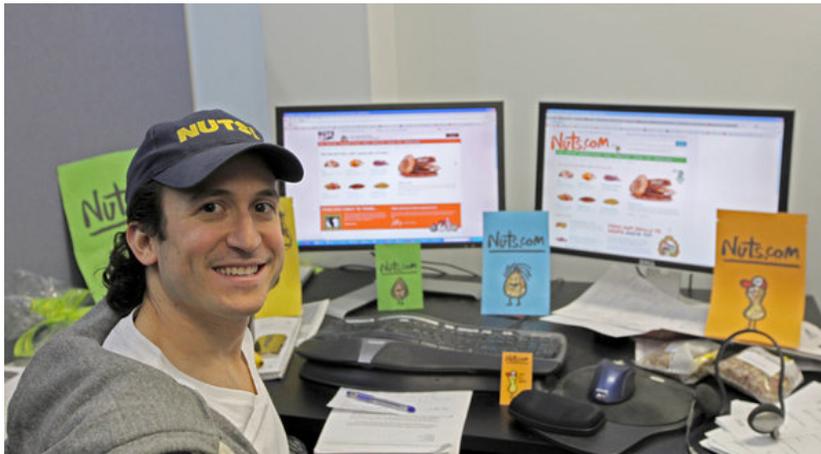
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CASE STUDY

A Web Retailer Buys the Perfect Domain Name. Then Comes a Letdown.



Marilynn K. Yee/The New York Times

Jeffrey Braverman of Nuts.com saw his company's Web traffic decline after moving to a new domain name.

By IAN MOUNT Published: April 25, 2012

Founded in 1929 by Sol Braverman, the Newark Nut Company began selling bulk nuts and dried fruit in an open-air market on Newark's Mulberry Street. The business grew and then faded, and by 2002, it was being operated out of a mall in Newark's demoralized downtown by two of Mr. Braverman's sons. In 2003, as explained in last week's Conversation column, a grandson, Jeffrey Braverman, joined the business and moved the company's focus to the Web.

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Was It a Mistake to Pay Lots of Money for a Clean Domain Name?



The Newark Nut Company paid a hefty price for a clean, new domain name - then watched its traffic fall significantly. What went wrong?

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THE CHALLENGE To improve the site's difficult-to-remember domain name, NutsOnline.com, and establish the company as the pre-eminent seller of nuts on the Web.

THE BACKGROUND While shifting focus to the Internet increased revenue, Mr. Braverman feared that the company's Web address was holding it back. This suspicion was confirmed for him in 2006, when NutsOnline supplied Jordan almonds to the Ultimate Wedding Guide episode of Rachael Ray's television show. At the end of the show, Ms. Ray mistakenly thanked

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1. CASE STUDY

“[Nuts.com](#)” for supplying the almonds.

When Mr. Braverman created the first NutsOnline Web site, in 1999, neither Nuts nor any of his other domain-name preferences were available, so he picked a name reminiscent of America Online. “I think, from Day 1, the name NutsOnline has bothered me,” said Ben Shakal, the company’s chief technology officer. “It sounds like what it is, the last domain available that Jeff concocted. It wasn’t unique, like Amazon or Zappos. Or clean. It was awkward.”

Today, the company has a 60,000-square-foot space in Cranford, N.J., where it employs more than 80 workers and has annual revenue of more than \$20 million, up from a little over \$5 million in 2006. Still, despite the growth, Mr. Braverman has never gotten comfortable with the Web address. He said that even more telling than the Rachael Ray episode was the reaction of strangers: “I would go out and I’d go to a bar and I’d meet people and when I’d leave they would say, ‘I can’t wait to check out your Web site. What is it, [Nuts.com](#)?’ That happened a lot.”

THE OPTIONS Mr. Braverman had long coveted the clarity of the Nuts domain name. But its owner was hidden behind a hosting business and therefore almost impossible to find. For years, it did not matter because the Newark Nut Company was too small to afford the price that such an unmistakable address would demand, probably in the hundreds of thousands of dollars.

As the company grew, the price began to seem more reasonable. In 2009, Mr. Braverman contemplated hiring a private detective to find the site owner, but he managed to track the man down himself.

They talked, and the owner of Nuts forwarded a day’s worth of the site’s traffic to a server Mr. Braverman had set up for analysis. The traffic was moderate and much of it came from Britain, something Mr. Braverman attributed to Web users searching for a British men’s magazine called Nuts.

As he saw it, Mr. Braverman could continue to build his brand with the original name, which was not going badly, or he could buy Nuts, which raised concerns about the price — he suspected that the owner wanted \$1 million — and about the logistics of the change.

He found few resources to consult and little history of brands changing their names online. Trying to place a value on a domain name seemed murky at best. “We did a lot of analysis on our own,” Mr. Braverman said. “At the end of the day, it became a gut thing.”

The more he thought about it, the more he realized that his biggest concern was that a competitor might swoop in and buy Nuts. “It’s fundamentally a better brand,” Mr. Braverman said. “They would be able to nibble away. Maybe in 10 years they could catch up with us.”

Fear of a hypothetical competitor gnawed at Mr. Braverman, and he raised his bid. “I found what he would take,” Mr. Braverman said. “I was tossing and turning about this for a while and suddenly I said we have to do it. It was kind of a flawed rationale: if I’m already at this level, what’s an extra 10 percent? I ended up coughing up more money, hundreds of thousands of dollars. But at the end of the day I thought about it from a defensive standpoint. What if a competitor got this. How would I feel?”

The acquisition was completed last October, but to avoid problems during the holiday rush, Mr. Braverman decided to wait until January to reintroduce the site. He began to prepare new branding and packaging to assure his customers that only the name, not the company, was changing.



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He brought on a Web consultant to make the move as smooth as possible. With the consultant, Mr. Braverman cleaned out extraneous and duplicate pages and set up redirects to send NutsOnline visitors to the corresponding pages on Nuts.

Then, with every recommendation in [Google's Webmaster Tools](#) followed, in Mr. Braverman's words, "to the T," he filed a change-of-address form. On Jan. 6, he flipped the switch. And despite all of his high hopes and careful planning, the site's traffic took a dive. Not just for a few days but for an extended period.

The site, which had been averaging more than 30,000 visits each week from nonpaid Google searches, with traffic rising 5 to 10 percent a month, suffered a 70 percent decline in nonpaid Google traffic in the two weeks after the switch. Almost three months later, it was still down by more than 50 percent. The decline, Mr. Braverman said, cost the company at least 100 to 150 orders a day.

"I need to focus on running a business, but I'm spending hours each day trying to figure out what could possibly be going on," he said.

WHAT OTHERS SAY Warren Adelman, chief executive of [GoDaddy.com](#), a Web services company in Scottsdale, Ariz: "[Nuts.com](#) is an extremely valuable domain name, first for all the type-in traffic you receive. Its second benefit is with search engine optimization. So why the loss in Web site traffic? Google may be reassessing the site, which could explain the drop in organic search visits. This analysis can take three or four months before better search results appear. So as difficult as it may be to do, be patient, hold the line with your brand redirect and keep doing what you do."

Richard Demb, co-founder of [Abe's Market](#), a Web retailer of natural products that is based in Chicago: "I believe in the 'go big or go home' mantra and am confident buying [Nuts.com](#) was the right move. Four-letter domains are extremely difficult to obtain." The four-letter domains were officially sold out by [Icann](#), the Internet Corporation for Assigned Names and Numbers, in November 2007 and are now available only in secondary markets, and even then only to the fortunate, said Mr. Demb, adding: "I hope Mr. Braverman has the patience, capital and — most of all — the confidence in repeat customers to wait out this dip, because the traffic will come back."

Jay Bean, co-founder of [OrangeSoda](#), an online marketing company in American Fork, Utah: "If you want an easy-to-remember URL, then you probably don't actually need to move your site. You could buy [Nuts.com](#) and redirect it to [NutsOnline.com](#). No move is required, so you don't lose all the credibility and traffic you've built up. Overstock.com has done this several times: [O.co](#) redirects customers to Overstock.com without skipping a beat. The tragic thing is that in the eyes of search engines, the value of having [Nuts.com](#) versus [NutsOnline.com](#) is probably negligible."

THE RESULTS Offer your thoughts on Mr. Braverman's decisions on the You're the Boss blog at [nytimes.com/boss](#). Next week, on the blog and in this space, we will publish an update on how the company is doing.

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