



Combosquatting

The Business of Cybersquatting, Part 3 of 3

FORWARD

Combosquatting refers to the practice of combining a particular brand and a generic keyword to create a cybersquatted domain name. This form of cybersquatting has evolved to take advantage of Internet users who attempt to Direct Navigate to a particular place within a company's site, a practice that we have named Evolved Navigation.

An example of Evolved Navigation is the entry of upstracking.com into the navigation bar by a user attempting to track a package shipped by UPS. Currently, this page resolves to a pay-per-click Web site.¹ Users looking to track UPS packages must explore ups.com in order to find tracking information. However, 78,000 people per year are attempting to find the same information at upstracking.com despite the fact that this domain has never been communicated or advertised. An example of a company taking advantage of Evolved Navigation effectively is Amazon.com, which redirects amazonbaby.com to a page on Amazon.com that displays products for babies.

Evolved Navigation typically delivers high-quality traffic, since the users who enter these domains are looking for very specific content; as a result, this traffic is valuable to both brand owners and opportunists. Combosquatters seek to take advantage of this form of Direct Navigation as a way to further infringe upon brands. We are examining combosquatting as a sub-category of cybersquatting in an attempt to further understand its nature, as well as to delve deeper into other evolving tactics that are used to take advantage of Direct Navigation

¹ Data accurate as of November 6, 2008.



and prey upon consumers and brands alike. Thoughtful examination of the patterns highlighted in this study will provide a more detailed understanding of combosquatting, allow for the creation of a more effective strategy to combat this practice and reveal new ways to tap into the value of Evolved Navigation. We recommend reading our previous studies on [Direct Navigation](#) and typosquatting, as they both provide important background for fully understanding this study.

METHODOLOGY

We initiated this study by selecting a group of 30 brands, based on overall brand strength and the number of search terms regularly associated with them. The brands represent a wide cross section of products and services in order to best inform our analysis of combosquatting practices across multiple industries. Once we selected the brands on which we would focus, we harvested a list of the top 50 search terms that included those brands using a search engine keyword suggestion tool; this was done in order to determine what phrases Internet search engine users are looking for when they search for these brands. After identifying the search terms, we used Wordtracker™ to check the daily searches across three major search engines—Google, Yahoo! and MSN—and combined these daily averages into a monthly average for each search term. We then used the search terms to create a list of 1,500 domain names. For example, the search term “Craigslist Washington” became “craigslistwashington.com.”



Figure 1: This figure contains examples of brand+keyword domain names that may be combosquatted or are owned by the appropriate company.

Target Brand	Search Term	Daily Searches: Google	Daily Searches: Yahoo	Daily Searches: MSN	Total Daily Searches	Monthly Search Estimates	Domain Created
American Express	american express gift card	447	128	55	631	7572	americanexpressgiftcard.com
	american express blue	245	70	30	345	4140	americanexpressblue.com
	american express membership rewards	77	22	9	109	1308	americanexpressmembershiprewards.com
	american express credit card	96	27	12	135	1620	americanexpresscreditcard.com
	american express wishlist	48	14	6	68	816	americanexpresswishlist.com
craigslist	craigslist austin	491	141	61	693	8316	craigslistaustin.com
	craigslist portland	568	163	70	802	9624	craigslistportland.com
	craigslist dc	233	67	29	329	3948	craigslistdc.com
	craigslist washington	241	69	30	340	4080	craigslistwashington.com
	boston craigslist	468	134	58	661	7932	bostoncraigslist.com

FairWinds’ traffic estimation tool was used to determine the monthly traffic for each domain name. The traffic for each individual domain name was then compared to the search counts for their corresponding search terms to create a ratio between the two. This ratio demonstrates the relationship between keywords associated with brand names that are entered into search engines and the same keywords that are entered directly into a browser as a domain name.

In order to better analyze and understand the data, we removed any combinations of search terms that did not have reliable traffic data. We also removed any domains that received a high amount of traffic as a result of being communicated in advertising—for example, thefacebook.com used to be the official and sole working domain name associated with Facebook. We found this to be logical due to the increased traffic received by communicated domain names that may not be intuitive to Direct Navigators for any other reason. Because statistical measures used to eliminate outliers are not able to distinguish between removing communicated domain names and removing true unexplained outliers, we expelled the five hundred domains with the highest and the five hundred domains with the lowest ratios between traffic and search, and retained and analyzed the middle 500



combinations. Choosing this data set helped ensure that the domains in our study were entered by users who were guided solely by their intuition.

We looked at the distribution of the ratios for the 500 domains qualified to be in this study hoping that the relative strength of this relationship could facilitate a better understanding of both the potential threat from combosquatters and the potential benefit for brand owners by showing just how many Internet users type in these keywords expecting relevant brand content.

KEY RESULTS

- 50.6 percent of sites tested contained PPC advertising
- 22 percent of sites tested were legitimately used for brand purposes
- 29 percent of brand+keyword combinations used in this study received more Direct Navigation traffic than search engine hits
- Of those combinations that received more type-in traffic than search engine hits, 59 percent were not owned by the intended brand owner
- 75 percent of brand+keyword combinations that were not owned by the intended brand pointed to PPC sites

DISCUSSION

The results of this study show that combosquatting not only exists across a wide spectrum of brands, but also demonstrate that this practice is actively causing harm to the brands themselves and to consumers looking for brand products and services. Examining the content on the sites shows that an alarming **50.6 percent of these domain names host PPC sites.**



Figure 2, which shows the usage of the sites included in the test, indicates that **appropriate company content is surprisingly low at just 22 percent.**

Figure 2

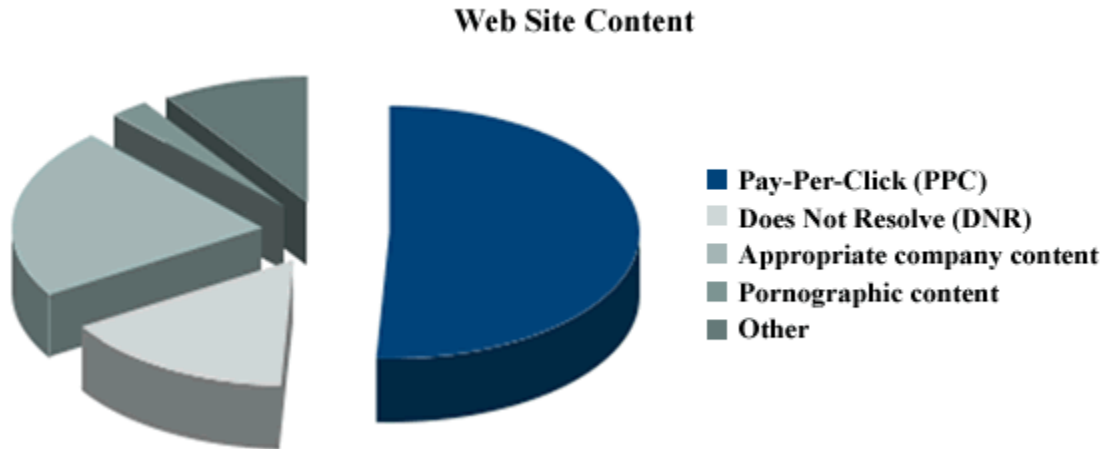


Figure 3 compares the Direct Navigation traffic that certain terms garner to the number of search engine queries they receive. Specifically, it examines whether terms and their associated domain names receive more, less or roughly equal amounts of traffic when compared to search engine queries. **Twenty-nine percent of the terms received more traffic than searches**, 51 percent received less and **20 percent received about equal amounts of traffic and searches**. The percentage of terms that received more traffic than searches is a conservative estimate, since the range in ratios used to determine relatively equal traffic was set from 1.00 to 1.99 instead of 0.90 to 1.00 or another similar range. The range used includes results that returned greater traffic rather than results that returned less traffic. Figure 4 provides examples of how the ratios were calculated.



Figure 3

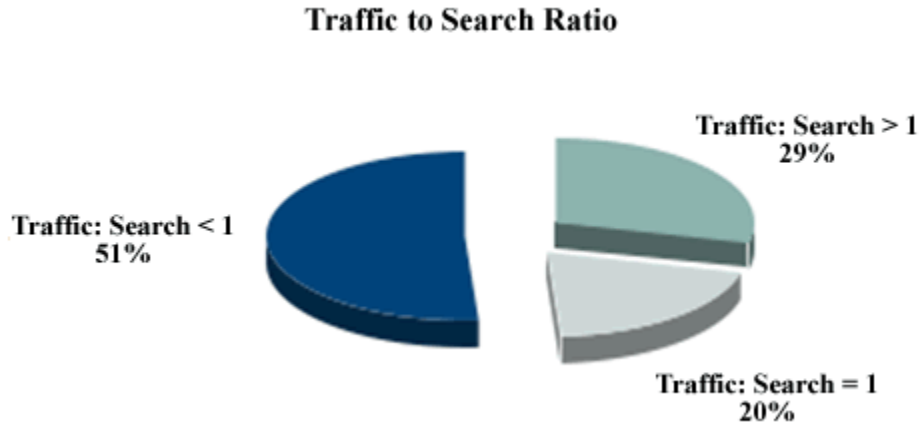


Figure 4: This figure contains examples of brand+keyword domain names that may be combosquatted or are owned by the appropriate company.

Target	Domain Name	Search Term	Monthly Searches	Monthly Visitors	Traffic:Search
American Express	americanexpresscard.com	american express card	2,412	13,667	<1
	americanexpresscards.com	american express cards	708	2,190	<1
	americanexpresscreditcards.com	american express credit cards	672	1,458	<1
	americanexpressonline.com	american express online	336	7,801	<1
	americanexpressrewards.com	american express rewards	5,640	13,314	<1
craigslist	craigslist.com	craigslist	4,608	50,036	<1

With 51 percent of the traffic to search ratios at less than one and 29 percent of ratios greater than one, there appears to be no relationship between search frequency and domain popularity. Therefore, when deciding which domains to register and enforce, one should make an informed decision based on traffic rather than search engine popularity.

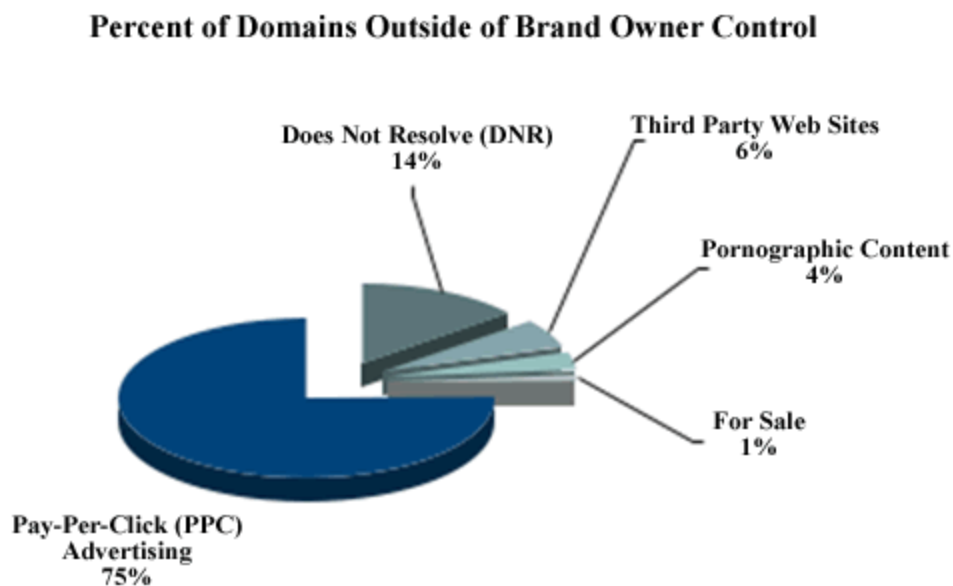
The data shows that a large number of people are indeed practicing Evolved Navigation instead of, or in addition to, checking a search engine. Including combinations



that have equal traffic and search engine hits, the percentage of users that are using Direct Navigation to search for brand sites is almost equal to those using search engines. Because of this Evolved Navigation trend, combosquatters and companies alike can benefit from registering domain names that are based upon consumers' online needs, preferences and somewhat predictable behavior.

Figure 5 shows the types of harm being done to brand owners through combosquatting.

Figure 5



Out of the 144 search terms that received more domain name traffic than search queries, 59 percent were owned by someone other than the rightful brand owner. **Seventy-five percent of the names that were not owned by the rightful brand currently point to**



PPC sites, forcing brand owners to spend additional money for visitors to reach their site if they do so by clicking on a paid advertisement.

These results also demonstrate more intangible harms to overall brand image. Customers are being exposed to content that they are not seeking when entering an address into their browser's address bar. Particularly damaging are the Web sites that point to pornographic content, but even the most innocuous pay-per-click sites are not what consumers were looking for and force them to work harder to find their desired content. Not only do users come away with an extremely negative experience, but they also come away associating the unwanted experience with the brand. This is damaging to the brand, regardless of who actually owns the domain name.

For the purposes of this study, a third-party Web site refers to a site that is not owned by the expected brand owner, but is home to another Web site that is not overly harmful to the brand. A small percentage of sites that we examined indicate that a domain is for sale, demonstrating both the movement towards evolved cybersquatting and the continued use of an outlawed ransom approach to selling domains with the intention of reaping a capital gain (when those domains include extensions covered under the Uniform Domain-Name Dispute Resolution Policy). Overall, the use of combosquatting demonstrates that cybersquatters are increasingly sophisticated and that a more active approach to defending brands is needed.

STRATEGIC IMPLICATIONS

As more Internet users have turned towards Evolved Navigation practices and expect to find certain content on a given Web site, combosquatting has become a highly problematic issue. The prevalence of combosquatted names attests to the profitability and benefit afforded



to cybersquatters through this practice, as it would not survive if it were not profitable. For certain types of content, users are bypassing search engines and instead guessing the most intuitive domain names to find what they are looking for. While users have evolved and are adopting these practices, many brand owners have not adjusted their registrations to ensure that they own the names their customers are commonly looking for. As a result, many brand owners suffer tens of thousands of dollars worth of damage monthly, in addition to tarnished goodwill that cannot be measured directly in terms of monetary value.

To counteract these damages, brand owners must use search engine terms, logical brand+keyword combinations, and site traffic figures to determine which domains are currently most critical to their online presence. Additionally, they should brainstorm predictive brand+keyword combinations that may grow in importance based on product and service line changes to ensure that they provide relevant information where their customers expect to find it. Brand owners can reach the largest base of users possible and promote the public's best interests online by developing a strategic approach to combating combosquatting. Combosquatting can affect all brand owners, and as such all brand owners should be aware of this practice. We hope that this study has provided you with a greater understanding of the threat that combosquatting poses to your brands, the actions that you can take to mitigate that threat and the strategic options available to improve customer experiences and advance your commercial interests.

CONCLUSIONS

It is clear that combosquatting is a real and quantifiable problem within the field of online brand protection and its impact on frequently targeted brands should be carefully examined. The effects of combosquatting are similar to that of any type of cybersquatting—



increased cost of directing customers to the intended brand Web site, decreased revenue, diminished opinion of the affected brands, deflated brand loyalty, and an overall reduction in the quality of customer experiences. Quantitatively, the e-commerce revenue and value of reputation losses caused by combosquatting are alarming. This study uses the following formulas to calculate the monetary value of Web impressions:

Primarily Experience-based Web sites (MySpace, Wikipedia, YouTube, etc.):

- Value = Traffic x Impression Value

Primarily E-Commerce Web sites (JCPenney, Nordstrom, Blockbuster, etc.)

- Value = Traffic x Conversion Rate x Average Ticket

As mentioned in the second paper—Typosquatting—in this series, based on Interactive Advertising Bureau (IAB) furnished statistics, FairWinds Partners has estimated an Internet impression to be worth between 15 and 25 cents for experience-based Web sites.

The site craigslist.com, which is frequently visited by people looking for craigslist, Inc. at craigslist.org, receives about 50,000 monthly visitors. In monetary terms, this translates to between \$7,500 and \$12,500 per month in advertising losses, or \$90,000 to \$150,000 per year. Beyond looking at these monetary figures, this example demonstrates key insights about combosquatting. Certain Internet users may distrust search engine results or find it takes too long to review them. As a result, some consumers are going to their browsers to try their luck at directly navigating to a domain name before looking for the Web site on a search engine, or they may simply be confused about the official Web site address. Had any of these 50,000 users entered “craig’s lists” into Google, they would have found craigslist.org



as the first search result, and been quickly directed to craigslist despite having entered a term that does not match the actual domain name of the Web site.

The content of craigslist.com—a PPC Web site—shows that cybersquatters have recognized this trend in Direct Navigation and have begun to capitalize on it. Quantifying the monetary losses caused to the brand owner shows the extent of the harm and provides an excellent reason to take action against combosquatters.

Much as in the case of typosquatting, brand owners who choose to act against combosquatters must create a targeted strategy that reduces harm considerably while simultaneously remaining manageable and economically viable. It is both unfeasible and unnecessary to register the domain name associated with all search terms for a brand, but targeting those that receive the most Direct Navigation traffic and those that receive more traffic than search hits is beneficial. Employing this strategy helps direct the largest amount of users to relevant and expected content, effectively reducing much of the harm associated with combosquatting. Leveraging the most potent set of qualified domains—each with a positive return on investment—will undoubtedly provide users with a more rewarding online experience.

The data set used in this paper may be made available upon request.