



## **Food for Thought: Appraisal Dataset**

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Domain name sales prices are neither the only nor necessarily the best pricing dataset for performing comparables-based appraisals. An alternative dataset with over 400 times more price observations exists. And no! It is not based on prices of unsold domains<sup>1</sup> nor is it based on peer valuations<sup>2</sup> whose methodology is driven by ‘the Law of Large Numbers.’ Thus, people who claim that there aren’t enough observations to conduct statistical tests are being stubborn.

Putting the above noted large dataset aside, there remains the interesting question as to why aren’t any of the appraisal competitors using the information of exchange listed unsold domain names? One possible explanation can be based on scientific findings that humans (and other animals) only notice what has happened and ignore what has not happened, i.e., they notice a sale that has taken place, but ignore the no sales, whereby no transaction has taken place. Obviously, all relevant information needs to be included for more reliable predictions. I will leave other explanations to your imagination.

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<sup>1</sup> Alex Tajirian, “[Likelihood of Sale, Given a Domain Name’s Ask Price?](#),” DomainMart.

<sup>2</sup> See <http://TheWisdomOfDomainers.com/>.