CHANGING TLD LANDSCAPE: FINDINGS FROM ICANN GLOBAL CONSUMER RESEARCH

PRESENTER: KELVIN WONG. ICANN APAC | APNIC40

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BACKGROUND

ICANN’s New TLD Program was developed as part of a community-driven policy development process that spanned several years and aims to *enhance competition* and *consumer choice* for both registrants and Internet users.

RESEARCH WAS IMPLEMENTED AMONG TWO GROUPS

- This report focuses on wave 1 results among the Consumer Segment. A second comparison wave will be conducted in approximately a years time and will provide a set of comparison data.
- Also interviewed were global domain name registrants who will be reported separately.

GOAL

To assess the current TLD landscape, as well as measure factors such as consumer awareness, experience, choice, and trust with new TLDs and the domain name system in general.
METHODOLOGY

QUALIFYING CRITERIA

- Adults 18+
- 5+ hours spent per week on Internet
- Geographically representative of 75% of global online users

ONLINE SURVEY
February 2-9, 2015

Survey commissioned by ICAAN and conducted by Nielsen

TOTAL OF 6144 CONSUMERS, 24 COUNTRIES, 18 LANGUAGES

- Argentina
- Brazil
- Canada
- China
- Colombia
- Egypt
- France
- Germany
- India
- Indonesia
- Italy
- Japan
- Mexico
- Nigeria
- Philippines
- Poland
- Russia
- South Africa
- South Korea
- Spain
- Turkey
- United Kingdom
- United States
- Vietnam
AWARENESS & VISITATION
AVERAGE AWARENESS & VISITATION

Familiarity, real or perceived, differentiates extensions
Among legacy TLDs, a small number of extensions lead awareness. Despite differences in number of registrations, .com, .net and .org have similar awareness—the virtue of longevity and relevance.

New TLDs have room to grow
It is interesting that our reference set of new extensions has higher average awareness and reported visitation than the low tier legacy extensions. This reflects a pattern in this research that interpretability of the extension breeds a sense of familiarity.

VISITATION BASED ON TOTAL SAMPLE

AVERAGE
Awareness / Visitation

86% 79% 36% 14% 7%
81% 71% 22% 15% 7%
Geo Legacy (country) High Legacy Moderate Legacy New gTLDs New Geo TLDs (IDNs) Low Legacy

LEGACY
High: .com, .net, .org
Moderate: .info, .biz
Low: .mobi, .pro, .tel, .asia, .coop
Geographically Targeted: based on only those shown in that region

NEW
Generic: .email, .photography, .link, .guru, .realtor, .club, .xyz
Geographically Targeted: based on only those shown in that region
TOTAL AWARENESS & VISITATION

Awareness generally translates to visitation
Relatively few are aware of a TLD but have low intent to visit it.

Perceived relevance of a site is key motivation for intended visitation
Familiarity and perceived relevance also appear to be stronger motivating factors for visiting new TLDs than concerns of legitimacy or trustworthiness.

**AWARENESS**

<table>
<thead>
<tr>
<th></th>
<th>Legacy</th>
<th>New</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>98%</td>
<td>46%</td>
</tr>
<tr>
<td></td>
<td>2%</td>
<td>44%</td>
</tr>
</tbody>
</table>

**INTENT TO VISIT**

<table>
<thead>
<tr>
<th></th>
<th>Legacy</th>
<th>New</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>95%</td>
<td>85%</td>
</tr>
<tr>
<td></td>
<td>5%</td>
<td>15%</td>
</tr>
</tbody>
</table>

Legend:
- Not Aware
- Aware
- Low Intent
- High Intent
TRUST
Newer TLDs have yet to establish high levels of trust
Relative to the top tier legacy TLDs, or to the industry in general, the reference set of new TLDs has relatively lower trust levels.

Trust can be improved by having some level of purchase restrictions
While there is a general sense that domain registration should have only light/no purchase restrictions, having some level of purchase restriction does increase the perceived trustworthiness of a particular TLD.
TRUST & ABUSE

Online users generally expect the domain industry to be diligent
Overall, three-quarters of respondents trust the domain industry to take precautions about who gets a name, to screen registrants, and/or to give consumers what they expect.

Awareness of abuse is generally high
Malware, phishing and stolen credentials are all things that at least three quarters of respondents are aware of—cybersquatting is the only bad behavior that the majority are unfamiliar with—only 1 in 3 are aware. Interestingly though, awareness of these bad behaviors is correlated with higher trust in the domain industry.

Fear stems from targeted attacks
Some behaviors, e.g. spamming, are annoyances but do not create strong fear. However having one’s online credentials stolen, or falling victim to malware or phishing, are widespread and relatively strong worries.
UNDERSTANDING OF AND EXPERIENCE WITH LEGACY GTLDS AND NEW GTLDS
CONSIDERATION OF NEW TLD FOR OWN WEBSITE

The majority of consumers in North America and Europe would not consider one of the new TLDs for their own website, while the other regions are more open, particularly to .email and .link extensions.

PURCHASE CONSIDERATION BY NEW DOMAIN EXTENSION - TOTAL

52% Likely for Any (Net)

- .email: 40%
- .link: 36%
- .club: 30%
- .photography: 29%
- .guru: 26%
- .realtor: 22%
- .xyz: 22%

Letters indicate significantly higher than region. Region vs. Total: Higher, Lower.

Respondents were shown a list including a fixed set of TLDs and some targeted to the individual region.
CONSIDERATION OF LEGACY TLD FOR OWN WEBSITE

If setting up a website, North Americans and Europeans are less likely to consider one of the less common extensions, while roughly a quarter or so of consumers in South America, Africa and Asia are more open.

<table>
<thead>
<tr>
<th>Region</th>
<th>Top 2 Box (Very/Somewhat Likely)</th>
<th>.com</th>
<th>.net</th>
<th>.org</th>
<th>.info</th>
<th>.biz</th>
<th>.pro</th>
<th>.mobi</th>
<th>.tel</th>
<th>.asia</th>
<th>.coop</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America (A)</td>
<td>85%</td>
<td>79%</td>
<td>56%</td>
<td>48%</td>
<td>23%</td>
<td>17%</td>
<td>13%</td>
<td>9%</td>
<td>10%</td>
<td>7%</td>
<td>8%</td>
</tr>
<tr>
<td>South America (B)</td>
<td>92%</td>
<td>86%</td>
<td>62%</td>
<td>52%</td>
<td>40%</td>
<td>21%</td>
<td>21%</td>
<td>20%</td>
<td>22%</td>
<td>17%</td>
<td>23%</td>
</tr>
<tr>
<td>Europe (C)</td>
<td>84%</td>
<td>67%</td>
<td>48%</td>
<td>40%</td>
<td>30%</td>
<td>16%</td>
<td>15%</td>
<td>13%</td>
<td>14%</td>
<td>10%</td>
<td>11%</td>
</tr>
<tr>
<td>Africa (D)</td>
<td>98%</td>
<td>92%</td>
<td>73%</td>
<td>72%</td>
<td>47%</td>
<td>38%</td>
<td>15%</td>
<td>33%</td>
<td>13%</td>
<td>8%</td>
<td>12%</td>
</tr>
<tr>
<td>Asia (E)</td>
<td>88%</td>
<td>80%</td>
<td>65%</td>
<td>48%</td>
<td>42%</td>
<td>32%</td>
<td>27%</td>
<td>27%</td>
<td>26%</td>
<td>28%</td>
<td>24%</td>
</tr>
</tbody>
</table>

**Purchase Consideration by Domain Extension - Total**

- 79% Likely for .com
- 61% Likely for .net
- 48% Likely for .org
- 37% Likely for .info
- 26% Likely for .biz
- 22% Likely for .pro
- 22% Likely for mobi
- 19% Likely for .asia
- 18% Likely for .coop

Respondents were shown a list including a fixed set of TLDs and some targeted to the individual region.
FACTORS IN TLD PURCHASE

Having a well-known extension is the main factor across the board in determining which TLD to purchase. However, price is also a notable factor.
KEY TAKEAWAYS – NEW TLDS

This section is focused on consumer perceptions and experience with newer TLDs. In addition to exploring levels of awareness and visitation, intent to visit and what affects this willingness, we also look at factors related to purchase of extensions.

1. **New TLDs seem to benefit from implied familiarity**
   The new TLDs that lead in awareness are those that appear to convey a purpose to the common user—as we saw in the prior section. If this is true, this may be somewhat false awareness. However, if supposed awareness can be generated by familiar sounding extensions, choosing domain names based on what they suggest they are about could be key in improving early acceptance.

2. **Trust and Relevance are key**
   The ability to trust the legitimacy of the domain is key for consumers—but they first have to feel they have a reason to visit. Lack of familiarity and perceived relevance appear to be stronger inhibitors for visiting new TLDs than concerns of legitimacy or trustworthiness.

3. **Interpretability is powerful**
   While the new TLDs carry a connotation of innovation, that is likely to be a relatively short term association. As they settle in, the goal will be for new TLDs to strengthen the sense that they provide more information (interpretability again) rather than adding to confusion.

4. **Price cannot be forgotten**
   It is also important to note that consumers see price as a major consideration in purchasing a TLD. We should expect that some buyers may choose meaningful and relevant new TLDs for cost advantages.
KEY TAKEAWAYS — LEGACY TLDS

This section focuses on legacy TLDs, exploring consumer perceptions in the established domain extension space; also creating a base of knowledge for reference in interpretation of findings relative to the new TLDs and understanding DNS changes.

1. Traditional extensions clearly lead awareness
   Based on the number of registrations and traffic patterns, a small number of extensions lead awareness. Despite differences in number of registrations, .com, .net and .org have similar awareness—the virtue of longevity and being among a limited set of early TLDs.

2. Learn from the top 3
   Looking at what contributes to the difference between top and mid-tier extensions in terms of awareness, for example, .com and .info, could help understand factors that may affect acceptance of new TLDs. Similarly, understanding what drives the relative success of extensions like .mobi or .pro could provide additional clues to successful extension adoption.

3. Potential for extensions that make implicit sense
   It may be that the strong intent stated in this research to visit domains like .pro, .coop and .tel is in part because they are easy to interpret and impart an aura of legitimacy—whereas other extensions that may not be easily recognized as a word or part of a word may suffer from lack of interpretability.

4. Interest in lesser known extensions is higher outside US/Europe
   When setting up a new domain, even among legacy TLDs there is a preference for the most common extensions and hesitancy to use less familiar ones—however willingness does increase in Asia, South America and Africa.

5. Country level names are trustworthy
   The most trusted TLDs, as reported by consumers, are those with longer history—but within regions, country level names have inherent trust—possibly due to national association/pride. The web had early acceptance in the US with the most heavily trafficked sites originating in the US. Geographically targeted extensions are breaching the top ranks, suggesting that local relevance is becoming an important factor.

6. Restriction has pros and cons
   While restrictions on domain purchases generally provide a boost in the perception of trustworthiness, many feel that there should not be any or only limited purchase restrictions. This would likely change in specific scenarios where negative intent is more apparent, for example, a site advocating racism, but it demonstrates the difficult balance needed in managing site registration.

7. Education is needed
   When website abuse occurs, most are at a loss for where to turn—or they may turn to potentially inappropriate resources. There is an opportunity to educate the online world about how to handle suspected abuse.
GTLD PERCEPTIONS

Reactions to new gTLDs are largely positive
While there are more perceptions related to being confusing, overwhelming or “extreme” for the new TLDs, the key positive themes still show strongly; and new positive themes related to innovation emerge.

The larger the word, the more commonly that theme appeared in open ended responses
ICANN’s announcement on Results from Multiyear Consumer Study on the Domain Name Landscape:

Global Consumer Survey Full Report: