Social Media, Apps, Mobile and the Domain Name market in the Netherlands
Why this study?
Setup
Results mobile devices and internet use
Results Private individuals
Results Companies
Results Registrars & domainers
About .nl

- One of the most successful ccTLD’s worldwide with over 5 million domain names.
- Most DNSSEC signed names worldwide (1,04 million)
- 1800 registrars, very extensive distribution network
- Run by SIDN: an independent not-for-profit organization based in Arnhem.
We are not sexy anymore..

Threat!!
The Question?

How do new trends affecting internet use like mobile devices or social media influence people’s attitude towards domain names and how will this influence the market for domain names in the Netherlands?
.NL (potential) registrants

Primary Market

Business users

Corporate Websites
Shift to Social Media?

Campaign sites
Why build if Facebook is for free?

Defensive Registrations
Are these still necessary?

Secondary Market

Private individuals
Social Media substitute for website?

Sales
Detrimental to Value of a domain name?

Parking pages
Still profitable if traffic shifts to Facebook?
Phase 1
Desk Research & Analysis
Jun-Aug 2011

Phase 2
Field Research
Sept-2011
Jan ‘12

Phase 3
Report
Dec 2011
March 2012

Phase 4
PR
From mid April 2012

Desk research
Internet/media search/social media search

Analysis

Consumer market
• 2834 interviews

Business market
• 591 interviews
• 60 registrar interviews

Interviews
expert interviews

Report SIDN
Internal

Executive Report
(registrars)

Public Report
Internet Monitor
Netherlands

Press release
(5th million .nl domain name)

Joined Communications SIDN & Heliview

Followup
Mobile devices and navigation
Mobile Devices (1): Market Penetration

Tablets
- Privately owned: 14.25%
- Provided by employer: 12.84%
- Planning to buy: 0.29%

- Total: 37.39%

Smartphones
- Privately owned: 52.50%
- Provided by employer: 18.73%
- Planning to buy: 9.10%

- Total: 80.33%
Mobile devices (3): hours spent online per week

- Laptop, PC: 21.6 hours
- Laptop, PC and Tablet: 21.8 hours
- Laptop, PC and Smartphone: 24.4 hours
- Laptop, PC, Smartphone & Tablet: 26.7 hours
Present methods for reaching websites (Used regular or very often)

- Typing in browser
- Bookmarks
- Search Engine
- Portalsite
- Links in mail
- Links in Social Media
- Apps

Bar chart showing the percentage of users using different methods.

- PC/Laptop
- Tablet
- Smartphone
Present methods for reaching websites (Used very often)
Popular methods for reaching websites two years from now

- Bookmarks
- Apps
- Search Engine
- Links in Social Media
- Links in mail
- Portalsite
- Typing in browser
Domain names
The pivotal question:

Do you have a domain name of your own or do you plan to get one?

1. No, I don’t have a domain name and I’m not planning to get one.
2. No, I don’t have a domain name, but I am planning to get one.
3. Yes, I do have a domain name, but I’m not planning to keep it.
4. Yes, I do have a domain name, and I am planning to keep it.
5. Yes, I do have a domain name, and I’m planning to get others.
Setup

- Distributors
  - Industry experts

- Registrar
  - Interest & perception

- Consumer
  - Interest & perception
  - Buys domain names
  - Internet user

- Business
  - Interest & perception
  - Influence private registrants
  - Registrars’ customers

Influence private registrants
Registrar
Industry experts
Buys domain names
Consumer
Internet user
Business
Interest & perception
Consumer Interest & perception
Question

Are avid Facebook users more or less likely to register their own domain name?
Domain name ownership (n=2834)

- Social media
- No Social media
- Total

- No domain name, but considering
  - 5.50%
  - 4.20%

- Domain name, but closing
  - 1.70%
  - 70%

- Domain name and keeping
  - 20.80%
  - 18.10%

- Domain name and expanding
  - 1.90%
  - 0.80%
  - 4.00%
1. Outlook in private segment very positive.

2. Social media and Mobile positive for willingness-to-register.

3. Typing a domain name expected to become less popular.
Question

The domain name portfolio of companies with a well developed social media strategy grows relatively slow.
Expected effect of different factors on demand for domain names (n=591)

- **Search Engines**: 56% Increase, 37% No effect, 7% Decrease
- **Apps**: 63% Increase, 30% No effect, 7% Decrease
- **Social Media**: 40% Increase, 45% No effect, 15% Decrease
Correlation between importance of Social Media and domain name portfolio

- 3 years ago
- Present
- 3 years from now

Portfolio size

<table>
<thead>
<tr>
<th>Importance Level</th>
<th>3 years ago</th>
<th>Present</th>
<th>3 years from now</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unimportant</td>
<td>19</td>
<td>56</td>
<td>62</td>
</tr>
<tr>
<td>Important</td>
<td>19</td>
<td>24</td>
<td>30</td>
</tr>
</tbody>
</table>
1. Outlook positive, but less so than in private segment.

2. Companies who consider social media important register less than other companies.

3. Large companies more likely to delete part of their portfolio.
Registrar
*Interest & perception*

.nl
Last of the nasty questions

Domainers see no perspective for parking pages on mobile devices as too few users type in domain names on them.
Registrars' views on use

Expected influence of Social Media on domain name applications (registrars, n=60)

- Increase
- No influence
- Decrease

<table>
<thead>
<tr>
<th>Application</th>
<th>Increase</th>
<th>No Influence</th>
<th>Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Website</td>
<td>40%</td>
<td>29%</td>
<td>22%</td>
</tr>
<tr>
<td>Private websites</td>
<td>38%</td>
<td>46%</td>
<td>25%</td>
</tr>
<tr>
<td>E-Mail</td>
<td>14%</td>
<td>42%</td>
<td>45%</td>
</tr>
<tr>
<td>Campaign sites</td>
<td>16%</td>
<td>13%</td>
<td>61%</td>
</tr>
<tr>
<td>Possible future use</td>
<td>45%</td>
<td>58%</td>
<td>32%</td>
</tr>
<tr>
<td>Total market</td>
<td>11%</td>
<td>63%</td>
<td>27%</td>
</tr>
<tr>
<td>Brand protection</td>
<td>6%</td>
<td>65%</td>
<td>31%</td>
</tr>
<tr>
<td>Business website</td>
<td>5%</td>
<td>49%</td>
<td>30%</td>
</tr>
<tr>
<td>Own client brand</td>
<td>5%</td>
<td>75%</td>
<td>63%</td>
</tr>
<tr>
<td>Total Dutch market</td>
<td>11%</td>
<td>63%</td>
<td>27%</td>
</tr>
</tbody>
</table>
1. Registrars foresee overall increase in demand, but more in business than private segment.

2. Registrars believe defensive registrations still necessary in mobile age, but outlook for parking pages is bleak.
Wrapup..
Future developments
Wrapup

- Social Media, Mobile and Apps no immediate threat for domain name market in the Netherlands, but major changes in user behaviour expected.

- This is the most important structural development for the domain name industry in years to come.

- **Therefore: monitoring this on a regular basis is more than worth the effort!**
But how? One question suffices

Do you have a domain name of your own or do you plan to get one?

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COPY OF THE REPORT?

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